

dāna asia

helping invest equitably in asia



Annual Review 2017

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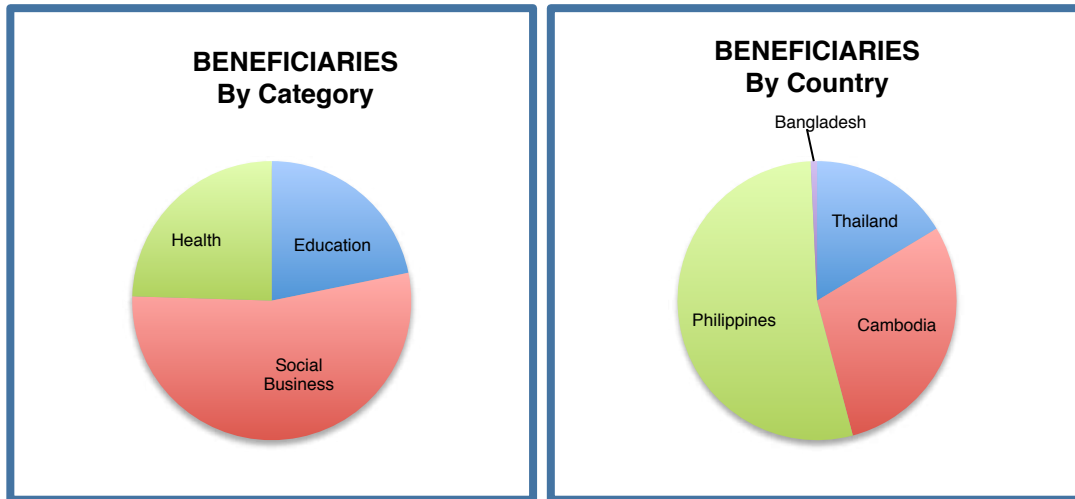
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Chair's Message

Dana Asia's charitable advisory service provides support to inspirational philanthropists who believe that all humanity deserves an equal chance to achieve. Through their generous support, we have been able to change the lives of almost 6,000 beneficiaries and their families.



Dana Asia supports the Social Business Model developed by Nobel Peace Laureate Professor Muhammad Yunus to address poverty and social disadvantage in the Asia Pacific region, as it provides a sustainable alternative to traditional handout charitable activities.

Our passionate philanthropists can IMAGINE ...

- the freedom of a social sector that has sustainable business income and isn't dependent on annual donations
- businesses being created to provide solutions to social challenges in a financially sustainable way

... and their grants are helping us make it happen through Social Business as a HAND UP that supports the commitment and dedication of our beneficiaries to change their own lives.

Our Key Projects use the tools of business – efficiency, economic viability and innovation – to drive scalable and sustainable social outcomes. And in doing so they empower participants to see beyond the barriers of poverty towards a secure future, not only for themselves but for their families and communities.

Our social businesses are outlined below:

1. **Philippines: Grameen Social Business Hub** in Manila builds economic and human collateral through innovative microfinance partnered with education and ongoing mentoring to support very poor people to start and develop their own businesses as a way out of poverty.

2. **Cambodia: Livestock Training Centre** in Siem Reap is driving innovation in the chicken rearing sector through the application of international standard practices to reach sustainability, and scale through cooperative village programs to ensure not only financial security for very poor people, but also food security in Cambodia.
3. **Bangladesh: Automechanic Training School and Workshop (Advisory Role)** in Dhaka has developed a commercially driven Workshop to fund at least 50% of a Training School that offers apprenticeships to very poor young people to provide them with a way out of poverty.

Below is a snapshot of our activities, which highlights our current impact and future objectives to scale for significant social impact.

	Education	Social Business	Health	Advisory
Locations	Thailand/Cambodia/Philippines	Cambodia/Philippines	Cambodia	Bangladesh
2016/17 Funding	<ul style="list-style-type: none"> • Thailand: USD 318,500 • Cambodia: USD 50,000 • Philippines: USD 50,000 	USD 320,000	USD 50,000	USD 1,000,000 grant to establish, no further funds required
Dana Asia Role	Advisory, Funding, Reporting & Due Diligence	Advisory, Funding, Reporting & Due Diligence	Advisory, Funding, Reporting & Due Diligence	Funding, Program Development & Operations Advice
Issues Addressed	<ul style="list-style-type: none"> • Thailand – lack of access to education for Burmese migrants • Cambodia – inability to access education due to poverty • Philippines – lack of capacity to fund higher education 	Lack of capacity to generate income due to no access to education and/or affordable financial capital	High maternal and infant death rates due to lack of access to health support	Lack of capacity to access fair employment
Current Impact	<ul style="list-style-type: none"> • Thailand – access to both Burmese & Thai curriculums towards integration into Thai schools, tertiary scholarships and/or fair work • Cambodia – completion of education due to construction of schools or access to scholarships • Philippines – education loans and scholarships to enable completion of education and access to tertiary education resulting in higher level employment 	<ul style="list-style-type: none"> • Cambodia: commercial scale chicken rearing training for 21 apprentice farmers who now earn at least double their previous income as scavengers • Philippines - Training, mentoring, microfinance & insurance for more than 2,500 borrowers with ? disbursed to date 	Zero maternal losses and 2% infant loss (10x lower than the national average). Pre and post natal training is improving overall health of families in the program.	27 automechanic trainees have secured good jobs with incomes of up to 6x above the poverty line. Third intake of 15 students progressing well.
Long Term Impact	Program graduates not only achieve their own success through good employment, but they also increase the skill levels within their communities and their countries	Sustainability to enable increased reach to other communities and replication to other large Asian cities	Improved long-term health increases educational outcomes and earnings potential	Replication to other major Asian cities where car use is increasing
Funding Support Required	<ul style="list-style-type: none"> • USD 10,000 for 1 scholarship • USD 100,000 for a new school 	<ul style="list-style-type: none"> • Cambodia: USD 5,000-200,000 to increase scale via creation of value-add businesses • USD 2m over 3 years to reach 15,000 borrowers 	USD 50,000 pa	USD 1m over 3 years to replicate the model

Elizabeth Masamune PSM (Chair)

CEO's Message

Our Achievements



USD 1.3 raised in 2016/17 to fund our programs

6,000 Beneficiaries
Supporting 30,000 family members



Key Social Business Programs on Target to Breakeven in 2018 (to Dec18)
All profits to be reinvested for increased impact

100% of beneficiaries accessing education/training
Schooling, vocational, health & wellbeing, business, marketing, IT, English



Impact

Social Business
Incomes doubling to secure the future of beneficiary families

Education
Access to fair, safe employment or small business development

Health
Deaths almost eradicated – training improving health outcomes

2016/17 has been a year of significant development for Dana Asia.

The **Social Businesses** USD 580,000 of grants have established, the Social Business Hub in Manila the Philippines and Phnom dei KJ Livestock Training Centre in Siem Reap Cambodia, have reached key stages. Internal and external reviews were undertaken at both programs to identify areas requiring strengthening in preparation for the next stage of expansion, with a number of improvements made to operations at both programs.

Education continues to be a key focus for our philanthropists with USD 440,000 of funding supporting school construction, operations, in-school training and scholarships for more than 1,200 beneficiaries.

As a result of USD 50,000 of **Health** funding, 1,400 women have received comprehensive medical and health support to ensure the health of both themselves and their babies. Ongoing training has ensured these women and their families are now aware of health and nutrition practices that are improving their ongoing health of their families.

Milestones 2016/17	Goals 2017/18
Social Business	
<p>Social Business Hub, Manila Philippines</p> <ul style="list-style-type: none"> • Loan growth inline with Budget • From inception end of period, 3,700+ members in 87 centres with a total of 4,855 loans released at a value of USD 923,642 • PAR of 1.65% under enhanced loan management system • 100% of borrowers have savings totalling USD 51,928 • 100% of borrowers receive initial and ongoing business training and mentoring. • 100% of borrowers have loan insurance, 87% have life insurance • Social Impact data collection process embedded in loan management procedures to streamline data gathering 	<ul style="list-style-type: none"> • Operational Breakeven on track for end 2018 • Raise funds of USD 1m to support expansion to more than 9,000 loans in the period 2017/18, impacting at least 27,000 people • Development of new loan products to better align with borrower needs, and expansion of assistance program to mitigate risk of ill health. • Development of at least 4 additional cooperative businesses with sales potential outside the local community to ensure inflow of funds
<p>Phnom dei KJ Livestock Training Centre, Siem Reap Cambodia</p> <ul style="list-style-type: none"> • More than 7,000 chickens at the Centre • Regular sales to Siem Reap restaurants • 25 apprentices, up from 14 last year. Early graduates have expanded their skills beyond farming to marketing, coaching and database management. • Major infrastructure, biosecurity and vaccine review and program implementation 	<ul style="list-style-type: none"> • Reach target of 13,000 chickens, to achieve breakeven by early 2018 • Further expand the capacity of the apprentices to provide key skills for the development of the Cooperative farms, including the provision of training and mentoring. • Establish the first Cooperative farms in the local community, to rear the Centre's chicks to sale. The program will include full training and essential vaccines & feed.

Education	
<p>Thailand</p> <ul style="list-style-type: none"> • Educational Funding – Burmese migrant school's operations funded to ensure graduating students are able to access fairly paid, safe, legal work in Thailand (approx. 250 students pa) • In-School Training – in-school and intensive training for Burmese migrant students to prepare them for Thai Tertiary Education (approx. 100 students pa) • Vocational Training – support for Burmese migrant youth with limited education to ensure access to employment (200 students pa) • Scholarships – full funding support for tertiary education to ensure Burmese migrant students gain the skills to access quality jobs in Thailand, or return home to support the expansion of the Myanmar economy (10 students) <p>Cambodia</p> <ul style="list-style-type: none"> • School Construction – at least 1 school constructed pa to ensure a conducive and safe learning environment for at least 250 students. • Scholarships - full funding support for tertiary education of promising but poor students to gain the skills to support the expansion of the economy (6 students) <p>Philippines</p> <ul style="list-style-type: none"> • Educational Loans – well-performing borrowers at the Social Business Hub are able to access loans to support the additional costs of primary education, and fund for ongoing education. 	<p>Additional educational funding to increase impact through the provision of access to additional Burmese students. Uncertainty regarding the situation in Myanmar is ensuring that many migrants remain in Thailand in the hope of gaining more secure employment, with many children ill equipped or unable to access the Thai education system.</p> <p>Educational access is vital for these children to ensure they do not repeat the challenging, transient and poverty stricken lives lived by their parents.</p> <p>Cambodia is rebuilding its infrastructure and systems following the horrors of the Khmer Rouge, but the challenge is the time it will take to rebuild key institutions such as the education system. Funding for education will ensure the next generation has the skills to build the educational capacity of the country.</p> <p>Whilst basic education is free in the Philippines, on-costs are beyond many poor families and tertiary education is unattainable. It is through comprehensive, quality education that these families will escape intergenerational poverty.</p>
Health	
<p>Cambodia</p> <ul style="list-style-type: none"> • Mother and baby mortality was a reality at the Steung Meanchey until the Maternal Care Program began providing medical and health care for mothers and babies reducing mortality rates to Zero for Mothers and 2A% for babies. 	<p>Funding support would facilitate the expansion of the Program to ensure additional mothers and babies had the opportunity of a good pregnancy for a safe and healthy family.</p>
Advisory	
<p>Automechanic Training School & Workshop, Dhaka Bangladesh</p> <ul style="list-style-type: none"> • First 10 graduates secured quality jobs • Second 17 students are halfway through second year, and all have already secured jobs when they graduate • 15 students chosen for the third intake from 200 applications for and are halfway through year 1 of their 2-year program 	<ul style="list-style-type: none"> • Commercial Workshop established via an Agreement with Rangs to manage one of its accredited Mitsubishi Workshops. Income from the workshop is forecast to provide at least 50% of the school's basic operational income during 2017/18 financial year.

We continue to receive the generous support of philanthropists, social investors and corporations, which secures our operational base and enables us to leverage our grant funds to increase our effectiveness.

Duncan Power (CEO)

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 School and Workshop, Dhaka

Cambodia

- Phnom Dei KJ Livestock Training Centre, Siem Reap

Philippines

- Social Business Hub, Manila

Health

Cambodia

- Maternal Care Program, Phnom Penh

Education

Cambodia

- Kok Mon Cheung School Construction, Siem Reap
- Higher Education Scholarships, Phnom Penh

Philippines

- Social Business Hub Education Program, Manila

Thailand

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

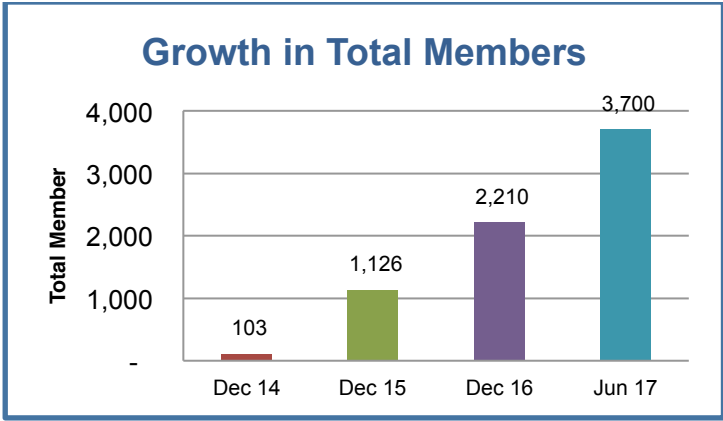
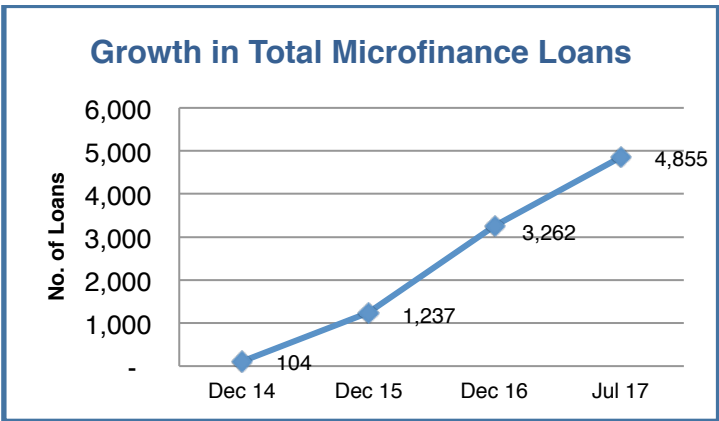
Key Programs

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 initiatives that are underpinned by Nobel Laureate Professor Yunus’ 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.

SOCIAL BUSINESS HUB Manila Philippines

KEY SUCCESSES TO DATE

200+ batches of SYOB training
3,900+ graduates
3 cooperative business projects established
87 centres



KEY TARGETS

Loan size growth

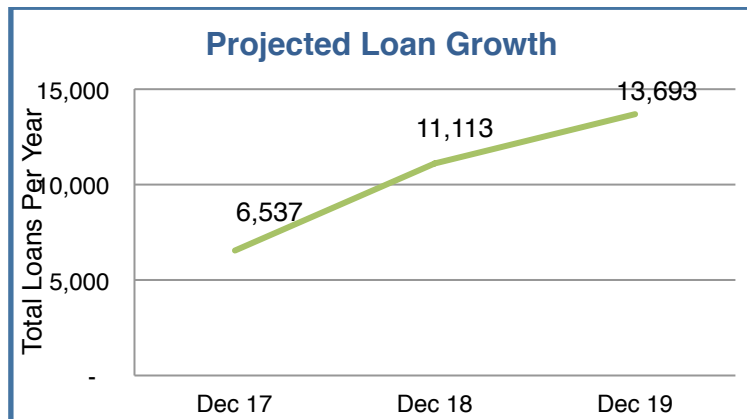
- Currently AUD 195
- AUD 225 in Dec17
- AUD 250 in Dec18
- AUD 335 in Dec19

Target Operational Profit

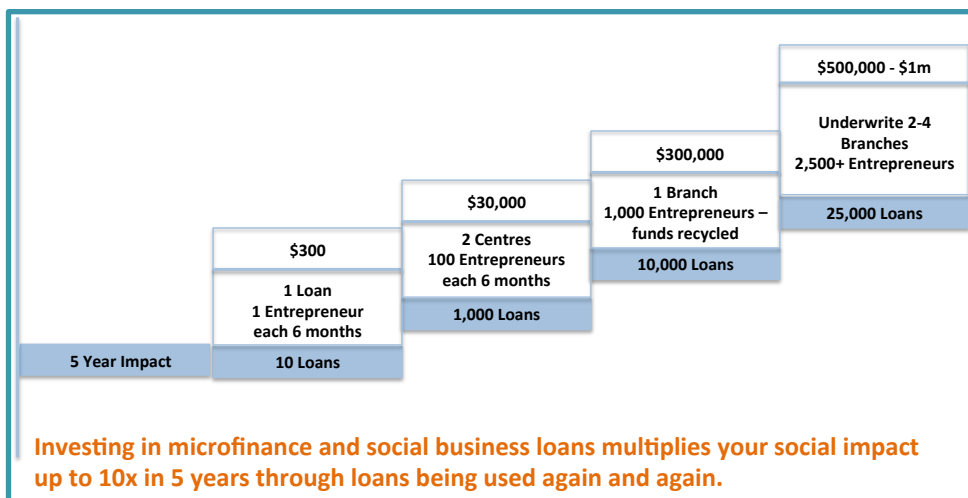
- 2018: AUD 70,000
- 2019: AUD 143,000

Leverage Donor Funds for Increased Impact

- 10x leverage over 5 years as loan funds are repaid and reused again and again



The Multiplier Effect of Donating to the Social Business Hub



ACHIEVEMENTS 2016/17

- **From inception till March 2017 4,855 loans** have been released to a member base of **3,700 borrowers** (AUD 923,642). Repayment rates under the improved loan management process are 98%.
- **87 Centres** established and more than 3,900 **graduates** of the compulsory business training. Additional markets are being developed across Metro Manila to meet demand for the Hub's loans.
- Hiring of an **Internal Auditor** who reports to Head Office and the Hub's Board – mandated to review all areas of operation to ensure compliance the 'bank-like' loan management procedures.
- New loans are being developed to better align with the needs of borrowers:
 - **Education Loan** to enable borrowers to fund on-costs for their children's education and access to higher education. Loans have been provided to 248 borrowers totalling AUD 40,671, with a repayment rate of 100%.
 - **Agricultural Loan** under development with launch planned for late 2017
- A range of products implemented to secure the financial future of borrowers against unexpected issues such as illness or natural disaster:
 - Compulsory and Voluntary **Savings** totalling AUD 51,928
 - **Insurance** products including compulsory loan microinsurance and voluntary life insurance
 - **Sickness and Death** Financial Assistance Program
- All loans encoded to the **Mambu loan management** database, with borrower loan statements and all reporting generated from the system.
- **Satellite offices** have been established to increase Account Officer productivity. Decreased travel in Metro Manila is enabling the Account Offices to visit Centres more regularly to better facilitate both repayments and mentoring support.
- **3 businesses established**, and 4 under development:
 - *Soap* – successfully being used in a Hotel in Australia as fair trade soap for guests.
 - *Rag Making* – product sold to Social Business Hub corporate partner for a fair market price.
 - *Organic Farm* – corporate partnership program. An organic vegetable cooperative contracted to supply to the Corporation's Cafeteria.



One Borrower's Story



Lovea was struggling to put the first of her 4 children through higher education to escape the cycle of poverty

Lovea's first loan was used to build her small sewing business & fund her oldest child's college course



After 4 loans Lovea's first child has completed her course and she is funding her second child



Lovea looks forward to accessing future loans to continue to grow her business and ensure all 4 of her children access higher education

Livestock Training Centre Siem Reap, Cambodia

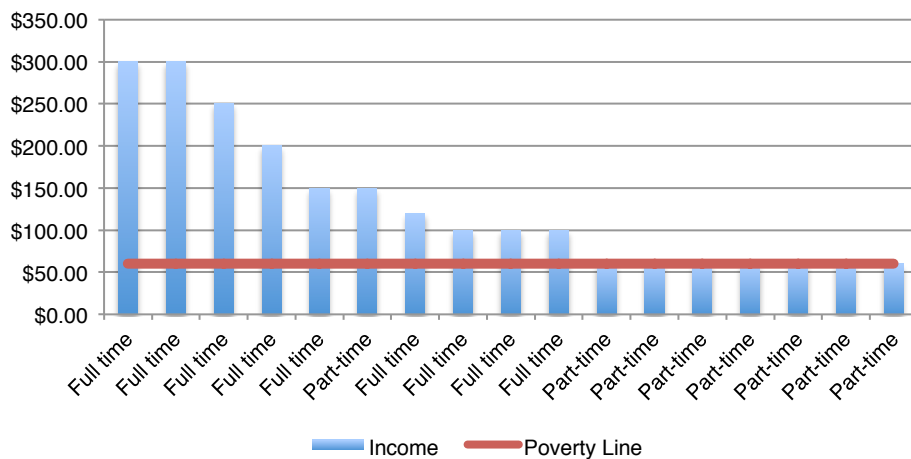
Key Successes 2016/17

Farmers earning 2–3 times above the Cambodian poverty line of USD 60/month

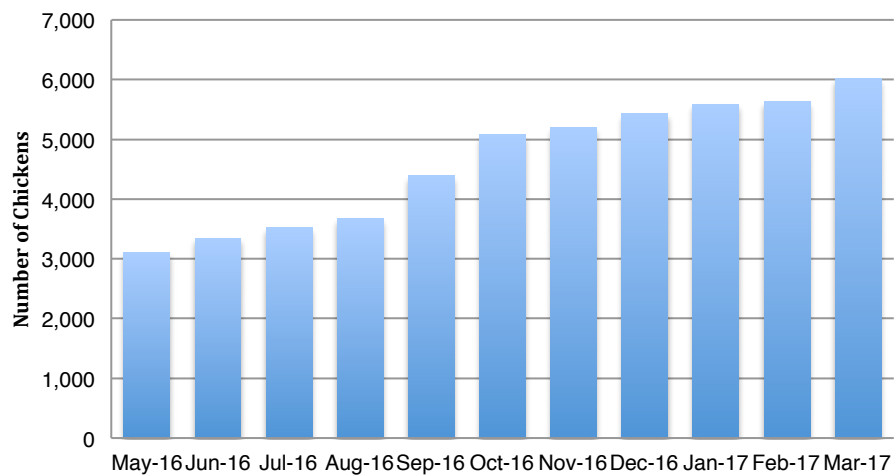
Flock growth of 50% to 6,000

Further advancements in chicken management to align with developed world standards

Farmer Salaries



Flock Growth

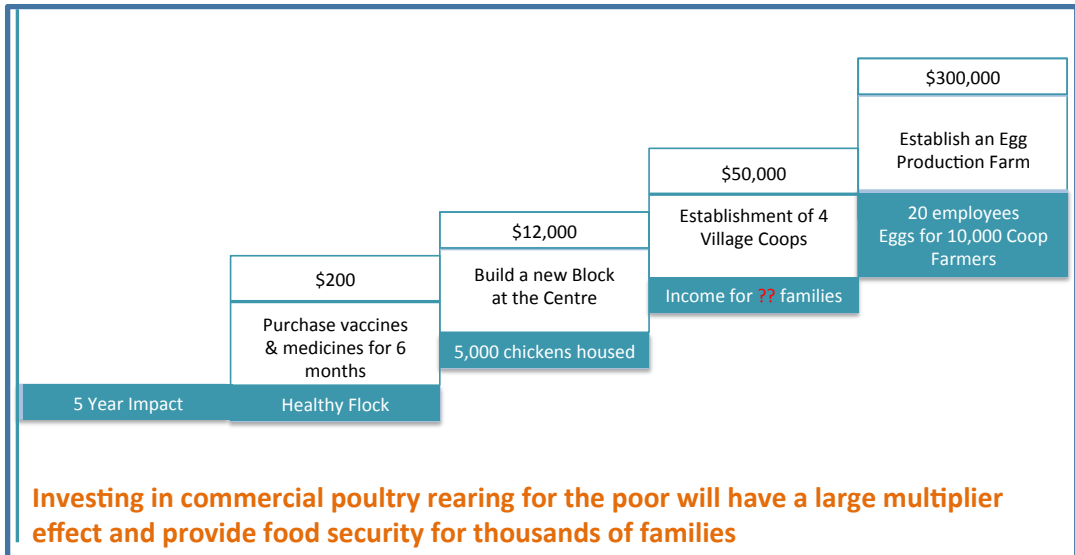


Key Targets

Flock to reach 13,000 to achieve Breakeven
 Sale of 4,000kg per month
 Scale through establishment of the first
 cooperative chicken rearing farms in the local
 community

Impact Metric	Indicators	Actual (June 2017)	Target Breakeven (Dec 2017)
Farm Scale	No. of Chickens on farm	7,000	13,168
	Chickens Available for Sale/month	1,000	4,266
	No. of Layers	700	1,500
	Hatching Rates	70%	75%
	Survival Rate	80%	95%
Sales	No. Chickens Sold/month (kg)	1,000	3,500

The Multiplier Effect of Donating to the Livestock Training Centre



Achievements 2016/17

Social Impact Update

Graduate apprentices at the Centre work in fulltime and part-time roles, with salaries reflecting the level of responsibility. All staff apprentices earn well above the poverty level of USD 39/month – senior fulltime team members earn USD 250-300/month, fulltime roles range from USD 100-200/month and part-time salaries vary depending on hours worked with a minimum of USD 60/month. In contrast, whole families (average of 5 members) working 5am to 8pm earn approximately USD 55/month scavenging on the local dumpsite.

The Centre runs English lessons for senior Centre Apprentices and for children from the local community with an average of 70 students participating each month.

A Social Impact Analysis Plan has been developed to analysis the impact of the Centre's activities in detail, with a beneficiary survey currently under development.

Operational Update

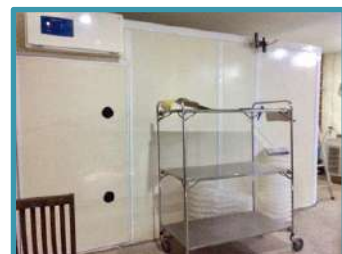
Initiatives have been undertaken to ensure the chicken management program is of international standard in preparation for major expansion:

Infrastructure

- *Incubator* - Installation of a new 6,000 egg incubator to increase production and improve health of the chicks, with positive early results.
- *Construction* – purpose built facilities for improved egg and chick management.
- *Additional Chicken Blocks* – new sheds to house the increasing flock in a clean, safe environment.

Chicken Health

- *Vaccine & Medicine Program* – review in partnership with leading international companies Bayer and De Heuss, The review confirmed that vaccines from Cambodia were of poor quality resulting in Cambodian flocks building resistance. An enhanced vaccine program is being implemented using quality Bayer vaccines from Vietnam.
- *Biosecurity* – sourcing of international standard cleaning equipment and products from Vietnam is strengthening flock health.
- *New Breeder Stock* – to ensure the health and fertility of the flock, quality new breeder stock is being sourced with assistance from De Heuss.



One Scavenger's Story



Nak was forced to leave school early and work as a dumpsite scavenger to help support his family

Nak was one of the first scavengers to join the Centre



Over the last 3 years, Nak has moved into a senior role overseeing chicken management and the farm's chicken database. AND he has completed high school education



As a senior team member, Nak now earns USD 300/month, nearly 700% above the poverty rate and 450% above a whole family income scavenging

Automechanic Training College and Workshop

Dhaka, Bangladesh
(Advisory Role)

KEY SUCCESSES TO DATE

Quality employment secured for all 10 initial graduates with salaries of at least USD 250/month (well above poverty line of 38/month)

Employment confirmed for all 17 second intake graduates with minimum salaries of USD 220/month with 6 months remaining until graduation

Third intake of 15 progressing well, having completed 6 months of their course



KEY TARGETS

Commercial Workshop established via an Agreement with Rangs to manage one of its accredited Mitsubishi Workshops. Income from the workshop is forecast to provide 60-75% of the school's basic operational income during 2017/18 financial year.



Our Board

Elizabeth Masamune PSM

Elizabeth has had a long career serving as a diplomat and Senior Trade Commissioner with the Australian Trade Commission in Asia, specifically Japan, Indonesia, Vietnam and South Korea. She was awarded the Public Service Medal in 2006 by the Australian Government for outstanding service in advancing the interests of Australian firms in Asia.



Since leaving the Australian Government in 2014, Elizabeth has re-located back to Japan and established @Asia Associates Japan, Inc. where she focuses on providing advice to firms on leadership and mentoring for women in business, encouraging female entrepreneurs, and bridging cross-cultural communication gaps in business.

Elizabeth is a member of the Chiba University Management Advisory Board in Japan, and leads the Japan-based Future Leaders Program on behalf of the Japan Australia Business Cooperation Committee. She is a Graduate of the Australian Institute of Company Directors and the Japan Institute for Board Director Training. Elizabeth serves as a Non-Executive Director at Advangen Inc, the Japanese subsidiary of ASX listed company Cellmid.

A fluent Japanese speaker, she is also proficient in several other Asian languages.

Lindley Edwards

Group Managing Director of AFG Venture Group (www.afgventuregroup.com) and its various subsidiaries. The Group provides corporate advisory services including mergers, acquisitions, divestments, capital raisings, strategic consulting, licensing and joint ventures. AFG Venture Group operates throughout the ASEAN Region, with full offices in India, Singapore, Indonesia and Thailand.



Previously Lindley was a State Manager (Vice-President) with Citibank. Prior to this position she spent nine years with Macquarie Bank and was an Associate Director with the Corporate Banking Division.

She is a Fellow of the Financial Services Institute of Australasia (FINSIA). Lindley holds two undergraduate degrees, one in Accounting and the other in Banking and Finance. She also holds postgraduate qualifications in Corporate Governance and in various Financial Services regulatory courses and is currently studying for a PhD in Philosophy.

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.

Michelle Sawyer

Michelle has twenty-five years experience in both Australia and Singapore as a Research Analyst and Project Manager predominately for Macquarie Group, one of Australia's leading banking, financial, advisory, investment and funds management services providers with offices across the world. In the research role, Michelle analysed Australian listed resources stocks whilst in the Project Management position Michelle coordinated the development and implementation of a number of global IT systems.



Michelle has also worked for an Aboriginal Native Title Consultancy, a Communications and Marketing Group and an Executive Search firm.

Michelle has always had a keen interest in the Asian region having completed a Bachelor of Arts degree majoring in Asian History and Anthropology at the University of Sydney.

Prometheus Siddiqui

Prometheus is a development professional who was academically trained in economics with a significant range of experiences including economic research studies, financial analysis, business plan formulation, project management, external relations and communications. As a member of the executive and management team Prometheus promotes the organization into the corporate and donor market and to the expanding Grameen network, formulates strategies and action plan for the Grameen Australia group and manages and provides support to social business, microfinance and other special projects in Australia and other regions (such as Bangladesh, the Philippines and Cambodia).



Prometheus commenced his career at a multinational investment bank (NDB Capital Limited, with HQ in Colombo Sri Lanka) as a management associate and went on to serve as a volunteer consultant in the Inclusive Finance team of UN Capital Development Fund (UNCDF) at the regional headquarters of United Nations in Bangkok, Thailand. He has been working with the Grameen family of companies chaired by Nobel Laureate Professor Muhammad Yunus since 2012. As the Coordinator of the Social Business Unit and a management team member of Grameen Telecom Trust, he managed a wide range of income generation and livelihood social business projects.

Prometheus completed his Bachelor of Science in Economics (minor in finance and accounting) from North South University, Dhaka, Bangladesh, with academic distinctions (summa cum laude) while working as a teaching assistant. He is the first Bangladeshi recipient of an international scholarship, the Chevron International REACH Scholarship. He has completed the Master of Business degree at Victoria University with High Distinction average and tutored in the University's Masters program and at the Asia Pacific International College. Prometheus is a published writer for newspapers and magazines, and has served in international and national voluntary organisations and philanthropic causes.

Our Key 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.



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