invokes the essence of iDE’s approach to ending poverty. Across the world, we are powering low-income communities to confront challenges and develop resilience to climate change. As we near our 40th anniversary, we invite you to join us.

Visit us at ideglobal.org/get-involved to join our monthly giving program, start a corporate partnership, or create a lasting legacy of impact for generations to come.
In 2021, we responded to climate change, increasingly impacting countries where iDE is working. While global warming affects everyone, it is particularly concerning in developing countries where people are already suffering regular cyclones, drought, and floods. In Ethiopia, conflict in the northern Tigray region struck at our clients, put our staff at risk and forced us to divert operations to safer locations. In the meantime, COVID-19 outbreaks continued to limit our field access across the globe and took a heavy toll on the marginalized communities we work in.

But through it all, I was relieved and impressed by the perseverance of our entrepreneurs and the tireless efforts of our 1,300 staff. In a word, they showed resilience. I use this term – borrowed from natural science to describe absorption and rebound from shock, and adopted by international development – because it says so much about the difficult circumstances our clients find themselves in.

Practical and innovative, Paul used abandoned car parts and displaced blacksmiths to modify the carts, making them much more efficient. The improved carts were then sold by the blacksmiths to other refugees on credit, with payments made from income generated by hauling goods with the carts. Five hundred carts were sold, producing more than $1 million in net income for cart owners over three years.

For nearly 40 years, iDE has been working with entrepreneurs like the Somali refugees, coming up with market-based fixes to enduring challenges. We believe the market offers the best way to incentivize people and find sustainable solutions that can be passed down through generations.

Our in-country staff begin by listening to every stakeholder, working their way around barriers and through bottlenecks to build local economies and value chains that deliver goods and services to “last mile” rural and remote areas. These geographically-defined “resilient market ecosystems” add three-dimensional layers of opportunity, touching people’s lives as they buy affordable goods in the market, plant improved crops in their fields, and access clean water in their homes.

Last year was one of iDE’s most challenging and hard fought. And yet, as we look ahead, we have a lot to celebrate and be proud of!

If we cannot learn to adapt and be resilient in the face of the new normal of changing climates and other shocks and stressors, we risk failing in our mission to end poverty. We cannot let that happen.

As we look ahead to iDE’s 40th anniversary, we should reflect on what we’ve achieved, solving enduring problems, powering small scale entrepreneurs, and positively impacting more than 37 million lives. But we’ll also be looking to the future, resetting our goals around impact and scale, doubling down on our commitments on gender and social inclusion, and pushing the boundaries of innovation, technology, and big hairy ideas. The next 40 years could well be harder than the first 40. Being resilient to the crises of tomorrow will test us all. But I have every confidence we’ll get there. At iDE, we don’t back down from a challenge.

Yours in impact,

Lizz Ellis, CEO
Sylhet’s Resilient Market Ecosystem

is made up of many interconnected parts. Every market is a community, a value chain, and a collection of individuals and businesses working together to buy and sell products and services that people need. In the Sylhet Division – an area the size of Rhode Island in north-east Bangladesh, where 16.2 percent of people live in poverty – iDE is implementing three overlapping programs. These programs together form a network of market relationships where iDE’s actors and know-how are made available to thousands of people living in the region. This map shows the location of some 2,360 iDE-powered touch points – local business advisors, livestock service providers, agricultural collection points, sales agents, entrepreneurs and latrine producers – all engaging with market actors, communities, and individuals spread across Sylhet — one example of our global operations.

This concentration of business activity provides widespread access to a range of goods, services and knowledge for households and small scale business owners who might otherwise be isolated from income generating opportunities they require to boost their livelihoods and lift themselves out of poverty.

Learn more at ideglobal.org/Sylhet

In 2020, 73 percent of survey respondents were classified as "food secure" in Sylhet compared to the 2019 baseline of 46 percent. In addition, respondents in the "severely food insecure" category dropped from 13 percent to 2 percent.
POOR SANITATION THREATENS CAMBODIANS living on “floating villages,” with only five percent of people residing in communities around the Tonle Sap Lake, a large Cambodian freshwater body, having access to a latrine or well. To assist these villages in developing safe sanitation options, iDE is using human-centered design to prototype solutions for 3,000 homes, including traditionally marginalized groups such as ethnic Vietnamese, Cham, and people with disabilities.

“Sky Latrines” that sit above the waterline and empty into submerged tanks, as well as tanks suspended in the water under a floating house’s toilet, are two of the innovative ideas being tested. iDE is also designing and implementing clean water, solid waste management, and hygiene behavior-change solutions.

iDE uses human-centered design to develop products, services, and market ecosystems that solve everyday problems in local communities.
Average MSRI Resilience Scores in Essential Oil Sector

NEPALESE ESSENTIAL OIL MAKERS FACE CHALLENGES. Parbati Khadka used to stay home and raise her children, but now makes a living working in an essential oils distillery.

“My husband no longer has to go abroad to work days and nights.”
— Parbati Khadka

In 2021, iDE surveyed Nepalese essential oil makers to determine their ability to overcome challenges such as changing climates. Using the Market Systems Resilience Index (MSRI), iDE found they showed high levels of resilience when it came to learning from experience and understanding local environmental conditions, but were less resilient when it came to including women and minorities, or being able to promptly respond to shocks.

The findings will inform any of IDE’s future essential oils work in Nepal.

Drawing on decades of experience, Parbati distills essential oils from native aromatic plants, like lemongrass and chamomile.

Last year, we conducted surveys in Nepal, Bangladesh and Mozambique to understand how markets — such as essential oils — respond to climate change and other shocks.

HER 2 CENTS ARE PROBABLY WORTH MILLIONS

“My husband no longer has to go abroad to work days and nights.”
— Parbati Khadka

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HANDSHAKES ARE BETTER THAN HANDOUTS

We work to connect women entrepreneurs in Zambia to microfinance opportunities. But to do so, we must first address power imbalances and harmful social norms that prevent women and marginalized populations from participating in market ecosystems.

ZAMBIAN WOMEN ACCESS MICROFINANCING from village savings groups. As a member of a women’s savings and loans group, Tryness Nsofwa, 57, borrowed 1,500 Kwacha (US$88), twice what she contributed. Under group rules she must spend the money on a business enterprise – in her case to sow, fertilize, and harvest a field of groundnuts – and pay the loan back with interest.

“Without the loan, I could not say where I would have gotten the money.” — Tryness Nsofwa

The money contributed by members is stored in a locked metal box, only ever opened at group meetings by three separate “key holders.” At the end of each six-month “cycle” all outstanding loan repayments must be made, and the box, now laden with interest payments, is opened and its contents shared among the group.
HONDURAN FARMERS MANAGE THEIR WATERSHEDS TO COMBAT CLIMATE CHANGE. María Gloria Martinez remembers what the watershed was like before her community took charge: when it rained, water gushed in unmanageable quantities. In drought, it merely produced a trickle.

“Families that used to work elsewhere are now able to stay and work on their own land.”
— María Martínez

As extreme weather increasingly impacts smallholder farmers, we leverage market ecosystems to help them adapt to climate change.

As climate change produces more extreme weather events, Honduran farmers like Maria are adapting to the times. With assistance from iDE, her family and 21 others in her community formed a caja rural, a local savings group, which funded a small concrete dam. Water is now carried through canals to nearby farms where drip irrigation lines feed crop rows.

Based on estimates for the first phase of a recent watershed project, we expect $125 in annual income (representing a quarter the average monthly income) has been gained on average by 87,000 water basin households.
AS A FARM BUSINESS ADVISOR (FBA), Flora Mostiço is a change agent in her small Mozambican community. At her market store, the mother of six sells affordable agricultural inputs including high quality seeds, fertilizer, and water pumps. She also runs her own farm and employs laborers to help with the harvest.

At the same time, she rides her bicycle into the countryside, demonstrating to other farmers how to spray their crops to prevent pests from destroying them. It’s a long way from her situation a few years ago.

But with training from iDE, Flora learned about high-yield, climate smart agricultural techniques; learned to keep track of spending; and formed a business relationship with a supplier which transports her goods.

A recent survey of local iDE FBAs – which number 332 (117 women) in Mozambique — found they’d increased the number of clients they had by an annual average of 72 percent.
LET’S CHEER ON THOSE REWRITING THE RULES

iDE believes that diseases caused by poor sanitation can be reduced by powering market ecosystems to drive behavioral change.

BY ASKING PROBING QUESTIONS, iDE Ethiopia WASH manager Martha Gebeyehu (shown here at far left) learned a critical lesson — “People’s preference is sometimes different from our assumptions.” — Martha Gebeyehu

The realization helped her develop innovative sanitation solutions targeting 60,000 people in the rural Amhara region where children often die from diseases caused by open defecation and contaminated water.

Using human-centered design, iDE is building resilient market ecosystems here, powering entrepreneurs to establish latrine businesses, as the sales agents we train go door-to-door with plans to sell 15,000 latrines in rural communities. Despite having limited incomes, the design process determined community members are willing to pay for durable, aspirational toilet solutions.
Concerned about the impact of climate change on agricultural staples such as rice, iDE design strategist Amey Bansod spent years studying the potential of mushroom farming as an alternative for small-scale farmers.

Under a Spark grant, Amey will now get to test his hypothesis: the highly nutritious, low maintenance crop can boost livelihoods, build resilience, and improve food security.

In Nepal, Lalit Sah, our agriculture program lead, won a Fail Fast grant to explore a business model for Nepali-grown organic compost. In addition to improving soil and agriculture, this idea has the potential to reduce dependency of farmers on chemical fertilizers and international supply chains.

As well as Cambodia and Nepal, employees from Mozambique and Nicaragua last year received grants from the fund to develop projects that could lead to the “next big thing” in their respective countries. Future grants will be announced throughout 2022.

iDE global staff have always been a source of grassroots innovation. Now we’ve harnessed that passion, creating a formal process called “Playbook” to support our teams to develop solutions to their internal business challenges.

Every country team last year picked a “play” centered on a challenge they wanted to brainstorm and solve, ranging from communications, to finance, to impact measurement. Countries then selected small teams to workshop their challenges over an 8-week period with each playbook team leader receiving specialized training.

“Teamwork brings out the great ideas harbored in people.” — Sanda Ubaida

This is how we invest in and mentor our future leaders.

Meet our 2021 Playbook team leaders.

Abigail Musinga
ZAMBIA

Hilda Musinge
KENYA

Ariana Stubba
NEPAL

Sarina Khapa
BANGLADESH

Claudio Bento
MOZAMBIQUE

Ephrem Abebe
ETHIOPIA

Rebecca Merfield
ETHIOPIA

Tsion Markos
ETHIOPIA

Dana Smith
USA

Jennifer Roggí
USA

Mob Khann
CAMBODIA

Saqif Khan
BANGLADESH

Sim Vevessa
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Meet our 2021 Playbook team leaders.
Concerned about plastic bottle waste, EcoVessel supports iDE’s work. EcoVessel, a Boulder-based company that makes insulated water bottles, mugs, tumblers and growlers, graciously donated 10 percent of its October 2021 sales to iDE. iDE and EcoVessel are both members of 1% for the Planet.

The Toro Company & iDE work to enhance the productivity of local land. The Toro Company, a Minneapolis-based manufacturer of lawn mowers, snowblowers, and irrigation supplies, has been partnering with iDE for nearly a decade to drive sustainable solutions for smallholder farmers.

Who Gives A Crap & iDE fight killer waterborne disease. Who Gives A Crap is an eco-friendly Australian toilet paper company that donates half its profits to organizations working to improve access to hygiene, clean water, and basic sanitation in developing countries. Under the partnership, iDE shared in a $4 million donation made to six nonprofits.

QUEEN CITY USES BLOCKCHAIN TO SUPPORT IDE AND HONDURAN COFFEE FARMERS. Last year, Denver roastery Queen City Collective Coffee linked up with IDE in support of Honduran coffee farmers threatened by climate change, as part of a blockchain promotion that showed Denver coffee drinkers the journey of their authentic cup of joe. Bext 360, a Colorado digital supply chain company, hosts the blockchain app capturing key steps of the journey from cherry tree to cup, each step tokenized in “blocks” and stored on a secure peer-to-peer digital network, visible by scanning a QR code on a bag of roasted coffee. Building on an arrangement struck in 2020, the farmers were paid first when they initially sold coffee to a social enterprise and again for every bag sold in Denver. In the four weeks leading up to Colorado Gives Day in December, Queen City generously donated 5 percent of sales to IDE.

As a nonprofit, IDE relies on the generosity of socially conscious donors, including companies big and small.
We honor our donors’ wishes to remain anonymous, and would like to extend our gratitude to all of our supporters who are not listed publicly.
LEARNING TO ADAPT

IN GHANA, WOMEN OFTEN DON’T HAVE ACCESS TO MODERN IRRIGATION, instead spending hours walking to fetch water.

However, by talking with our clients and asking questions, we learned about “keyhole gardening”, a type of raised gardening bed that uses very little water, saving women the trouble of fetching large amounts.

By applying knowledge we learn from our clients, iDE can adapt its programs, powering women to grow their small farming businesses.

IDE HAS BEEN WORKING IN VIETNAM since 1991 building markets for sanitation, clean water, and agriculture. Now that Vietnam is a lower middle-income country, we’re turning our attention to a modern problem: Vietnam is a major global generator of plastic waste.

iDE is now exploring how we can apply our entrepreneurial know-how to Vietnam’s circular economy, linking informal plastic collectors to municipal waste systems, providing a plastic feedstock to manufacturers, and reducing demand for new plastic.

OUR GLOBAL KEY PERFORMANCE INDICATORS

SCALE: 1,116,164 NEW INDIVIDUALS ($220,088 households) The number of new individuals impacted through our programs in 2021.

IMPACT: $225 The average annual net household increase in income or livelihood savings in 2021 (in US dollars in terms of purchasing power parity).

SROI: 9:1 Our Social Return on Investment is the ratio of income (or savings) generated by households per dollar deployed by iDE (calculated on a 3-year rolling average).
The overwhelming majority of our staff (96%) live and work in the countries and areas we support. We hire locally. In fact, 94% of our staff are citizens of the same countries they are working in. We’ve committed to equity and inclusion in our GESI policy and we’re moving toward better gender equity in our leadership and workforce teams.

**2021 Expenses of iDE’s Social Enterprise**

<table>
<thead>
<tr>
<th>Service</th>
<th>Cost (US Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hydrologic (Cambodia)</td>
<td>$1,181,735</td>
</tr>
</tbody>
</table>

**2021 Expense Breakdown**

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost (US Dollars)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Field Programs</td>
<td>$21,613,249</td>
<td>80%</td>
</tr>
<tr>
<td>General &amp; Administrative</td>
<td>$4,925,177</td>
<td>18%</td>
</tr>
<tr>
<td>Fundraising</td>
<td>$396,202</td>
<td>2%</td>
</tr>
<tr>
<td>Total</td>
<td>$26,934,628</td>
<td></td>
</tr>
</tbody>
</table>

**2021 Expense Detail**

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost (US Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$15,673,564</td>
</tr>
<tr>
<td>Subgrants</td>
<td>$207,626</td>
</tr>
<tr>
<td>Office Expenses</td>
<td>$2,623,147</td>
</tr>
<tr>
<td>Professional Services</td>
<td>$2,307,996</td>
</tr>
<tr>
<td>Travel &amp; Transportation</td>
<td>$1,369,997</td>
</tr>
<tr>
<td>Subcontracts &amp; Consultants</td>
<td>$3,936,876</td>
</tr>
<tr>
<td>Business Admin Expenses</td>
<td>$637,913</td>
</tr>
<tr>
<td>Depreciation Expenses</td>
<td>$177,509</td>
</tr>
<tr>
<td>Total</td>
<td>$26,934,628</td>
</tr>
</tbody>
</table>

**2021 Ending Net Assets**

<table>
<thead>
<tr>
<th>Total</th>
<th>Cost (US Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$5,180,595</td>
</tr>
</tbody>
</table>

**2021 Expenses By Country**

<table>
<thead>
<tr>
<th>Country</th>
<th>Cost (US Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>$5,363,892</td>
</tr>
<tr>
<td>Cambodia</td>
<td>$5,145,595</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>$1,048,800</td>
</tr>
<tr>
<td>Ghana</td>
<td>$1,263,956</td>
</tr>
<tr>
<td>Honduras</td>
<td>$584,518</td>
</tr>
<tr>
<td>Mozambique</td>
<td>$4,025,225</td>
</tr>
<tr>
<td>Nepal</td>
<td>$742,460</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>$60,683</td>
</tr>
<tr>
<td>Vietnam</td>
<td>$171,173</td>
</tr>
<tr>
<td>Zambia</td>
<td>$1,108,899</td>
</tr>
<tr>
<td>Multi-Country</td>
<td>$916,313</td>
</tr>
</tbody>
</table>

We’ve committed to equity and inclusion in our GESI policy and we’re moving toward better gender equity in our leadership and workforce teams.

iDE’s employees make up a network of diverse individuals who are committed to the organization’s values and mission. We believe in the principles of equity, diversity and decolonized development when it comes to hiring processes. But because we recognize we need to improve our global employee census data, we are transparent about where we are today.

**Employee Census**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>4% Headquarters</td>
<td></td>
</tr>
<tr>
<td>96% Field Offices</td>
<td></td>
</tr>
<tr>
<td>6% International</td>
<td></td>
</tr>
<tr>
<td>94% National</td>
<td></td>
</tr>
<tr>
<td>36% Female</td>
<td></td>
</tr>
<tr>
<td>64% National</td>
<td></td>
</tr>
<tr>
<td>43% Female</td>
<td></td>
</tr>
<tr>
<td>57% Male</td>
<td></td>
</tr>
</tbody>
</table>

The overwhelming majority of our staff (96%) live and work in the countries and areas we support.

The overwhelming majority of our staff (96%) live and work in the countries and areas we support. We hire locally. In fact, 94% of our staff are citizens of the same countries they are working in. 36% of our global staff are female, and we’ve committed to hiring more women in all aspects of our business.

43% of our senior management positions are held by women, who serve as role models and mentors.