

# dāna asia

helping invest equitably in asia

dāna (Pali, Sanskrit dāna) is generosity or Giving. In other Asian cultures, it is also the practice of cultivating generosity



Annual Review 2014

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## CEO's Message

In early May I witnessed the group training sessions in preparation for the release of the first 10 loans for our graduates of the micro-finance program at our Livestock Training Centre near Siem Reap. They will start raising chickens on their own land after having graduated from Dana Asia's sponsored training program.



I was humbled by the determination of these 8 women and 2 men. The real world will still provide continuing challenges for them, but they will no longer scavenge for rubbish. Instead they will become entrepreneurs with their own businesses to run, with their focus on meeting their family financial needs. Our responsibility is to continue to advise them in good animal husbandry and to provide them with a good market price for their birds.

### Our Mission

Dana Asia's mission is to combine social business and microfinance with education and training to overcome poverty in some of Asia's most disadvantaged communities. We want to be change makers to help transform the philanthropic paradigm. We are committed to partnering with our donors and social investors to develop projects that produce long-term sustainable change for both the individual beneficiaries and their families, and their broader communities.

In order to facilitate this process in March 2014 we formed a formal alliance with Grameen Australia to widen our impact still further by including Australian donors in our service and providing them with tax deductibility on their donations.

### 2013/14 Achievements

2013/14 has been a year of significant development for Dana Asia as we moved forward with implementation of some key projects. We have actively partnered with our generous philanthropists to ensure funding of US\$2,270,000 to drive innovation for long-term and sustainable poverty eradication in Asia. In doing so we have spent just US\$164,000 on our own costs.

Our costs are intentionally kept to a minimum. We want to ensure maximum funds go to the communities where we work. We continuously strive towards greater efficiencies so we can eradicate poverty for ever one person and one community at a time.

## Social Business and Microfinance

The merging of social and community need for economic empowerment with business principles underpins the development of social businesses. These businesses aim to overcome poverty through the generation of new jobs for the poorest people with all profits invested back into the business for maximum social benefit.

Microfinance is an important element in our development model to ensure long-term income security for beneficiaries and their families. Small, non-collateral, low interest loans provide beneficiaries with the opportunity to apply the skills learnt through participation in our programs to secure their income through the development of their own micro and small businesses. To this end Dana Asia has overseen the founding of a new micro-finance Institution in the Philippines.

## Education

Education underpins our philosophy of change, as it is through access to education that people can gain the capacity to change their own lives.

Families suffering from disadvantage and extreme poverty are predominantly highly motivated to change their circumstances as amply demonstrated by the distances they travel and the risks they take to access income. However, being born into a difficult situation results in a lack of skills and self-confidence, which limits their ability to access all but the poorest and most high-risk sources of employment such as scavenging, construction, fishing and factory work often in very poor environments and at ridiculously low wages.

### Social Business and Microfinance Snapshot

**Automechanic Workshop & Training Centre, Dhaka** – US\$1.15m creating employment for 200 disadvantaged youth per year

**Chicken Training Center, Cambodia** – US\$250,500 to support up to 55 beneficiaries to cease scavenging at the local dumpsite

**Microfinance & Social Business Hub, Manila** – US\$180,000 to provide education, mentoring and microfinance to up to 1,200 women and their families over an initial 3 years

**Income Generation Program, Cambodia** – US\$65,000 for microfinance loans to 534 members including 490 females to develop small businesses to secure their long-term income

### Education Snapshot

US\$550,000 of funding for:

- School Construction, Furniture, Playground Equipment and Maintenance Program has provided quality education facilities for more than 1,200 students
- Educational Programs and Equipment to support more than 1,600 students
- 12 University Scholarships
- Vocational Training Program for more than 230 students

Education is the first step for all our beneficiaries, as they are required to complete high-quality training courses before they are able to access income through participation in our social business and microfinance programs. However, we recognise that initial training alone is not sufficient to ensure the long-term success of our beneficiaries' activities so ongoing mentoring is provided to guide their activities towards long-term financial security. This is a key point of differentiation between our activities and those of many NGOs' whose priorities continually change and programs are often left to flounder, as are their beneficiaries, through inadequate long-term management

Our education activities not only support our adult beneficiaries to secure their futures through the development of stable long-term income, we also support children and youth. We fund educational support programs, school construction, university scholarships and vocational skills training. These programs ensure families mired in poverty receive the education and support they need to fulfil their potential. We also ensure they have access to quality food and medicine.

### **Other Support Programs**

Good health is another essential element for beneficiaries to ensure they are able to escape poverty, as effective work is impossible for the malnourished. Poor health at a young age stunts growth and intellectual capacity and limits the ability to generate stable regular income. As a result, Dana Asia has granted US\$100,000 to support a number of health programs including both a Maternal Care Program and an Outreach Program providing health and counselling for dumpsite scavengers.

In other initiatives, we helped a young economics student with an urgently needed heart operation. And we provided an artificial eye to one of our apprentices who had lost one eye due to an accident.

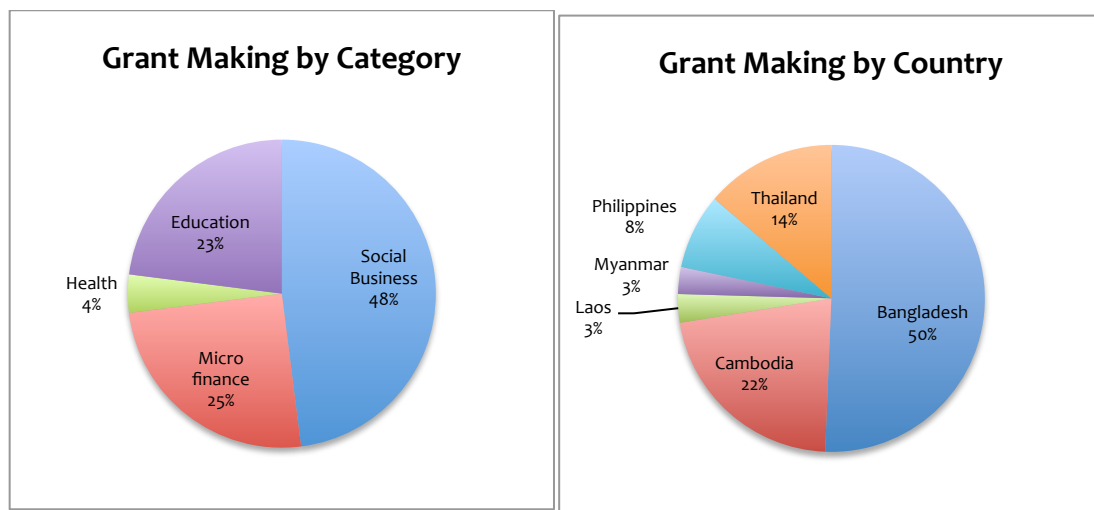
Our projects aim always to provide essential guidance towards independence for beneficiaries living in some of the most poverty-stricken and deprived communities in Bangladesh, Cambodia, Laos, Myanmar, the Philippines and Thailand.

Integral to the effectiveness of our activities is our small team that is dedicated to our mission. They have wide-ranging experience in developing philanthropic strategies that incorporate donor passions with genuine need. I thank the team for their passion and commitment to the work of Dana Asia over the past year.

## The Year Ahead

Dana Asia is particularly delighted about the collaboration with Grameen Australia, and its support in the delivery of ground-breaking social business and microfinance programs that are empowering beneficiaries to change their lives and the lives of their families permanently. Grameen is a Nobel Prize winning organisation and the global leader in the development of social businesses and microfinance projects with a specific focus on education, training and mentoring.

The coming year will be another exciting one as our key projects move into new phases that will expand our reach into the most needy communities, thereby ensuring we are empowering more poverty stricken and disadvantaged communities with the skills and opportunity to secure a brighter future without poverty.



Key Statistics		
	2012/13	2013/14
Dana Asia Costs	US\$172,300	US\$164,000
Funds Leveraged to Projects	US\$2,300,000	US\$2,270,000
Leverage Ratio	13.4:1	13.8:1
Funds to Projects	92.5%	92.8%
Beneficiaries Assisted	5,600	5,450

Duncan Power  
(Executive Director)

## Operational Focus and Governance

In the development and delivery of all our programs, impact and sustainability are our primary focus to ensure lives are changed permanently. We complete thorough assessments, due diligence and financial audits on all programs, including site visits, discussions with beneficiaries and meetings with local implementation partners, to ensure the effective application of grant funds.



Corporate governance and robust financial and administration systems underpin all our activities to ensure we align with the latest international best-practice initiatives. We work closely with regulatory and NGO authorities in our jurisdictions to ensure we align with all requirements.

At times Dana Asia has cash that is surplus to its operational requirements. At the current time this money is invested in savings accounts with an internationally recognised bank.

Michelle Sawyer (Director of Operations)

**‘The poor themselves can create a poverty-free world ... all we have to do is to free them from the chains they that we have put around them’**

Professor Muhammad Yunus, Nobel Peace Laureate and  
Founder of the Grameen Bank



# Where We Work

The most poverty-stricken and disadvantaged communities in the poorest regions and communities of Southeast Asia are the focus of Dana Asia's work.

We form meaningful partnerships with our donors, beneficiaries and delivery partners to ensure all our programs are well targeted and highly effective.

Our motivation is to implement ground-breaking projects that provide real, long-term and sustainable solutions to overcome poverty.



## Projects

### Social Businesses

#### Bangladesh

- Auto Mechanic Training College and Workshop, Dhaka

#### Cambodia

- Khmer Japan Chicken Training Centre, Siem Reap

#### Philippines

- Microfinance Business School, Manila

### Microfinance

#### Cambodia

- Income Generation Programs, Siem Reap

### Health

#### Cambodia

- Maternal Care Program, Phnom Penh

### Education

#### Cambodia

- Kaliyan Mith, Siem Reap
- Sre Kandal, Oddar Meanchey

#### Laos

- Bung Kaew, Champasak
- University Scholarship Program

#### Myanmar

- U Yin Lay Kyaung Monastic School, Sagaing

#### Thailand

- Children's Development Centre, Mae Sot
- Foundation for Education & Development, Phuket
- Minmahaw Education & University Scholarship Programs, Mae Sot
- Youth Connect, Mae Sot



# Key Programs

Dana Asia's Mission is to empower poor people to climb out of poverty through the development of innovative and scalable programs with a particular focus on Social Business projects and Microfinance initiatives that are underpinned by the Grameen Seven Principles of Social Business. Dana Asia's priority is to work where a real difference can be made to the lives of those in greatest need.

## Our Key Projects

### *Microfinance & Social Business Hub, Manila*

- Hub providing education and ongoing mentoring to up to 1,200 of the 'poorest of the poor' urban slum dwellers
- Potential borrowers must complete a business training course developed in conjunction with PwC Manila, prior to the release of loans to establish micro-businesses
- Leading entrepreneurs will receive support towards the development of 5-10 social businesses in Phase 1



### *Auto Mechanic College and Workshop, Dhaka*

- Development of a training college for up to 200 students per year from deprived and very poor rural/urban backgrounds
- Focus will be on best practice to ensure quality training and high Workshop margins
- Workshop Income to pay student fees to ensure longer term sustainability



### *Phnom dei K.J. Livestock Training Centre, Siem Reap*

- Establishment of a Chicken Farm near the local dumpsite to provide alternative income for up to 80 scavengers via comprehensive training and hands-on experience
- Flock size is currently 2,000 and will reach 10,000 in the medium term at which point the Centre will achieve break-even
- Khmer Free-Range Chickens reared to be sold as meat and eggs to satisfy high demand from middle/upper class Khmers
- Development of high quality chicken taste and texture has resulted in strong demand for the Centre's chickens and eggs, ensuring prices are well above average levels.



# Case Studies

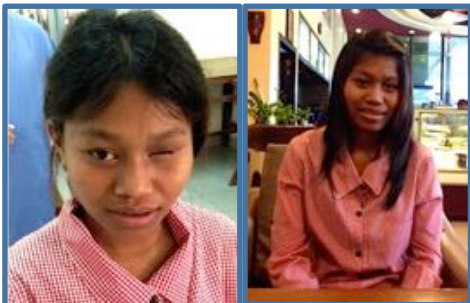
## SAL (17 years old)

A young girl who has been badly abused by her father and only one eye due to an accident when she was 8 years old. She finished Grade 5 and can only read and write a little. She is the oldest child with six brothers and sisters.

Thoy Sal and her 40-year-old mother are the primary income earners, as her 40-year-old father lost his leg to a mine in the war and is an alcoholic. Dumpsite scavenging only generates income of 200,000-300,000 riels per month (US\$50-75).

Sal joined the Centre in April 2014 when it was established, to escape the violence of her father by establishing her own income generating business rearing chickens. Sal has demonstrated continued commitment and determination to learn and apply her skills effectively to grow her flock and increase her income.

In January 2014 the Centre took her to the Phnom Penh Eye Hospital and organised a new artificial eye for her. With the financial assistance secured by Dana Asia she has now gone back to school part-time and also works part-time as an apprentice at the Centre.



## Rag Making Social Business

Arinai village is a poor community in the flood-prone lakeside community of Taytay in eastern Manila. The area is part of the clothing factory district where high volumes of excess textiles are disposed. Nearby communities purchase small amounts of these remnants to recycle into rags that are used as cleaning rags in factories, buildings and other industries.

25 women from the community have participated in the Microfinance Pilot Program in 2012 and used their loans to make rags from the fabric off-cuts. The women earn approximately US\$3.00 per day from rag making but require US\$5.00 per day to provide basic essentials for the families.

The Microfinance and Business Hub in Manila has identified the community as one with the potential to expand into a Social Business. The women will receive education and business skills training, and microfinance loans to establish a cooperative to purchase excess textiles in bulk at a lower price thereby increasing the margin on rag sales. Over the medium term the women aim to expand their production into children's apparel and other household items.



# Our Board

## Julie White

With more than 30 years experience in both the not-for-profit and corporate sectors – including nine years as the Head of the Macquarie Group Foundation – Julie has helped build numerous business community partnerships, based on a detailed understanding of the often competing requirements of the two sectors. Julie was the inaugural Chief Executive of Chief Executive Women, Chair of the Coca-Cola Foundation and previously global head of the Macquarie Bank Foundation.



## Peter Hunt

One of the original founders and Chair of Greenhill Australia, a leading Australian corporate advisory firm. Chair of the Fairfax Family Office, Chair of SoTheyCan (East African Charity), a trustee of the Anindilyakwa Indigenous Mining Trust and a director and founder of Women’s Community Shelters.



## Nasir Haji

Nasir is the Managing Partner of a major Shipping Company in South-East Asia. He was born in Kashmir India, but is now based in Singapore and is a Singaporean citizen. Nasir also has interests in restaurants and mining. Nasir leads a family charity trust that is running 3 Schools in a very remote area of Kashmir



## Chris Breach

Chris is a well-recognised property professional with over 35 years experience. Chris was employed by Macquarie Asset Services within Macquarie Bank for 17 years and was responsible for acquisition and management of the portfolios of properties in the different Macquarie Trusts. Chris was the founding Chair of Charities Aid Foundation (CAF), and held the role for over 10 years. CAF raised and managed over \$100 million for philanthropic projects in Australia and Asia.



## Our Partners

### Grameen Australia

Grameen Australia's vision is to help communities to apply best practice business principles to help the poor out of poverty in developing countries. The organisation's mission is to promote and deliver microfinance programs and social businesses through both direct involvement and advice to partners on creative program delivery. Grameen Australia services include:



1. Developing and Operating Microfinance Programs that are carefully geared towards benefiting the poorest and most deprived.
2. Social Business Advisory Service based on the advanced experience of staff and advisors built up over many years.

### Cambodian Children's Fund

Founded in 2004, Cambodian Children's Fund provides life-changing education, nourishment and healing to vulnerable children from some of Cambodia's most destitute communities. Originally CCF focused on the health and well being of 45 children, however today the Fund cares for nearly 2,000 children and their families. The Fund offers education, health care, nutrition and safe shelter to children and their families in need.



### Friends-International

With headquarters based in Cambodia, Friends-International (FI) has been assisting marginalised children, youth and their families across the world since 1994. To date, the organisation has initiated and supported programs in Cambodia, Laos, Thailand, Indonesia, Honduras, Mexico, Myanmar and Egypt.



Each year, the FI programs provide direct support to 50,000 marginalised children and young people (particularly street children/youth), offering a range of comprehensive services as part of a holistic approach to assisting children (and their families) to improve their lives. Through listening to and learning from young people, the organisation designs progressive and strategic programs aimed at providing maximum assistance to them.