

KIVA ANNUAL REPORT 2013



2 Letter from Matt & Premal

3 Timeline

7 Photo Highlights

10 Stats

11 Financial Health

**Belief in humankind and innovation has always driven our work here at Kiva,** but never more so than it did in 2013. We grew the Kiva Zip program, held the first Kiva U Summit, and launched Kiva Labs during one of the most eventful years in our history.

What are we achieving through these new initiatives? With Kiva Zip, we're offering 0% interest, mobile credit, and promoting a model of "social underwriting" that sheds new light on what it means to be creditworthy. With Kiva U, we're bringing the next generation into the movement, connecting students and educators in the pursuit of new ideas. With Kiva Labs, we're identifying new types of partners with higher impact loans, targeting innovative agriculture, water and sanitation, clean energy and more, so that we can all get closer to some of the poorest people in the world.

Our most important achievement of 2013, however, was reaching the milestones of both one million lenders and one million borrowers worldwide! We would not be where we are today without the support of our incredible community.

**This annual report is one massive thank you note from Kiva to you. It's your work. We are humbled to be a conduit of change, through you.**



Matt Flannery,  
Co-Founder



Premal Shah,  
Co-Founder & President

# 2013 Timeline

Jan

**A.** January 8, 2013  
Infusing capital into the Capital



**C.** March 15, 2013  
Bringing It All Back Home

Feb

**B.** March 1, 2013  
Breaking Paradigms: TPP



Mar

**D.** March 18, 2013  
1 MILLION BORROWERS!

Apr



**E.** April 17, 2013  
Kiva opens shop in Nairobi, Kenya

May



**G.** June 26, 2013  
Promoting female entrepreneurs  
in Iraq

Jun

**F.** May 18, 2013  
The 20th class of Kiva  
Fellows graduates



H. July 14, 2013  
New work in Newark



J. August 27, 2013  
Kiva U: A movement to change the world



O. December 12, 2013  
"A healthy disregard for the impossible."



I. August 7, 2013  
Kiva Teams Up With Etsy



K. October 7, 2013  
1 MILLION LENDERS!

M. November 11, 2013  
Introducing the Team Impact Report

N. December 2, 2013  
New partners, new models:  
Nuru International

# 2013 Timeline Details

## **A. January 8, 2013 – Infusing capital into the Capital**

Kiva launched its first Kiva City of 2013 in Washington, D.C., working with Capital One and the Latino Economic Development Center to help entrepreneurs in the nation's capital get the financing they need. Entrepreneurs like Aurea De La Cruz, who used her loan to start her very own daycare center.

## **B. March 1, 2013 – Breaking Paradigms: TPP**

Kiva welcomes its newest partner, The Paradigm Project (TPP), a for-profit company that delivers energy-efficient products to low-income families in Kenya, Rwanda and Papua New Guinea. Over 2.5 billion people burn charcoal or use open fires to cook their food, leading to nearly 4 million deaths each year from exposure to indoor air pollution. TPP works to supply clean-burning cookstoves by innovative brands like Envirofit, Burn Design Lab and EzyStove.

## **C. March 15, 2013 – Bringing It All Back Home**

Alongside President Bill Clinton, Kiva announced the launch of its newest Kiva City in his hometown of Little Rock, AR. Kiva first announced the program at the Clinton Global Initiative America conference in 2011, so bringing Kiva City to Little Rock was especially meaningful to us. Our gratitude goes out to President Clinton and our major partners, Visa and Acción Texas, Inc.

## **D. March 18, 2013 – 1 MILLION BORROWERS!**

March 18th was a celebration – of our amazing lenders who help people start or grow their businesses every day; of our 200+ field partners without whom our reach would be limited; and most importantly, of our incredible borrowers. In the words of Matt Flannery: “I want to thank the one million borrowers who have proven to the world that it was worth taking a chance on them. You have made Kiva possible.”

## **E. April 17, 2013 – Kiva opens shop in Nairobi, Kenya**

History was made when we launched our new office in Nairobi, Kenya. Kenya was a natural choice for expansion, as we work with more partners there than anywhere else in the world. There are 20 Kenyan field partners such as One Acre Fund, Barefoot Power, and KOMAZA doing groundbreaking work in both the MFI and non-MFI sector. Kenya is also the only Kiva Zip test market outside the U.S. – the country is a true breeding ground for innovation!

## **F. May 18, 2013 – The 20th class of Kiva Fellows graduates**

Since 2007, the Kiva Fellows Program has offered hundreds of individuals the rare opportunity to put their skills to work in support of global microfinance. Applicants chosen for the program serve as Kiva's eyes and ears on the ground, working directly with our field partners in over 70 countries around the globe. Interested in applying? Check out [kiva.org/fellows](http://kiva.org/fellows) for more information.

## **G. June 26, 2013 – Promoting female entrepreneurs in Iraq**

Together with Relief International and the Cherie Blair Foundation, Kiva launched a new program in Iraq called Women Leveraging the Internet for Financial Transformation (WLIFT). Still recovering from the war, with cultural norms restricting opportunities for women, Iraq is in need of support for women-owned small and medium sized businesses to build a foundation for economic growth. WLIFT was created to select and train high potential female business owners, then post their loans on Kiva.org.

## **H. July 14, 2013 – New work in Newark**

With the help of former Mayor and now Senator Cory Booker, Kiva announced the launch of its 6th Kiva City in Newark, NJ. Unlike other Kiva Cities, this engagement leveraged Kiva Zip as its primary source of borrowers, supported by the Intersect Fund and the Rita Allen Foundation.

## 2013 Timeline Details, cont'd

### **I. August 7, 2013 – Kiva Teams Up With Etsy**

“We’ve long felt that Etsy and Kiva are different means to the same end: empowerment through entrepreneurship,” said Katie Hunt-Morr, Senior Manager Values & Impact at Etsy, on the day that the unique partnership between the two organizations was announced. Etsy teamed up with Kiva to allow its sellers access to Kiva Zip loans, encourage its sellers to lend on Kiva, and to become trustees on Kiva Zip to empower other artisans like themselves.

### **J. August 27, 2013 – Kiva U: A movement to change the world**

In a year of exciting developments, the creation of Kiva U marked a foray into wholly new territory. For years, we had been hearing from teachers and students around the world who were proactively studying microfinance as a catalyst for global change. Together with Citi, we saw an opportunity to tap into this movement by providing the resources to connect and spread ideas quickly and effectively – thus leading to the creation of Kiva U.

### **K. October 7, 2013 – 1 MILLION LENDERS!**

In the same year that Kiva hit the one million borrowers mark, we were humbled and overjoyed to announce that one million people have officially made a loan on Kiva! We could not be more grateful to our incredible community of lenders. Your stalwart belief in what we are doing, together, is what makes it possible for Kiva to flourish. So here’s to you, and to the next million who are already joining the movement.

### **L. October 20, 2013 – Olá, Brasil!**

A long time coming, we officially launched our first loans in Brazil with our newest partner, Banco Pérola. Banco Pérola is making incredible strides in supporting those who should be at the heart of Brazil’s current social transformation. With the World Cup and the 2016 Olympics right around the corner, our timing couldn’t be better to make sure that the people of Brazil are getting the resources they need to thrive.

### **M. November 11, 2013 – Introducing the Team Impact Report**

You asked, we delivered. Now for the first time ever there is an easy way to visualize the collective impact of lending teams: the total dollar amount, total number of loans, top sectors, number of countries loaned to, and much more. The layout is sleek and stylish; the data is thorough and updated hourly.

### **N. December 2, 2013 – New partners, new models: Nuru International**

In 2012, we decided to go looking for partners who provided a more dynamic range of loan products and services. Nuru International is part of a new class of non-MFI field partners that provide highly impactful products or services. Their agricultural input loan – an in-kind loan of seed, fertilizers, and support – has boosted the yield of over 15,000 Kenyan farmers by an average 123%. Instead of arbitrary repayments, farmers repay their loans after the harvest season. We’re proud to have partners like them, thinking outside the box to serve those most in need.

### **O. December 12, 2013 – “A healthy disregard for the impossible.”**

Kiva was one of the winners of the Google Global Impact Award, securing \$3 million in funding to launch Kiva Labs. Kiva Labs leverages the power of crowdfunding and microfinance to accelerate new solutions in agriculture, clean energy, mobile information, and other transformative technologies. With partners like Grameen AppLab, Nuru International and more, we seek to generate \$25 million in loans in the next 3 years tailored to the unique needs of 100,000 borrowers.





# Photo Highlights

## 1. Leticia – Zimbabwe

The state of agriculture in Zimbabwe was in turmoil in 2013, but Leticia was focused on the future. She used her loan to buy a water pump, irrigation pipes and fertilizer to increase her production. (Photo: Patrick Hayes)

## 2. Lilit (and Susanna) – Armenia

Lilit was enrolled in college but nearly had to drop out because tuition costs were too high. Her mother, Susanna, applied for a loan of \$350 to pay Lilit's tuition, keeping her dream of becoming a teacher alive. (Photo: Liz Fish)

## 3. Catherine – Uganda

Kiva has partnered with the nonprofit Solar Sister in Uganda to help build a network of female entrepreneurs selling affordable solar technology in their communities. Catherine (left), who is also a full-time teacher, is one of them. (Photo: Liz Vidyarthi)

## 4. Gailunei – India

As a member of the Ever Green group, Gailunei used a loan of \$775 to re-stock and expand the small convenience store she opened in her remote village in northeastern India. (Photo: Michelle Boyd)

## 5. Arpine – Armenia

Arpine is a 25-year-old mother of two who runs an animal breeding and land cultivation business with her husband in Sevan, Armenia. A loan of \$1,375 helped her buy oat seeds and fodder for her animals, which she successfully repaid in March 2013. (Photo: Liz Fisher)

## 6. Taleb – Palestine

Living in a small village in Palestine that is famous for its fruits and vegetables, Taleb runs a greenhouse that grows some of the best. He used his loan of \$500 to purchase new seedlings and fertilizers to expand his seasonal harvest. (Photo: Shereen Masoud)

## 7. Khon – Cambodia

She may be 65 years old, but Khon is still a hard-working woman running her own weaving business outside of Phnom Penh City. She used her first Kiva loan to purchase silk materials. (Photo: Lina Goldberg)

## 8. Zobeyda – Nicaragua

Part of Kiva's expansion into different types of products includes renewable energy loans, and Zobeyda used her loan to buy a 100-watt solar system to light up the home where she also runs her grocery store. (Photo: Matt Bastone)

## 9. Adama – Sierra Leone

Opening her shop back in 2012, Adama works there from 8:00 in the morning to 7:00 at night every single day. With a loan of only \$150, Adama was able to purchase the palm oil she needed to expand her business and start selling foodstuffs in addition to her existing products. (Photo: Yvonne Deane)

## 10. Pius – Kenya

Pius is part of the Pamoja borrowing group that partners with Nuru International to benefit from their agricultural input loans. A loan of \$300 helped Pius—only 18 years old—purchase hybrid seeds and fertilizer to increase his crop yield. (Photo: Katrina Ngo)

## Photo Highlights, Kiva Zip (Left to right)



### **Kyle (Indosole LLC) – 🇺🇸 San Francisco, USA**

Kyle's idea to start a new business came suddenly while on a trip to Bali, Indonesia. He spotted a unique pair of sandals and sought to replicate them through the use of natural material and discarded motorbike tires. After scouring the island, Kyle and his business partner Faye finally identified the perfect manufacturer in Bali, and thus Indosole was born. To date, Indosole has saved over 8,000 tires from landfills, sold approximately 16,000 pairs of shoes, and created over 40 jobs for Balinese artisans. (Photo: Brandon Smith)

### **Martha (Boda Boda Entrepreneur) – 🇰🇪 Kisii, Kenya**

For Martha, as for many people throughout the developing world, getting from one place to another can take a very long time. To get around the long distances and lack of infrastructure, Martha purchased a motorbike to start a local taxi business. When her bike broke down and she was unable to afford repairs, it seemed like that would be the end of her venture. However, through the mere \$125 loan she was able to get through Kiva Zip, Martha was able to get her taxi business running again. (Photo: Michelle Thevil)

# The Year in Stats

# \$118,932,650

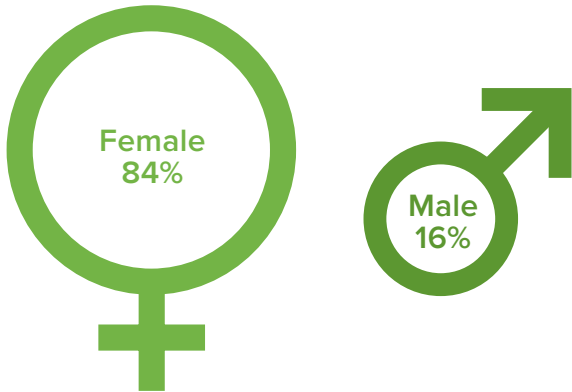
TOTAL BORROWED

↑ vs 2012  
\$111,078,600

# 256,993

TOTAL BORROWERS

↑ vs 2012  
250,704



BORROWER GENDER

80% & 20%  
in 2012

# \$226

LENT PER MINUTE

↑ vs 2012  
\$211



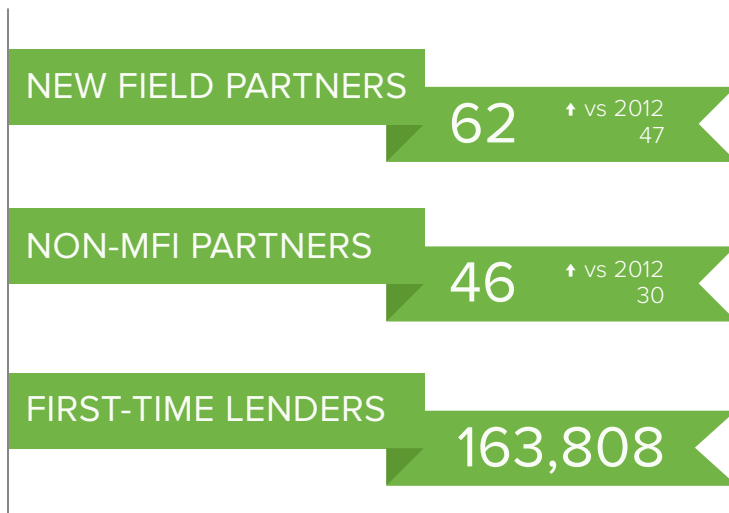
AVERAGE LOAN SIZE (\$463)

↑ vs 2012  
\$458

# 3,569

EXPIRED LOANS

↓ vs 2012  
6,834



# 3,768

HIGHER EDUCATION BORROWERS

↑ vs 2012  
1,838

# 4,396

GREEN ENERGY BORROWERS

↑ vs 2012  
895

# 2,334

WATER & SANITATION BORROWERS

# 36%

CATALYTIC LOANS\*

\*Catalytic loans are defined as any loan, including the development of a new kind of loan product, that would not have happened without Kiva.

## Financial Health

**\$22,663,277**

↑ vs 2012  
\$17,394,130

TOTAL REVENUE, SUPPORT & IN-KIND DONATIONS

**\$16,753,662**

↑ vs 2012  
\$14,165,585

TOTAL EXPENSES

**72% Self-sufficiency**

↑ vs 2012  
61%

KIVA'S ONLINE REVENUE/TOTAL EXPENSES

### ASSETS

Current assets	\$18,753,869*
Property and equipment	\$3,970,869
Other assets	\$526,382

**Total Assets** **\$23,251,120**

### LIABILITIES

Current liabilities	\$892,903
Deferred rent	\$199,964
Net assets	\$22,158,253*

**Total liabilities & net assets** **\$23,251,120**

## \*Kiva's Donor Advised Fund (DAF)

A Donor Advised Fund is a charitable giving vehicle which is administered by a public charity and created for the purpose of managing charitable donations on behalf on an organization, family or individual. Kiva created it's own Donor Advised Fund in late 2013 to enable tax advantageous lending on Kiva for corporations, foundations and individuals.

In February 2014, The Hewlett-Packard Company Foundation became the first donor to use Kiva's DAF in an employee engagement program that gives free \$25 loans to each of its 275,000 employees worldwide. To prepare for the launch of this partnership, The Hewlett-Packard Company Foundation made its initial donation in December 2013 to Kiva's DAF account for a total of \$7,050,000. The balance sheet above includes this donation.

The data above is a consolidated balance sheet. Details on Kiva's financial statements are available online at [kiva.org/about/finances](http://kiva.org/about/finances)

Every year, hundreds of thousands of people list their dreams on Kiva for the world to see. Every year, hundreds of thousands of people click LEND to support those dreams. This will never cease to inspire us to go further – even in the most remote parts of the globe.

**Thank you to our lender and donor community for making it all possible.**

View this report online at: [annualreport.kiva.org](https://annualreport.kiva.org)

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