

Igniting Change

SINCE 1983

2018 ANNUAL REPORT

celebrating

35 YEARS

iDECanada

Igniting Change

Solving poverty with profit

iDE Canada creates income and livelihood opportunities in developing countries around the world. We invest in local entrepreneurship, building businesses with a focus on agriculture and sanitation. With access to the right products, services and advice, farmers can transform their small farms into small businesses. With access to research and development, sanitation business owners can produce the life-saving products their customers want and can afford.

Thirty-five years ago, we recognized that those experiencing poverty were some of the savviest customers in the world, willing to invest in products and services that provide real benefits to their health and income.

62,176



In 2018, Canadian funders, donors and sponsors invested in business solutions that helped 62,176 people in eleven countries.

In partnership with iDE programs around the world, we have helped 30 million people so far.

iDE works in eleven countries.



Office Locations

Global headquarters, Denver, Colorado, USA

Canadian headquarters, Winnipeg, Manitoba, CAN

European headquarters, London, UK

2018

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mission

iDE creates income and livelihood opportunities for poor, rural households.

values

| Poor women and men have the right to a secure livelihood.

| Markets are the most powerful force for significant, widespread and lasting impact on rural prosperity.

| The rural poor are customers, producers and entrepreneurs.

| We listen to and learn from the people we work with.

| We value innovation and entrepreneurship.

| We are results-oriented, aiming for significant impacts for large numbers of people.

| We strive for economic, social and environmental equity and sustainability.



Stu Taylor, CEO



What is your “How I Got Started” Story?

Every success story starts with someone willing to take a risk - to try something different. And behind every story of success, there is someone – someone who made a phone call, a connection, a small loan, or just offered a word of encouragement – that made the dream possible. These are the door openers, the toehold carvers or the firestarters, who help fan the spark of an idea into a full blaze.

35 years ago, this was iDE’s story. In 1983 three people took a chance on a vision: unleashing the power of entrepreneurs in one of the toughest places to build a business in the world – a refugee camp. Art DeFehr, Paul Polak and Gerry Dyck landed in Somalia with the crazy idea that they could work with entrepreneurs in the camps – that in the midst of this chaotic and desperate situation, there were people who could build and run businesses to help themselves and their neighbours. People who just needed someone else to walk alongside them and offer them the opportunity to go for it. At the time, this was considered radical and a departure from traditional aid.

That one radical idea, that single spark, has since changed 30 million lives. 30 million people have increased their incomes through the vision and efforts of thousands of entrepreneurs in developing countries, joined by thousands more people here who helped fan that spark of opportunity by sharing their financial resources, expertise and experience. People who – all of them – think differently about poverty and how we can work together to create new opportunities for families.

We are so grateful to all those who have been part of igniting real and lasting change over the past 35 years. As you read through the stories in this report, take a moment to reflect on the difference you have made.

Thank you for helping others to write their “How I Got Started” story. For those early entrepreneurs, it is a story they are now telling to their children and grandchildren.

Len Penner, board chair



As you read about iDE's 35-year history in this report, I invite you to think about change. Over the course of my career in agriculture, I have seen a lot of change in technology, markets and strategies. As fast and significant as the changes have been in Canadian agriculture, the transformation we've seen in developing markets and communities has been even more profound. Information technology, globalized markets and climate change are all changing the way even small farmers in rural Bangladesh or Ethiopian villages feed themselves and their families.

Throughout these years of change, the tremendous support we've received from people like you has ignited a different kind of change: the transformation that takes place in the lives of a small farm family – mothers, fathers, children – when they find the spark of opportunity that comes with improved technology, better access to finance and buyers for their products. Or the dramatic change in quality of life – particularly for women – that comes with an improved toilet and clean water. As a supporter and friend of iDE, you know the importance of supporting entrepreneurs to find creative business solutions to

improve the lives of people in some of the world's poorest communities.

As we look ahead, we anticipate an even faster pace of change, bringing with it new challenges and opportunities for people to escape poverty. As we go into the next decade, the fundamentals of our approach – listening to and learning from our clients, working with local entrepreneurs to build business for the long term, and continually measuring and learning from results – are relevant now more than ever.

Thank you for believing in the power of entrepreneurs, and for your ongoing partnership as we together navigate and ignite change.

iDE's ROI Commitment

10:1

Return on investment measures the impact donors make with each dollar invested in iDE. Across all programs, we commit to a minimum average return of \$10 in annual income generated or saved by a person in poverty for every dollar received by iDE.

In 2018, we exceeded our commitment.

iDE's ROI Results

20:1

Across all agriculture and water, sanitation and hygiene programs.



donor recognition | \$2,500 +

foundations

Bill and Margaret Fast Family Foundation Inc.
Buller Foundation
DeFehr Foundation Inc
Mazur Family Foundation
Ken & Helen Penner Foundation Inc.
The Lawless Family Foundation
The Pindoff Family Charitable Foundation
The Sawatzky Specialties Foundation
RBC Foundation

funders



Global Affairs
Canada

Affaires mondiales
Canada



individual donors

Vince Boschman
Andrew and Kristin Bracewell
Frank and Agnes DeFehr
James and Rebecca Ehnes
Phillip R. Ens
Irene and Ron Enns
Terrence and Bronwen Enns
Mark Epp
Bob Friesen and Marnie Strath
Kenneth and Judith Friesen
Ken Friesen and Judy Boldt
David Froese
Richard and Suzanne Froese
Jacob Goertzen
Albert and Elvera Heinrichs
Keith and Karen Kuhl
John Kuhl
Judy and Philip Klassen
Mark and Karen Kroeker
Mark and Bonnie Loewen
Ian and Terri Mankey
Paul and Shirley Martens
Rick Mazur

Charlotte Siemens and Jon Nofziger
Ted and Mary Paetkau
Len and Carol Penner
Eric and Joyce Peters
David and Cathy Poggemiller
James and Sherry Redekop
Ken and Cyndy Regier
Garry and Tamara Roehr
Vern and Charleen Siemens
Stuart Taylor and Kira Rowat
Fred and Sharon Thiessen
Jamie and Lisa Townsend
Edward and Irene Warkentin

iDE Canada's registered charity number is 11889 3130 RR0001.

businesses and corporations

A & P Plumbing & Heating Ltd.
Airmaker Mechanical
All-Fab Building Components
Aon Reed Stenhouse Ltd.
Brett Young Seeds
CIBC Wood Gundy
Concord Projects
Crosstown Civic Credit Union
Cushman & Wakefield Winnipeg
DeFehr Furniture Ltd.
Frostiak & Leslie Chartered Accountants Inc.
Galsworthy Holdings Ltd.
G3 Canada Limited

Hughes Developments Corporation
Jilmark Construction Ltd.
Kalora Interiors International Inc.
Nejmark Architect
Mat Master
Oakwood Roofing & Sheet Metal Co. Ltd.
Pitura Seeds
Prairie West Products
Sequence Interior Design
Southern Potato Co.
Southern Manitoba Potato CO. Ltd.
Tétro Design Incorporated
Triple E Recreational Vehicles
WG Kastes Inc.

YOUR GIFT IS A LIVING LEGACY.

As a donor, your generosity is reflected in our shared belief that entrepreneurs are everywhere. Your impact on the lives of individuals, families and communities over the last 35 years is an enduring legacy.

All that we have achieved, and all that we hope to achieve, is built on the strength, support and generosity of donors like you.

On behalf of a truly grateful iDE Canada team, please accept our deepest expression of gratitude. It's been a truly extraordinary 35 years.

SELECTED PROJECTS



iDE builds markets in two main areas. Through iDE's agriculture initiatives, a small-scale farmer can invest in irrigation equipment, seed, fertilizer and earn additional income during the dry season.

In the water, sanitation and hygiene sector, we help local entrepreneurs build a market for items such as toilets, hand-washing devices and water filters. Families can then invest in these products, reducing their time away from work due to illness and saving money on health care costs. Their purchases also support the local economy.

Agriculture

Through our agriculture strategy any small farm can transform into a small business.

We start by listening to farmers and learning about the challenges they face. Then we develop solutions to overcome these barriers. Technology is one part of our strategy. We evaluate and modify current technologies and investigate new ones to meet environmental and climate challenges.

We work closely with local entrepreneurs to manufacture, supply and service the equipment farmers need. If no local businesses are present, we help establish new ones. iDE also trains farm business advisors who work with small-scale farmers. Advisors are often farmers themselves and live in the communities in which they work. They provide farmers with access to the inputs and services they need:

- **high-quality seed**
- **pest control**
- **fertilizer**
- **money-saving technology** (solar pumps, irrigation)
- **access to credit**
- **access to markets**

Farmers learn about efficient agricultural practices and business skills such as crop diversity, planting techniques, water storage and market strategies. We also teach farmers to form collectives, which increase their purchasing and selling power.

Sanitation

To improve quality of life through effective sanitation, we develop markets to deliver the products—toilets, hand-washing devices and water filters—people want and can afford.

Each solution begins with learning more about the current market and what customers actually want to spend their hard-earned money on. To achieve this, our measurement and evaluation teams set out to understand the local context: social, cultural, political and environmental. They meet with many locals to collect and analyze data. We then use this information to guide our approach, product designs and business models.

iDE works closely with local entrepreneurs to build and deliver quality sanitation solutions. We train local sales agents to make door-to-door sales presentations that focus on the problem we are trying to solve. Like many people purchasing a larger ticket item, our customers often require financing. This allows them to pay off their toilet or water filter in instalments. When necessary, we connect customers with microfinance loans or assist with in-house loans until we can find the right banking partner.

Overall, an investment in sanitation reduces time away from work, and money spent on health care. It increases safety for women and girls and increases a family's dignity. We've proven that when people spend their own money, they're more likely to embrace the change necessary to improve their lives. By purchasing locally-made products, customers are supporting businesses in their communities.

Ghana | Rural sanitation and hygiene project

Improving health, safety and dignity

The challenge

Over 85% of the population in Ghana does not have access to a private toilet, which leads to serious illness, safety risks and indignity. Each year, more than 19,000 Ghanaians—including 5,000 children—die from complications related to diarrhea. Women and girls face potential safety risks when relieving themselves at

night and all community members experience indignity when there are no private toilets available. In the three northern regions of Ghana, diarrhea is endemic. Lost wages from unpaid sick days take an economic toll on those least able to afford it.

Our approach

Launched in 2016, Sama Sama is the first sanitation business that builds, sells and delivers affordable toilets in northern Ghana. Most Ghanaians desire a toilet and are willing to save to buy one. Sama Sama makes the purchase process easy and does all the hard work behind the scenes.

We train sales agents who go door to door. We train local manufacturers to build and install toilets to our high-quality standards. We assess customer credit risk, coordinate installations and collect customer payments. By selling toilets rather than giving them away, we build up the local economy.

snapshot

start date | September 2015

end date | June 2020

scale (total number of individuals benefitting from improved farming practices)

goal **300,000**

scale to date **22,935**

scale in 2018 **17,122**

The Government of Canada provides funding for this project. Additional funding is provided by the Manitoba Council for International Cooperation and individual donors.



Adamu Azumpagaama, Sama Sama's first woman Toilet Business Owner.

Key achievements for Sama Sama in 2018:

- Expanded into 11 new districts, for a total of 21 operational districts
- Increased our sales team to 105 sales agents
- Trained local toilet manufacturers in business and financial skills
- Undertook a "deep dive" tactical investigation to gain deeper insight into the drivers and barriers for women who want to purchase a toilet, and to identify desirable sanitation-related career opportunities for women

"There's a big difference."

The heartfelt statement from Daud Fadila, one of Sama Sama's newest Ghanaian customers, captures the enormous change that has taken place in his family's life. He and his wife Rashid Memunatu just had their toilet installed and are now enjoying the freedom and privacy that comes with having what many of us take for granted as a basic necessity. Sama Sama recently expanded into the urban centre of Wa, Ghana, where Daud, an auto mechanic and Rashid, a hairdresser, live together with their two children and Rashid's sister. Before having a toilet of their own, each member of the family needed to think about where and when they would "go". They did their business "in the bush" – which really means anywhere outdoors where they could find some momentary privacy. With their dream of having a toilet fulfilled, they are now dreaming bigger, hoping one day to add electricity and piped water to the enclosed, free-standing structure. Their new toilet has also sparked curiosity among their neighbours, who will drop by just to admire it and ask to look inside. "It's beautiful", they declare.



Daud Fadila with family.

Ethiopia

Resilient Economy and Livelihoods

The challenge

Farmers in the Wolayta zone experience repeated cycles of crop failure and hunger. Most years, 50% of the rural population faces temporary food shortages; this increases to 90% during years of extreme drought.

In addition, less than 30% of rural households in Ethiopia have adequate sanitation, leading to high rates of diarrheal disease and malnutrition, particularly in young children.

Our approach

iDE is ensuring smallholder farmers have access to the fundamentals all farmers need to be profitable: agricultural advice, affordable irrigation, high-quality seed, fertilizer and access to credit. We are empowering them with the options and knowledge they need to have more

productive farms, leading to higher incomes and greater stability for their families. In parallel, iDE is building a market for affordable toilets in the region to improve the health and well-being of families.



snapshot

start date | September 2016

end date | January 2020

agriculture scale (total number of individuals benefitting from increased household income)

goal **113,250**

scale to date **29,555**

sanitation scale (total number of individuals benefitting from a new toilet)

goal **25,000**

scale to date **13,010**

The European Union provides funding for this project. Additional funding is provided by individual donors.



Learn by Seeing

Do you know that IDE produces videos of local farmers demonstrating good agricultural practices, and shows them to smallholder farmers?

Topics range from wheat weeding and harvesting to vegetable seedbed preparation, planting and transplanting.



Success Story

The proud father of 5 boys and 2 girls, Benkele Onchre farms in the Wolayta region of southern Ethiopia. Before his introduction to iDE, Benkele was unable to grow any vegetables on his small plot of land during the dry season because he did not have access to groundwater.

With iDE's support, Benkele was able to purchase a rope and washer pump. The new pump, and iDE training, allows Benkele to make full use of his land year-round by growing maize, teff, haricot beans and tree seedlings during the rainy season, and cabbages, beetroot, carrots and onions when water is scarce.

Benkele now uses some of these vegetables for household consumption, and sells his surplus produce in the local market. He is particularly proud of the high quality of cabbages he's able to grow, and other farmers are visiting his farm to see his success for themselves.

No longer solely dependent on rainfall, Benkele is looking to the future. He wants to add more livestock to his current (co-owned) assets, consisting of an ox, a cow and calf, and a goat and kid. And with the rest of his newly-increased income from vegetable sales, Benkele plans to invest in his children's education.

Nicaragua

The challenge

Nicaragua is one of the poorest countries in Latin America. Despite the region's political and economic uncertainties, agriculture has tremendous potential to increase incomes, but most small farmers are not realizing the potential of their land due to poor agronomic practices and lack of money to invest.

Recently, severe drought has created new challenges in some areas of Nicaragua. Decreased and unpredictable rainfall is becoming the norm. And in 2018, widespread political unrest severely damaged the already fragile economy.

Our approach

iDE has created a company called iDEal Tecnologías, which provides custom, small-scale irrigation systems, along with the necessary technical advice. iDEal has become a trusted brand for small and medium-sized farmers, offering systems and services previously unavailable to these farmers through other channels.

iDEal is also partnering with FUNDESER – a local financial institution – to provide irrigation financing. And iDEal has quickly become the trusted provider of an e-voucher system, established by partner organization MEDA, that offers farmers discounts on new irrigation systems.

Outcomes

Your support has provided iDEal with access to much-needed working capital and business development support, allowing the company to develop the right strategies and partnerships for serving marginalized farmers.

Your support was particularly critical in 2018, as it allowed iDEal to weather months of political turmoil and resume operations when the situation stabilized in order to continue supporting small-scale Nicaraguan farmers.

snapshot

scale (total number of individuals benefitting from improved farming practices)

scale to
Dec 31, 2018

16,505

Individual donors provide funding for this project.





notable events

Manitoba Gala | Igniting Change

On October 30, 2018, 400 friends, donors and board members attended iDE Canada's annual gala.

Together, we raised a record-setting \$308,000; our most successful event yet.

As part of the festivities, guests heard inspiring speeches from iDE's Bangladesh country director, Deepak Khadka, and CEO Stu Taylor.



Deepak Khadka



Stu Taylor, Deepak Khadka,
Liz Taylor



Stu Taylor



iDE volunteers



Art Defehr and Gerry Dyck



Shirley and Paul Martens with
Marnie Strath and Bob Friesen

Bio | Deepak Khadka

Deepak has over a decade of technical and leadership experience in designing and implementing projects in Nepal that focus on private sector market development. As country director in Bangladesh, Deepak leads one of iDE's largest and most innovative portfolios, expanding iDE's

work in WASH, nutrition, private sector engagement, and integrated gender programming. He has an MBA in marketing from Kathmandu University, School of Management.

Sama Sama fundraiser at Mt Lehman Winery

Long-time supporter Terry Enns holds up a generous glass!
On July 7, a Sama Sama fundraiser held at Mt Lehman Winery in Abbotsford BC was a great success, with beautiful weather, a fun crowd and generous support, helping us reach our

fundraising goal one year early. Fred and Sharon Thiessen, and Vern and Charleen Siemens helped us raise over \$200,000 to reach the Rushing funding goal.



financials

We adhere to the rules and regulations of the Canada Revenue Agency and are in accordance with Canadian accounting standards for non-profit organizations. Our audited financial statements can be viewed at www.idecanada.org.


2018 Revenue

donations	\$1,331,792
institutional grants	\$2,523,214
program services	\$9,463
interest and other	\$10,494
total	\$3,874,963

2018 Expenses


international projects	\$3,398,188
administration and fundraising	\$397,658
total	\$3,795,846

iDE Canada's registered charity number is 11889 3130 RR0001

A black and white photograph of a young boy standing next to a donkey cart loaded with goods in a rural setting. The boy is smiling and looking towards the camera. The cart is pulled by a donkey and is loaded with various items, including bags and boxes. In the background, there are other people and structures, suggesting a busy, possibly market-related, environment.

“My grandfather started donating to iDE in the early 80s when the organization was just finding its way. We continue to support the organizations that were important to him and we understand why he is so passionate about iDE and the difference it makes.

— Marlon Kuhl,
third generation iDE supporter



**To donate or to find out
more, please contact us.**

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