

# Women Farmers' Entrepreneurial Loan SROI ANALYSIS



**Analysis & Report - Etkiyap**  
**Assurance - Social Value International**  
**Design - Vak'a**

# Foreword

This SROI Report is the first of its kind for Tekfen.

Our Foundation makes part of the 67 year-old Tekfen Group (or family if you like), a publicly traded Turkish conglomerate whose founding partners were at the forefront of philanthropy and social responsibility in their times .They have founded and funded many of the country's non-profit organisations and professional associations to advance education, safeguard the environment, advocate for a better family planning, act in a common interest.

Hence our Group's intrinsic commitment to doing good with its various means, whether it be money, equipment at hand, accumulated know-how or voluntarily allocated time. The establishment of the Foundation in 1999 was a natural outcome of Tekfen's dedication to move social responsibility to the next level in a more focused structure. With time and with the advent of sustainability in our lives, the words 'social responsibility' gave way to social investment to social impact.

But still, behind every social impact lies the story of a young mother, of children in a village on the right of way of a pipeline, of an endemic vegetation in danger of extinction due to drought. Each story is unique and neither is better, more meaningful or worse and less important than the other. Measuring social impact is like translating these into a universal language for all of us to understand. Impact management is the craft of making them last.

I particularly refrain from using any jargon simply because I am not knowledgeable enough yet. We are only at the start of our journey and still have a long way to go. But I wouldn't be mistaken to think that most of us are.

We were lucky enough to have brilliant consultants at Etkiyap who were adamant in insisting that we had to have a social impact analysis for our Women Farmers' Loan and who showed much patience while taking us step by step all throughout the work. For this, first and foremost we must thank Şafak Müderrisgil, a pioneering advocate of impact investment and to Ceyda Özgün who by now probably knows more about women farmers than we do! It took us two and a half years, from April 2021 to September 2023 to carry out the analysis in parallel with the first year of our project, write the report, then rewrite it based on Social Value International comments and finally to design it.

We can be rightfully proud of an SROI ratio of 1:6.60, a solid proof that we did the right thing. We hope it will be an effective tool to bring new financiers on board as much as it enables us to see what the women farmers think and feel. We already allocated further funds to be able to support more women in agriculture and bring some novelties to the project.

Personally though, what I found most exciting is to see a woman's broad smile finally spread on her happy face after she has been able to afford a visit to the dentist. A smile that makes all the effort worthwhile.

September 2023

**Dori Kiss Kalafat**  
**Managing Director**  
**Tekfen Foundation**



# Statement of Report Assurance

Social Value International certifies that the report

## Microfinance for Women Farmers Project

satisfies the requirements of the assurance process.

The assurance process seeks to assess whether or not a report demonstrates a satisfactory understanding of, and is consistent with, the Principles of Social Value. Reports are independently reviewed by qualified assessors and must demonstrate compliance with the Social Value report assurance standard in order to be certified. The Social Value report assurance standard can be downloaded from the website [socialvalueint.org](http://socialvalueint.org).

Assurance here is against the Principles of Social Value only and does not include verification of stakeholder engagement, report data and calculations.

Awarded 15/03/2023

A handwritten signature in black ink, appearing to read "Ben Carpenter", is written over a light grey circular background.

Signed

Mr Ben Carpenter  
Chief Executive Officer  
Social Value International



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# About Women Farmers' Entrepreneurial Loan

According to the Chamber of Agricultural Engineers<sup>1</sup>, a total of 4,515,000 people are employed in agriculture, of which 40% or 1,782,000 are women. However, despite the fact that in rural areas, women are indeed the link between the field and the food on the table, their wage is less than that of men.

Nevertheless, in today's 'new world order', women increasingly play a key role in the transformation of agriculture, rural development and food security. A strong woman means a strong society.

In 2021, Tekfen Foundation launched the "Women Farmers' Entrepreneurial Loan" project in cooperation with TISVA (Türkiye İsrافی Önleme Vakfı - Turkish Foundation for Waste Reduction) and Toros Tarım (a Tekfen Holding group company of) to support women farmers in order to empower women in agriculture.

The primary aim is to support women who intend to farm but do not have the necessary financial resource (capital) to start their own small agricultural enterprises. In addition to providing financial support, the project also provides basic agricultural training, training in Occupational Health and Safety and on-site consultancy on their fields with the expert contribution of Toros Tarım's agricultural engineers. TISVA is leading the entire operation of allocating and collecting the loan, while also contributing with a %25 percent additional fund to Tekfen's financing.

As of April 2021, 80 women in the Aegean provinces of Manisa, Aydın, Nazilli, İzmir, Denizli and Soma received TRY 625.000 in loans as the first beneficiaries of the newly launched programme.

The project provides very low-cost loans to women farmers to support income-generating activities in agriculture so that women can farm on their own and stand on their own feet. Additionally, other objectives of the project are;

- Identifying demands and needs,
- To see how much of the short-term changes in the Theory of Change have been realised and whether there are indications that medium and long-term changes will occur,
- Encouraging other companies to contribute to the funding, and thus increase the number of women farmers who benefit from the loans and expand geographically as well.

<sup>1</sup> <https://www.zmo.org.tr>

# About the Report

## What is SROI?

Social Return on Investment (SROI) is a framework for measuring and accounting for the value created or destroyed by our activities – where the concept of value is much broader than that which can be captured by market prices. SROI seeks to reduce inequality and environmental degradation and improve wellbeing by taking account of this broader value. (The Seven Principles of SROI, The SROI Network)

This report includes the social impact measurement of the Microfinance for Women Farmers Project covering one year period, 2021, of its operations. The SROI (Social Return on Investment) analysis is used as a framework based on eight principles of the SROI that are reflected in the whole report. In accordance with these principles<sup>2</sup>, all information about the Project's social impact measurement is stated with transparency.

### Purpose and Target Audience

This analysis targets two main audience groups; internal stakeholder (management level) and external stakeholders (local authority, agricultural sector, collaborating institutions and other companies that are looking for an opportunity to contribute to the agricultural sector).

The purpose of the analysis is basically to understand the changes that stakeholders have experienced as a result of the Project's activities. Understanding changes with all aspects, positive, negative, intended and unintended, will inform decisions in much better way to optimize the value of the Project.

The purpose of the analysis regarding external stakeholders is to communicate outcomes of the Project and to collaborate in order to decrease negative outcomes and increase positive ones where possible.

### Scope & Boundaries

This is the very first SROI Analysis of the Project spanning one year (March 2021 - April 2022) –of its activities, outcomes and impact. As such, the focus of the analysis is on the main stakeholders (women farmers) who benefited from microcredit. In order to manage impact and optimise value, the first step is to understand what changes have occurred for those stakeholders. Value creation for collaborating institutions means better future collaborations to optimise impact.

As mentioned, this report covers analysis of the first year of the Project. The first year was the pilot scheme. This analysis will provide the basis of the investors' decision with regards to the future of the Project. Therefore, this first social impact analysis' scope is limited with the women farmers and the collaborating institutions.

### Type of SROI Analysis: Evaluative<sup>3</sup>

<sup>2</sup> <https://www.socialvalueint.org/principles>

<sup>3</sup> There are two types of SROI: (1) Evaluative, which is conducted retrospectively and based on actual outcomes that have already taken place. (2) Forecast, which predicts how much social value will be created if the activities



# Theory of Change (ToC)

## What We Do?

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We design projects / programmes for women's empowerment.

We cooperate with experienced institutions in the field for the execution of these projects / programmes.

We support the women who work in the field of agriculture for their financial independence.

We encourage women farmers to cultivate their land.



## Inputs

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**Financial capital**  
(Cash for microfinance)

**Social capital**  
(Collaboration with Turkey Grameen Microfinance Programme and Toros Tarım for the execution of the project)

**Human Capital**  
(Designing the Project)



## Outputs

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Providing low-cost loans with post-harvest repayments to 80 women farmers in cooperation with Turkey Grameen Microfinance Programme

To provide training and expert consultancy to women farmers in cooperation with Toros Tarım



## Outcomes

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### Short-Term

- || Increase the income of women farmers
- || Encourage women to start farming
- || Increase the quality and yield of grown produce with the most accurate and up-to-date information and product cultivation practices.

### Mid-Term

- || Promote good agricultural practices
- || Increase the number of women farmers

### Long-Term

- || Empower women to be role models for young farmers



# Executive Summary

## Women Farmers' Entrepreneurial Loan SROI Analysis Report

This analysis is the first SROI analysis of the Microfinance for Women Farmers Project's first phase. Therefore, results of the analysis will be helpful to optimise value by including stakeholder voice in the next phases of the Project.

The main challenge for women farmers is accessing to financial resources. Even if they are not completely unbanked women, they do not prefer commercial banks' loan options because of high interest rates. This leads to keeping their farming activities on very small scale due to high costs of inputs. Additionally, they are unable to provide the necessary maintenance of agricultural soil and crops, resulting in low yields. This has a negative impact on their direct income. This creates a vicious circle.

This problem is not solely a women farmers' concern but is directly related to food security which is every citizen's concern in the country and that of every individual in the world.

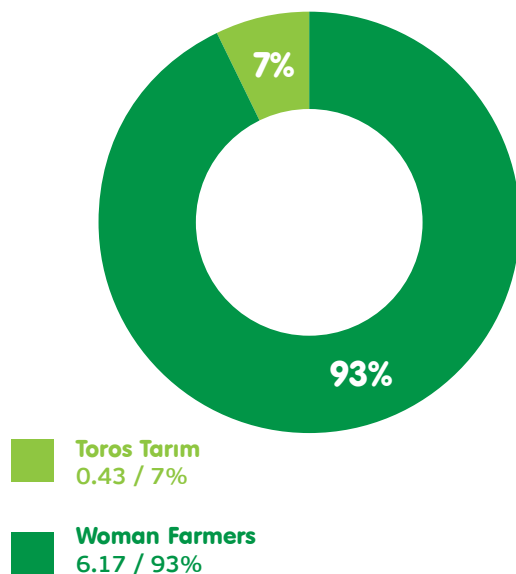
The starting point for a solution is to support farmers in keeping their businesses by increasing its value for them. Since sustainable development cannot be achieved without women empowerment, women farmers are at the front of the most important stakeholders. This is a basic reason why Tekfen Foundation, TISVA and Toros Tarım focused on women farmers.

### Creating value for women farmers means;

- Creating value for their family and children
- Creating value for other farmers since they share information and experience
- Creating value for local people since they have access to secure food
- Creating value for companies since they have access to high quality raw products

For this reason, creating value for women farmers is crucial for everyone.

### Value Distribution



56 stakeholders (women farmers) out of 80 were included in this analysis by one-on-one interviews (phone interviews). According to stakeholder voice, 3 well-defined outcomes are identified in total. 2 of them are positive, 1 of them is negative outcome. The highest relative importance is 9 and the lowest one is 7. Negative outcomes' relative importance is not higher than those of positive ones but is still important to stakeholders.

Toros Tarım was included in the analysis as well. There is no negative outcome determined for the company. Toros Tarım has experienced a positive outcome which is valuable to the company but still (and as expected) the major value has been created for women farmers.

**There are neither unintended nor unexpected positive outcomes, whereas the only negative outcome is unintended i.e. consequence of an external factor being high inflation.**

When the value of the changes in all stakeholder groups was calculated in the analysis, the SROI ratio was calculated as 1:6,60. In other words, each TRY 1 investment made in the Project delivers TRY 6,60 worth of social value.

# Principle 1: Stakeholder Involvement

## Stakeholder identification is done based on four questions;

- 1) Who has invested in the Microfinance for Women Farmers Project? (Time, service, money)
- 2) Who has been directly affected by activities of the Microfinance for Women Farmers Project?
- 3) Who has been indirectly affected by activities of the Microfinance for Women Farmers Project?
- 4) Who has affected activities of the Microfinance for Women Farmers Project?

Answers to these four questions are helpful in identifying all related stakeholder groups shown in the table below. Although this analysis does not encompass all these stakeholders, identifying them is nevertheless important so that we are aware of who are affected by the Project's activities as well as who affect the Project in order to be able expand the scope of the analysis in the future.

As for two of the stakeholder groups that are not included in this report namely Families of Women Farmers and Other Farmers Around Women Farmers should be included in the next phase of the analysis because there is potential mutual value creation which would be worth to identify. Family members of women farmers are important because the majority of stakeholders (62%) farm together with their husbands. Additionally, women farmers are role models for their children. Should children witness that their families' make a decent living out of farming, they will be likely to want farming themselves.

Stakeholder Group	Reason for Inclusion	Reason for Exclusion	Commun. Method	Included Number	Total Number
Women Farmers	Main beneficiary group of the project		Phone Interview	56 Phone Interviews	80
Families of Women Farmers		Not focused group for the first analysis. This group will be included in the second phase of the analysis.	N / A	N / A	N / A
Other Farmers Around Women Farmers		Not focused group for the first analysis. This group will be included in the second phase of the analysis.	N / A	N / A	N / A
TİSVA		Investor of the Project. No material change.	N / A	N / A	N / A
Tekfen Foundation		Investor of the Project. No material change.	N / A	N / A	N / A
Toros Tarım (Toros Agri)	Investor of the project and directly affect women farmers' outcomes with its affects activities.		Online Interview	1 Manager	1

The other two stakeholders that are excluded from the analysis are Tekfen Foundation and TİSVA (Turkish Foundation for Waste Reduction) who are the main investors of the Project. These two foundations have been collaborating in the more generic Turkish Grameen Microfinance Programme (TGMP) of which the Women Farmers' Project is part with the difference that it focuses exclusively on women farmers. Women farmers engaged in the Project have also been previously engaged in the microfinance programme.

Tekfen Foundation is the main financier of the Project while TİSVA is both a financier and the executing party of the Project. Since, this collaboration has been already established for TGMP there is no material change for this Project. As the deadweight (counterfactual) ratio is 100% for TİSVA and Tekfen Foundation they are excluded from the analysis.

## Stakeholders' Involvement in Identifying Other Stakeholders

Each stakeholder group was also included in the stakeholder identification process by being asked two questions during one-on-one phone interviews; (1) who might be affected by the changes that the stakeholders have experienced and (2) who else might be affected by the Project's activities. The answers were the same for the "Who has been indirectly affected by activities of the Project?" which is question 3 that we asked ourselves to identify stakeholders.

As a result, Women Farmers' Families and Other Farmers Around Women Farmers were identified as the other two stakeholder groups of the Project. According to the main beneficiaries (women farmers), their husbands also learn from them. They transfer the information that they learn during the training to their husbands and to other farmers around them. This information is important for Toros Tarım, TİSVA and Tekfen Foundation as this presents an opportunity to expand the effectiveness of the project without extra cost. Besides, it indicates something much more important. As shown on the Theory of Change scheme the Project's mid-term goals are 'Promote good agricultural practices' and 'Increase the number of women farmers' can be achieved by information transfer among farmers. Therefore, even though this stakeholder group is not included in this analysis, it will be included in the next one in order to understand whether information transfer works or not.

At this point, these groups are not our priority as the main purpose of the analysis is to enable better decisions to increase the positive value for the main beneficiaries. More value for service beneficiaries means more value for their families and other farmers around them indirectly.

## Topics Including Stakeholder Voice

The questions that were asked to stakeholders were prepared with the aim of maximising stakeholder participation. The topics, in which stakeholder participation was ensured in accordance with the questions asked and the answers received, were as follows:

- | The expected changes while joining the Project
- | The type of investment made (time, service, money)
- | Which activities they involved
- | Positive and negative outcomes/changes
- | Whether there are any persons/institutions that contributed to the outcome(s)
- | Whether the outcomes would have happened anyway
- | The importance level of the outcomes from the perspective of the stakeholder (weighting)
- | Whether outcomes are sustainable or not (duration)
- | The amount of change that they have experienced (depth)
- | Value of outcomes

One-on-one interviews were done with 57 stakeholders in total. The saturation point was achieved between 15<sup>th</sup>-17<sup>th</sup> stakeholder in the women farmers group. However, in order to minimise the risk of missing an important outcome more interviews were conducted. Although the initial plan was to interview all of the women farmers (even stakeholders accepted to conduct interviews), not all of them participated.

**For the questions that were used in the one-on-one interviews please see Annex A.**

# Segmentation

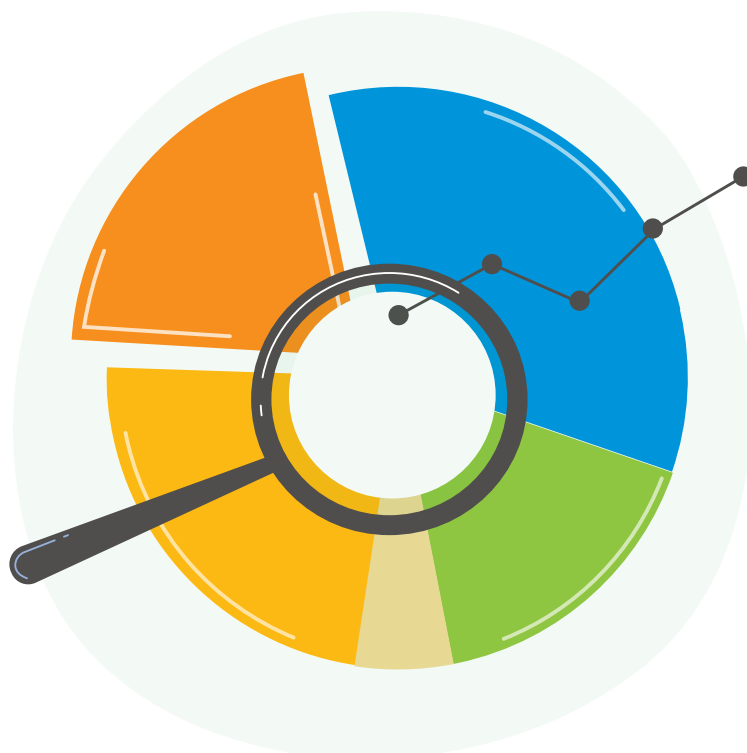
The first part of the one-on-one interviews is related to demographic information about the stakeholders. Answers to these questions are expected to help segmentation of the stakeholder group. While engaging in similar activities (farming), stakeholders may experience different changes that may be related to their demographics.

Segmentation is essential in order to understand:

- \* Why the relative importance of different kinds of changes varies,
- \* Why different changes vary in amount,
- \* Why people experience different changes.

Stakeholders were asked baseline questions (please see Annex A) with regards to;

- | Age
- | Location
- | Education level
- | Income level
- | Employment status (Whether they are only farmers have another job as well)
- | Basic reason to join the Project
- | Experience level in agriculture
- | Marital status
- | Number of children
- | (For married stakeholders) Whether their husband is a farmer too
- | Whether they use banking services
- | Whether they have any savings



Information related to these facts helps understand the connection between a specific change and those stakeholders who have experienced it and those who have not.





# Principle 2: Understand What Changes

The table below shows the inputs and outputs of stakeholder groups that are included in the analysis.

Stakeholder Group	Inputs	Monetary Value of Inputs	Outputs
Women Farmers	Money (TRY) Microcredit service charge	TRY 35,000 (TRY 20 x 25 weeks + TRY 2.5 x 50 weeks) x 56 (number of stakeholders)	* Engaging in agricultural activities with microcredit (ongoing and/or new) * Attending trainings (1 day/2 hours in average)
Toros Tarım (Toros Agri)	Service	* TRY 23,560– Cost of human capital * TRY 10,000– Cost of protective outfit for farmers * TRY 7,000 - Cost of product-specific care guide	* Delivering training * Providing advisory with field visits * Preparing and distributing a product-specific care guide to the participants (Sustainable farming practices guide- 4 Rs: right product, right amounts, right timing, right place) * Safe working conditions with personal productive equipment (PTEs)
Tekfen Foundation	Money (TRY)	TRY 336,500	* To design the project for women's empowerment in agriculture * Providing cash support for low-cost microcredit
TİSVA	Money (TRY)	TRY 84,125	* Providing cash support for low-cost microcredit

**Women Farmers:** They invested money in terms of service charge (TRY 20 + TRY 2.5) in addition to their installment payments. The total amount of loan has two components; (1) loan provided by Tekfen Foundation (80%) and (2) loan provided by TİSVA (20%). Repayment period and installment are different for these two portions. TİSVA's installment is a mere TRY 2.5 for a duration of 50 weeks but starts immediately the week after the loan is given whereas Tekfen Foundation's weekly installment is TRY 20 for a duration of 25 weeks. The total amount of service charge for 56 stakeholders amounts to TRY 35,000.

During one-on-one interviews stakeholders were asked whether they had an opportunity cost of their time. 87% of stakeholders have already engaged in agricultural activities and 13% of stakeholders stated that they were looking for an opportunity to engage in agricultural activities. Consequently, no opportunity cost occurred for women farmers. Would there be any opportunity cost, it would have been included even if women farmers are the main beneficiaries of the Project.

**Toros Tarım (Toros Agri):** Toros Tarım invested its human capital for trainings and consultancy in the field. Experts of Toros Tarım spent 321 hours including trainings. Additionally, Toros Tarım provided protective outfit for farmers which cost TRY 10,000 and product-specific care guides which cost TRY 7,000. In total, the investment amount of Toros Tarım is TRY 40,560.

**Tekfen Foundation:** Tekfen Foundation is the originator of the project idea and financial investor of the project. In other words, the main donor of the Project. The investment amount is TRY 500,000 in total. In the scope of the analysis, total investment amount of Tekfen Foundation is taken as TRY 336,500 which is the total amount of credit that was allocated to those 56 women farmers, who were included in the analysis.

**TİSVA:** Similarly to Tekfen Foundation, TİSVA a financial investor of the project. The investment amount is TRY 125,000 in total (or 25% of Tekfen’s contribution). In the scope of the analysis, the total investment amount of TİSVA is taken as TRY 84,125 which is the total amount of credit that was allocated to those 56 women farmers, who were included in the analysis.

## Outcomes

**Risk of Double Counting:** The way to conclude whether a well-defined outcome is dependent or independent is to identify whether it would occur anyhow, without the occurrence of the other outcomes.

As seen on the chain of change schemes, 3 well-defined outcomes have occurred as a consequence of different changes that are (see page 18) experienced by women farmers. The negative outcome is independent from other two positive outcomes. However, we should be careful about dependency (or independency) of ‘increase in self-confidence’ and ‘expanding farming activities’. Increase in income is the common part of the chain for both well-defined outcomes. According to stakeholders, increase in income has caused either ‘self-confidence’ or ‘expanding agricultural activities’ outcomes. There is no stakeholder who stated that they have experienced both outcomes. This information indicates that these outcomes are independent. Majority of stakeholders (5 out of 8), who have experienced ‘increase in self-confidence’ are farmers with 1 to 5 years of experience. Since the increase in self-confidence based on ‘being independent financially’ and ‘being able to engage in agricultural activities independent from one’s family’, there is no relation with ‘expanding farming activities’ outcome, for now.

As 2021 was the first year of the Project, stakeholders whose self-confidence has increased may expand their farming activities in the next period of the Project. As their farming activities will expand, their income will increase which will further contribute to their self-confidence and scale of their farming activities. So, it can be expected that these two outcomes will contribute to each other resulting in a loop for women farmers.

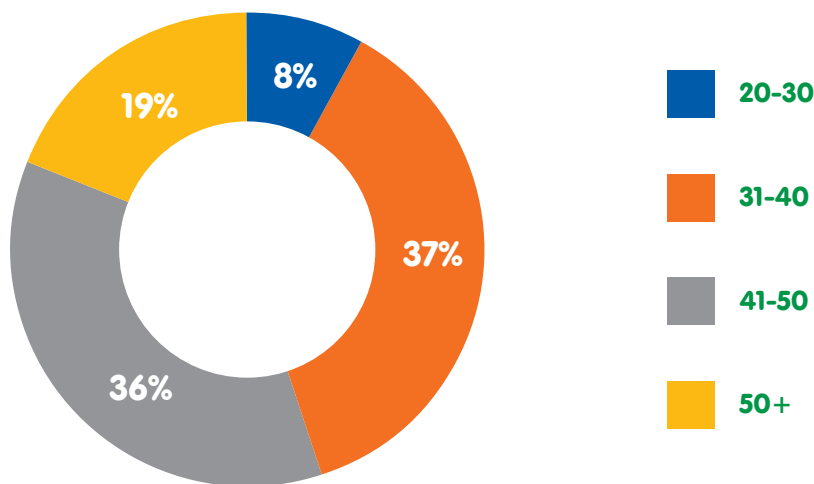


Even if these outcomes are independent from each other (for now), it should not be forgotten that double counting risk is always there. All those discussions are based on human beings’ experiences, so double counting risk can be minimised but cannot always be entirely eliminated. Objectivity and transparency are essential.

## Women Farmers

80 women farmers joined the Project in 2021. 56 of them were included in the analysis via one-on-one interviews. Almost half of the stakeholders are young farmers; 8% of them are between 20-30 years old and 37% of them between 31-40 years old showing that the Project has a potential to support young farmers to keep them in the business. On the other hand, older participants said that their children did not show interest in farming due to its high labour-low income nature. Consequently, with particular focus on this aspect, the Project has a potential to reverse this perception.

## Age Distribution

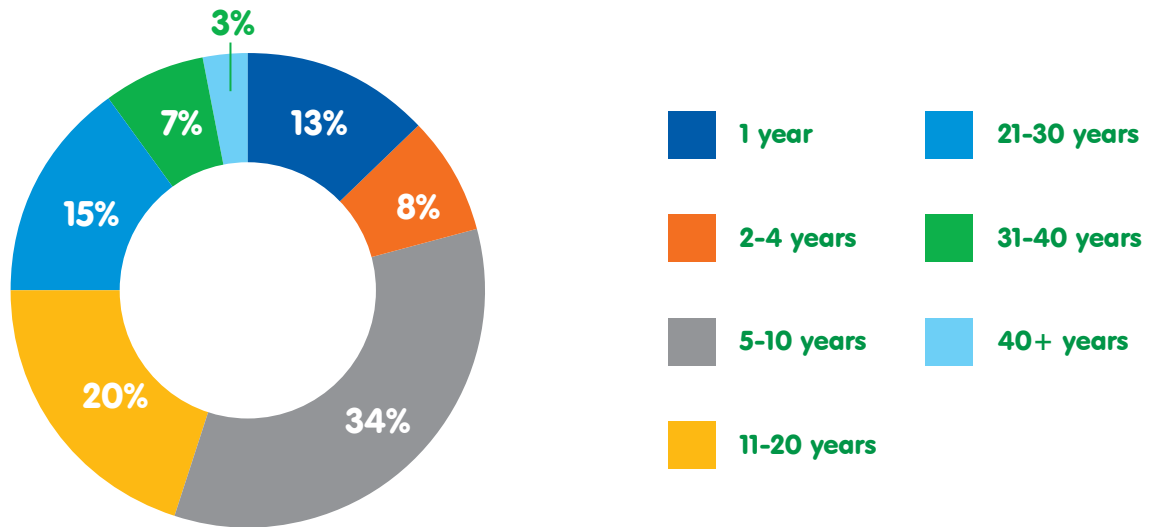


The majority of the stakeholders are highly experienced in agricultural activities since their parents were farmers too. This may pose some disadvantage with regards to the effectiveness of the Project’s training programme. 71% (40 out of 56) of stakeholders attended the trainings given by Toros Tarım. Having been farmers (for 10-30 years), most stakeholders stated that they had deep knowledge about agriculture. While 5 stakeholders stated that they did not learn anything new from the training, 1 stakeholder stated that she did not pay attention because her husband had enough experience. 5 stakeholders could not practice what they learned during the training reason being that they either couldn’t grow any produce due to water scarcity in their region or that they have already been done planting at the time of the training and therefore it was too late to implement the new knowledge.

34 stakeholders stated that their knowledge has increased regarding;

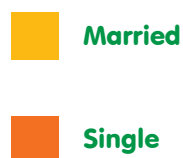
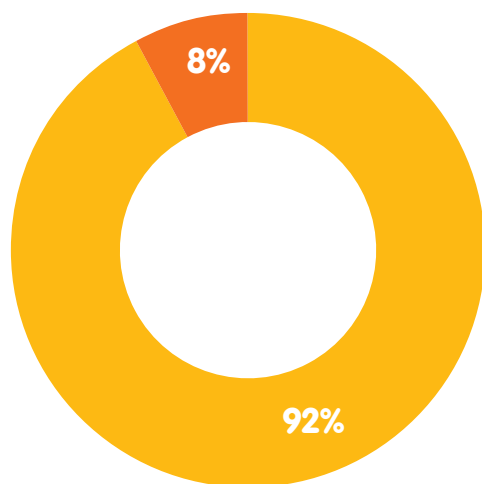
- ▮ Plant nutrients
- ▮ Irrigation
- ▮ Pesticide

### Agricultural Experience

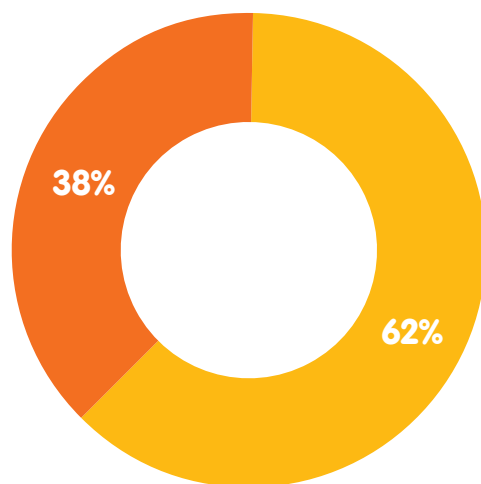


The majority of the stakeholders are married, 62% of the husbands also being farmers. This provides an opportunity to optimise the value of the Project in terms of knowledge (or know-how) transfer. As the families of women farmers' constitute the sub-group of stakeholders and will be included in the next phase of the analysis, we will be able identify whether they have experienced any change as a consequence of the Project.

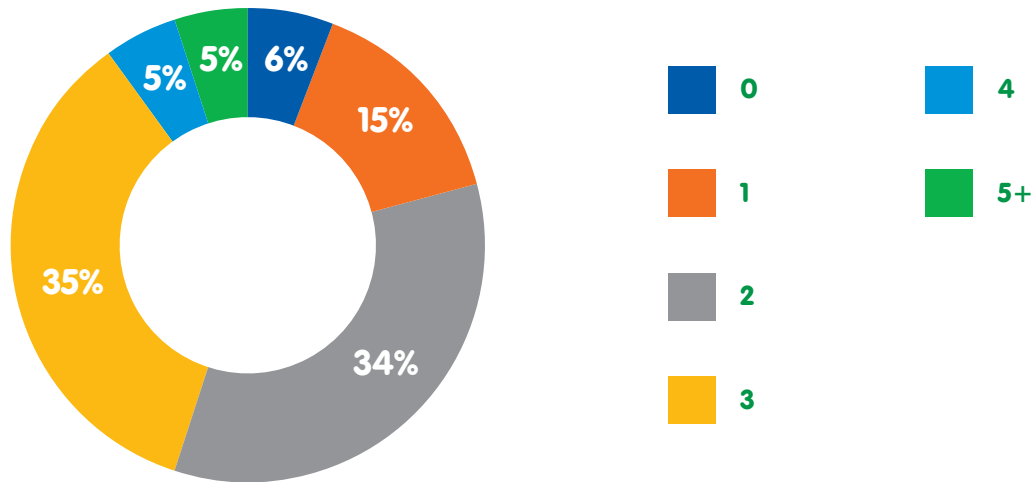
### Marital Status



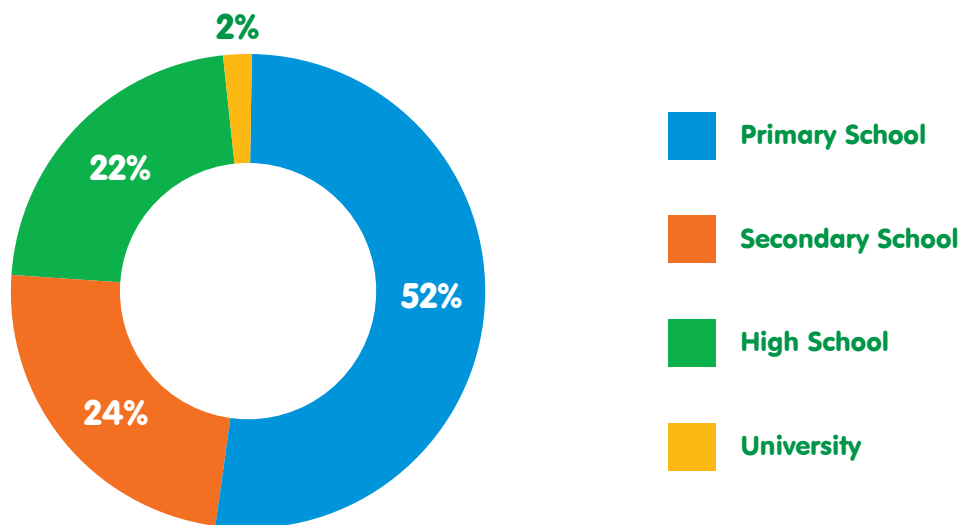
### Is your husband also a farmer?



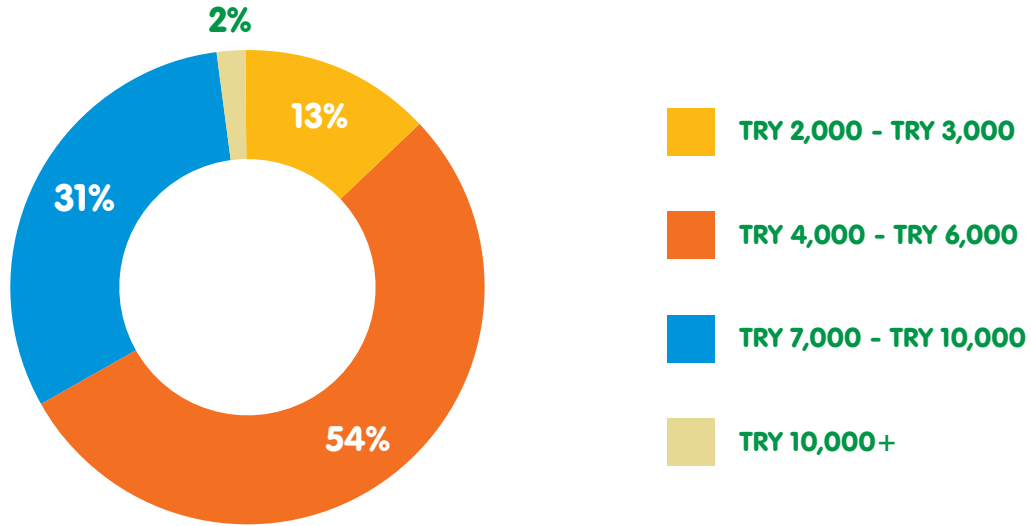
### Number of Children



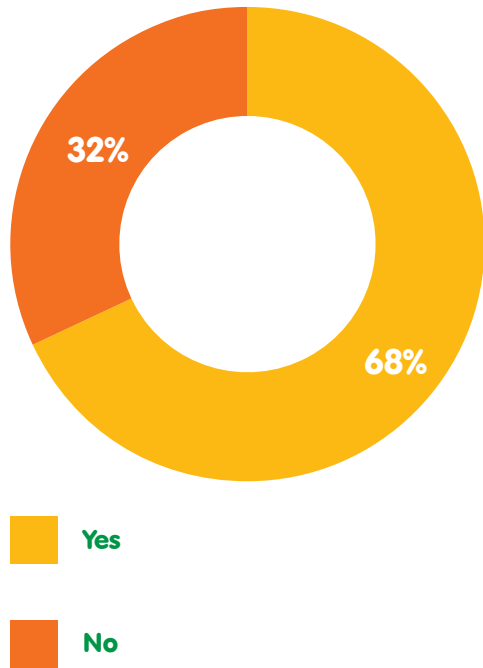
### Education



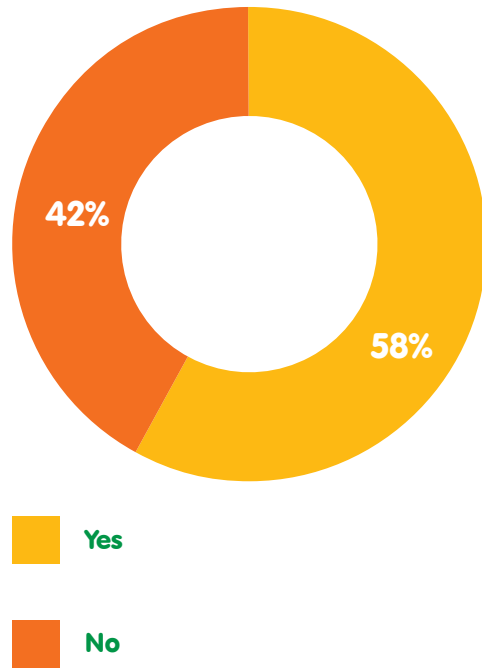
### Monthly Household Income



### Does Your Income Cover Your Expenses?

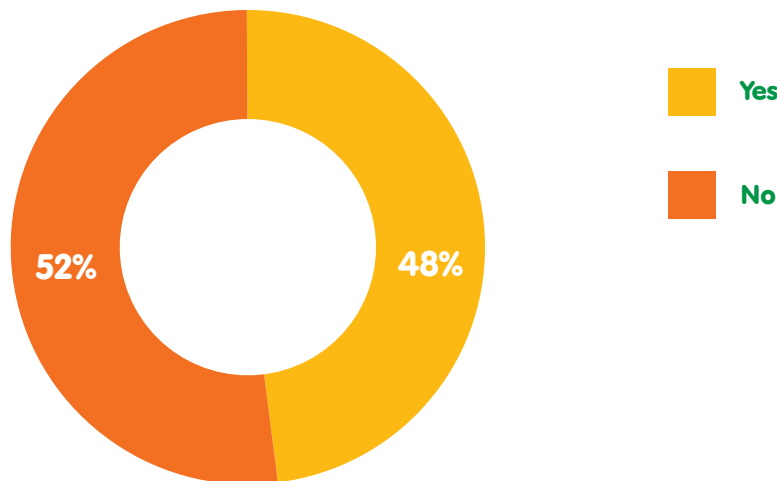


### Do You Use Banking Services?



Half of those stakeholders whose income does not cover their expenses have monthly household income between TRY 2,000 to TRY 3,000 and half between TRY 4,000 and TRY 6,000.

## Is Farming Your Only Job?



The minimum wage in 2021, was TRY 5.004<sup>4</sup> while TRY 4.000 was the hunger threshold i.e. “the amount of monthly food expenditure necessary to provide a healthy, balanced and adequate nutrition for a family of four”<sup>5</sup>, and TRY 10.000 was the poverty threshold i.e. “the amount of income necessary to afford food, clothing, housing (rent, utilities, fuel), transportation, education and/or other monthly expenses for health and similar needs”<sup>6</sup> in 2021. Based on these thresholds stakeholders with TRY 6.000 income (or less) are likely not to be able to make ends meet. Additionally, this group of women are unbanked which means they have no access to financial instruments.

This information is crucial since one of the Project’s short-term goals is ‘Increasing the income of women farmers’ as stated in ToC. and clearly indicates that it has reached the right stakeholders.

As shown on the Chain of Change scheme, increase in income occurs on 3 out of 5 chains which indicates that the Project is on the right track.

Expanding farming activities and increase in self-confidence are the two positive well-defined outcomes. Both outcomes can be evaluated as expected outcomes since similar project participants have experienced similar outcomes.

Shae Thot Livelihoods Work project’s SROI analysis<sup>7</sup> shows that the project stakeholders have experienced self-confidence and increase in income level as a result of agricultural activities. Similarly, Six-Level Redevelopment Project for Traditional Fishing Villages<sup>8</sup> and Stone Weir Seeker Project<sup>9</sup> SROI analyses show that stakeholders of both projects have experienced increased in self-actualisation, improved professional ability and increase in personal income. Even if fields of activity are not same and stakeholder profiles are different, all these outcomes have been experienced by the stakeholders of our project as shown on the Chain of Change scheme. This indicates that generating income, being independent financially and being ‘able to produce’ creates value for all people.

<sup>4</sup><https://www.csqb.gov.tr/media/35831/yillar-itibariyle-gunluk-ve-aylik-asgari-ucretler.pdf>

<sup>5</sup><https://www.turkis.org.tr/>

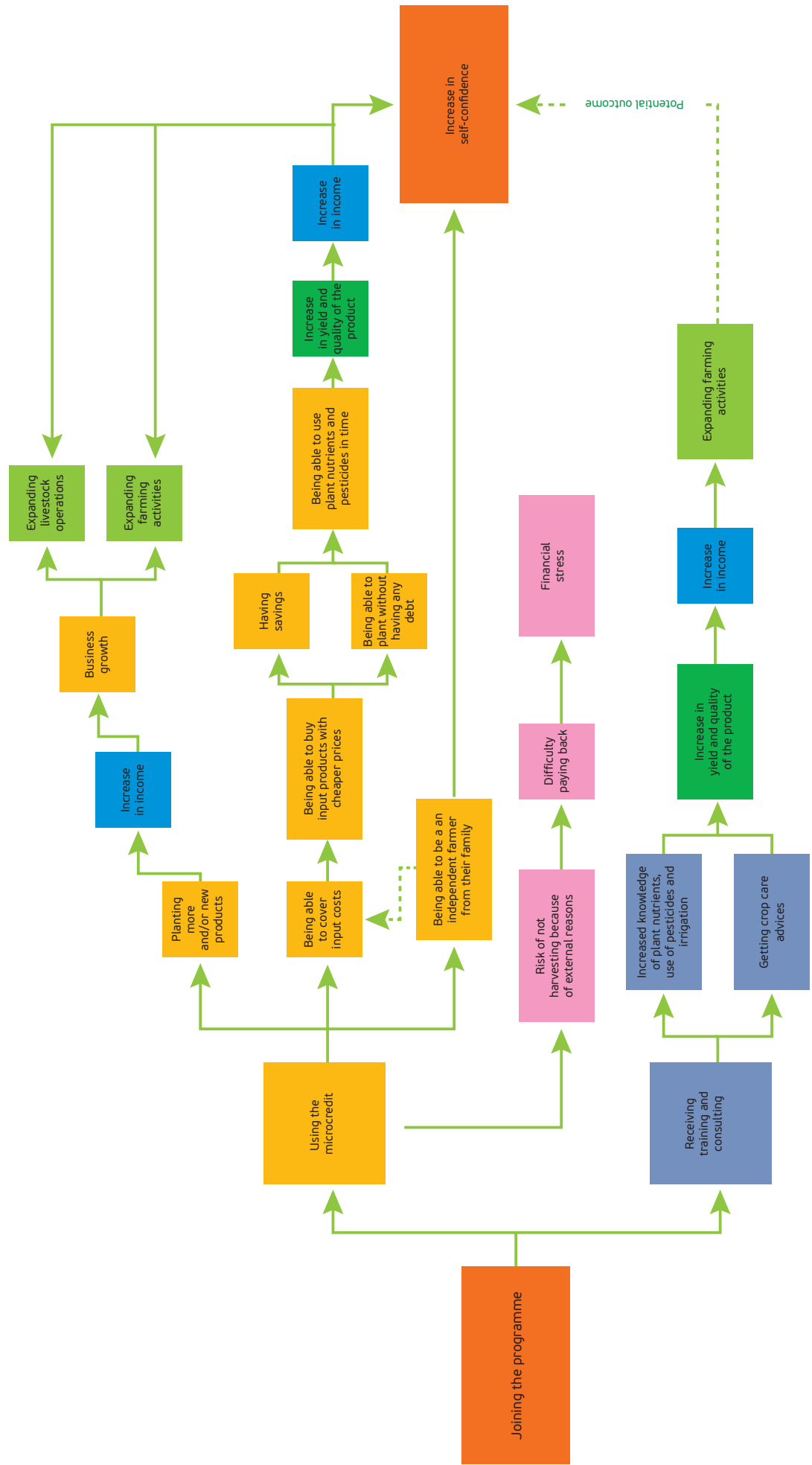
<sup>6</sup><https://www.turkis.org.tr/>

<sup>7</sup><https://socialvalueuk.org/reports/social-return-investment-shae-thots-livelihoods-work/>

<sup>8</sup><https://socialvalueuk.org/reports/six-level-redevelopment-project-for-traditional-fishing-villages-social-return-on-investment-sroi-evaluation-report/>

<sup>9</sup><https://socialvalueuk.org/reports/stone-weir-seeker-project/>

# CHAIN OF CHANGE - WOMEN FARMERS







# Expanding Farming Activities



For 23 out of the 56 women farmers included in the impact analysis, the project has resulted in ‘the expansion of their farming activities’. With the microcredit, they were able to cover the cost of their inputs such as fertiliser, pesticide, diesel, irrigation, and maintenance of the soil. As plowing the field before planting the crops and timely fertilisation, spraying and irrigation after planting the crops play a major role in yield, the project had significant benefits in providing the necessary maintenance and inputs that directly affect crop yields. Farmers were also able to avoid high-interest loans as a result of the microcredit.

It is important for farmers to get out of the cycle of low yields: lack of timely use of plant nutrients and spraying causes low yield which negatively affects income, which in turn negatively affects the following season. Getting out of this vicious cycle is crucial for two reasons; (1) to keep planting crops and (2) to expand cultivation areas.

The microcredit encouraged 15 farmers to plant new crops in addition to their usual crops and/or to plant more crops (minimum 2 acres, maximum 7 acres increase), leading to an increase in income.

The fact that the increase in the farmers’ income is reinvested in farming and/or livestock activities is one of the main features that render the project sustainable.

Other such features were agricultural training and on-site consulting.

27 out of 40 farmers (67,5%) who benefited from Toros Tarim’s training and expert on-site consulting, reported a significant increase in the yield and quality of their crops, whereas 17 out of 27 farmers pointed to a 30% to 50% increase in their income.

Every farmer whose income increased said they planned to plant more and different kinds of crops next season.

## Indicators

Subjective	Objective
Having bigger dreams about their agricultural activities in the future	Producing more crops by buying more seeds/seedlings
	Planting crops on all their available land
	Starting a small-scale livestock breeding

- “I already had an orange grove. I planted peanut on the empty fields, and it provided very good income. I will plant more next year.
- “When my earnings increased, I also started livestock abreeding. Money from milk became an additional income. I want to continue by increasing the number in the future.”

“I wanted to plant okra because of its high yield. Normally I was planting 2 acres, but after I got the loan, I planted 6 acres.”

**Depth of Change:** Some of the stakeholders have expanded their businesses by planting new crops, some by farming on larger areas, and some by starting to raise livestock in addition to farming. In comparison with the pre-loan period and in accordance with the farmers own claim, the amount of change that has occurred was determined in average of 40%.

**The amount of change was average 40%**

Out of 7 women with more than 5 years of experience in farming, 2 testified of 50% of change. Some claimed the amount of change to be between 70% to 100%.

With the exception of one stakeholder, all the farmers’ income ranging between TRY 2,000 to 6,000 indicates that expansion of farming activities may have a direct relation with their experience and income level. Similarly, with time, we expect that, farmers who will gain experience might expand their farming activities as well.

Depth of change was determined by stakeholders’ self-evaluation. Since the outcome was tangible, it might be thought that it was easy to measure the amount of change. However, most of the stakeholders could not state the absolute amount of change because they did not data regarding planted acres, amount of crop planted and profit generated. Stakeholders were asked to evaluate their situation before the project on a scale of 0-10 (0 for no agricultural activity). Then they were asked to evaluate their situation after the project on a scale of 1-10.

For the future analysis, information on stakeholders’ size of land cultivated, amount and type of crop planted and profit should be recorded by the experts. Stakeholders’ own declarations proved misleading at times as seen in one-on-one interviews. For instance, some stakeholders who planted tomato, pepper and eggplant, only mentioned tomato in the interview. For the sake of correct identification of product variety and amount, the following questions may be asked in future analyses:

¶ Which products did you plant last season? (The product list can be diversified)

- Tomato
- Okra
- Olive
- Pepper
- Cucumber
- Fig
- Eggplant
- Broccoli
- Grape
- Strawberry
- Peanuts
- Other

¶ Specify the amount of your harvest.

¶ What was the size of planted acres? Please specify. If you do not know, would like us to visit and measure it?

- Planted acres
- Please visit and measure my field

¶ Which products do you plan to plant this season?

¶ Specify the amount you foresee to harvest.

**Completeness:** 33 stakeholders out of 56 have not experienced this outcome. Out of these 33 farmers, 8 have an income higher than TRY 6,000 and 14 have other jobs besides farming. Expanding farming activities may not be their priority.

It is also true that, expanding farming activities requires extra arable land. Those farmers who already cultivate their entire land have no space expanding their farming activities. However, in the future they may acquire arable land through rental or purchase.

## Increase in Self-Confidence

8 of the 56 farmers participating in the analysis, said they experienced an increase in self-confidence while 5 of them claimed that the project allowed them to engage in farming on their own (these are beginners with 1 to 5 years of experience). While those women whose families are already farming, are naturally somewhat knowledgeable about farming, growing crops on their own and earning their own money made them realise that they can stand on their own feet, without help from anyone (mother, father, spouse). Being financially independent increased their self-confidence.

Three women with 10, 20 and 30 years of experience in farming were of the same opinion. The positive results in agricultural yield and product quality owing to the correct usage of fertilisers and pesticides directly led to an increase in their income, improved their quality of life and ultimately their self-confidence. As a consequence, these women’s land will not be left uncultivated the coming season, on the contrary more produce will be grown on them.

All these are clear signs as to women being ready to play a more active role in farming thus ensuring access to secure food, our most basic human need. The expansion of women farmers’ businesses is of great importance not only for the individual development, but also for the region, and for the country at large. Women farmers’ eagerness to learn new practices are factors that accelerate this process.

### Indicators

Subjective	Objective
Not being financially dependent on anyone	Having their own income
To feel stronger	Being free in their own spendings
Being able to say “I did it by myself”	

“Farming was a family business, but this time it has become my own business. I became an entrepreneur.”

“I got this credit, I planted the crops, I sold them and it is my own income. I did it!”

The amount of change was average 40%

**Depth of Change:** When asked to assess the change in stakeholders’ self-confidence after the Project, the weighted average showed an increase of 40%. Even though the stakeholders were already engaged in farming activities before the project, they were dependent on their families/spouses; with the project, this dependency ended and they were able to earn their income by growing their own products, giving them a sense of independence and success. As only 3 women’s household income level is above TRY 6,000, we can assume that they were in need of the loan and that being unsuccessful would have caused them difficulties with its repayment. This shows that women farmers are willing to take risk.

Depth of change was determined by stakeholders’ self-evaluation. Since the outcome was intangible, stakeholders’ own evaluation was necessary. Stakeholders were asked to evaluate their situation before the project on a scale of 0-10. Then they were asked to evaluate their situation after the project on a scale of 1-10.

For the future analysis, stakeholders’ situation regarding their feeling of being independent and generating better income by engaging in agricultural activities should be understood to optimise value for them. So, the questions below can be asked to stakeholders;

¶ Would you agree with the statement that “I can continue to engage in agricultural activities without any support of my family/relatives?”

- Yes
- No
- Partially - Please specify

¶ Would you agree with the statement that “I think I am successful in the field of agriculture?”

- Yes
- No
- Partially - Please specify

**Completeness:** 46 out of 56 farmers have not experienced this outcome. At first sight these women’s husbands also being farmers may have an effect on the fact that they did not experience this change assuming that they work together anyhow. However, only 1 stakeholder’s husband is also a farmer, and 2 stakeholders are single.

Only 3 women who have not experienced this outcome are new farmers. The fact that all the other women have been farming for more than 5 years allows us to assume that most of the experienced farmers have already gained ‘self-confidence’.

## Financial Stress

8 stakeholders have experienced financial stress as a negative outcome. The basic reason for this was the weekly installment payment frequency. As all the women farmers are already members of TGMP’s<sup>10</sup> programme and therefore well accustomed to weekly installements, we inquired further about the reason for the financial stress. Firstly, the farmers loan is considerably higher than the generic micro-credit and so are the installments. Even though, stakeholders started paying the installments after harvesting, they still felt the pressure. All stakeholders who have experienced financial stress are the ones who sell their produce themselves at the marketplace. Each week’s income may not be enough to pay the installment. This negative outcome occurred in the case of stakeholders with an income level of TRY 2.000 to 6.000.

It should be noted that financial stress was also related to high inflation rate. As household expenses increased month by month people preferred purchasing their needs from markets due to credit card payment option which had a negative impact on stakeholders earning.

<sup>10</sup><https://socialvalueuk.org/wp-content/uploads/2022/04/TGMP-Assured-SROI-Analysis-28.4.2022.pdf>

Financial stress has been identified for other stakeholders who engaged in different micro-finance projects/programme. This negative outcome can be evaluated as expected since micro-finance projects focus on poverty and stakeholders of these projects have very low income. So, it can be expected that stakeholders worry about repayments which causes financial stress. A pilot project in India (EMILF’S Microfinance Operations in Kerala)<sup>11</sup> which carried out a forecast SROI analysis, also found out the same negative outcome. According to stakeholder engagement of EMILF 2% of the programme’s stakeholders would experience financial stress.

## Indicators

Subjective	Objective
	Not having same amount of income every week
	The sudden increase in the cost of living due to high inflation and the necessity of using their earnings for daily needs

- İ “Even if I earn money from my produce, I have daily expenses like bills which suddenly doubled due to inflation.”
- İ “At the marketplace, people must pay cash which is why they prefer to buy food with credit card at supermarkets. It affected me badly and I earned less.”

**Depth of Change:** The negative outcome occurred as a result of participating in the Project. “Financial stress” is directly related to having debt by using microcredit leading to the conclusion that the depth of the change is taken as 100%.

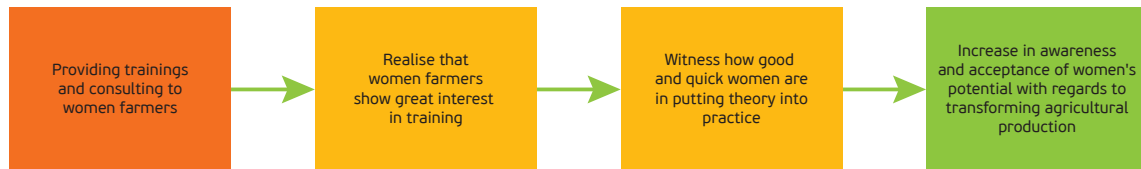
**Completeness:** Majority of stakeholders (48) – those who sold their produce wholesale - have not experienced financial stress. Additionally, income level could be another factor for not experiencing financial stress but there are 7 stakeholders whose income level is between TRY 2,000 - TRY 3,000 and 25 stakeholders whose income level is between TRY 4,000 - TRY 6,000 which indicates that income level is not a major factor.

## Toros Tarım

Toros Tarım has been supporting farmers for many years. With an expert team of 12 agricultural engineers, it reaches out directly to 18 thousand farmers annually to whom they provide free consultancy. However, until engaging in the Project, majority of the farmers that Toros Tarım has contacted with were men. For the first time, with Women Farmers Loan, Toros Tarım entered into direct contact with women farmers. Its awareness regarding women’s leading role in agriculture sector has considerably increased.

<sup>11</sup>[https://socialvalueuk.org/wp-content/uploads/2023/02/sroi\\_finalreport.pdf](https://socialvalueuk.org/wp-content/uploads/2023/02/sroi_finalreport.pdf)

## CHAIN OF CHANGE - TOROS TARIM



### Indicators

Subjective	Objective
	Witnessing that women put theory into practice very fast
	Witnessing that women are open to learning and new information
	Witnessing that women can be a driving force for information transfer

**Depth of Change:** On a scale of 10, Toros Tarım evaluated its awareness of women’s leading role as at point 6 before the Project, and at point 9 after the Project, so the depth of change is 30%. They witnessed how women farmers influence their husbands. Despite the relatively limited geographical scale of the project in 2021, there is ground to expect the multiplier effect of empowering women farmers in the future.

**Completeness:** N/A

## Principle 3: Value The Things That Matter

“Valuing the things that matter requires an explicit recognition of the relative value or worth of different changes or ‘outcomes’ that people experience (or are likely to experience) as a result of the activities. Value is subjective in its very nature. Therefore, it is critical that Principle #3 is applied in conjunction with Principle #1 ‘Involve stakeholders’ so that we are able to value outcomes from their perspective. Principle 3 also relates to valuing the inputs required to deliver the activities that are being accounted for.”<sup>12</sup>

### Relative Importance

Relative importance shows the non-monetary value of the outcomes. In order to maximise social value, understanding relative importance is crucial. “Value is inherently subjective, and therefore we must estimate this value as best we can through involving those who experience the value in the process of quantifying the relative importance.”<sup>13</sup>

Stakeholders were asked to weigh the outcomes by using a scale of 1 to 10. The answers of the stakeholders were calculated by taking the weighted average.

<sup>12</sup>Standard on applying Principle 3: Value the things that matter, Social Value International

<sup>13</sup>Standard on applying Principle 3: Value the things that matter, Social Value International





The table below shows the relative importance of outcomes for each stakeholder group. All outcomes’ relative importance is between 7-9. Women farmers have experienced one negative outcome (financial stress) which has been evaluated as 7 by stakeholders, a rather high score and therefore advised to be taken into consideration for value optimisation. ‘Financial stress’ has direct relation with an external factor which is inflation. In case of continuous high inflation the relative importance of ‘financial stress’ is likely to affect the total value of the project negatively.

Stakeholder Group	Outcome	Relative Importance
Women Farmers	Expanding Farming Activities	9
	Increase in Self-Confidence	9
	Financial Stress	7
Toros Tarım	Increase in Awareness	7

### Value of Outcomes - Monetisation

Monetising the value of the outcomes helps us compare different changes and make better decisions. There are different approaches that can be used to translate the relative importance into money language<sup>14</sup>;

**Cost-based:** These approaches consider the market trade-offs (or costs avoided) associated with maintaining a change in an outcome.

**Revealed Preference:** These approaches examine the way in which people reveal their preferences for goods or services through market production and consumption, and the prices that are therefore given to these goods (explicitly or implicitly).

**Stated Preference:** These approaches ask people to “state their preference” for a good, service, often using questionnaires.

**Wellbeing Valuation:** This approach uses statistical analysis of large and existing questionnaire datasets to value the effect on wellbeing from changes in life circumstances and life satisfaction.

Details regarding these approaches can be found in [Standard on applying Principle 3: Value the things that matter](#).

As Peter Scholten says “value is in the eye of the stakeholders”<sup>15</sup>. With this approach, stakeholders are involved while translating the relative value into money language. Both women farmers’ and Toros Tarım’s financial proxy (a figure that can be used to represent the value of something in a calculation) of outcomes were determined by stakeholders in this analysis.

During one-on-one interviews, the method of Value Game was applied in which each stakeholder group drew a list of things that are important and meaningful to them<sup>16</sup>. Then, they were asked to match the well-defined outcomes with the items on their list.

The weighted average of monetary value was used as financial proxy of the outcomes. The list of financial proxies of outcomes are given in Annex B for each stakeholder group. As seen on the list there are options like house and tractor. The financial proxy for the house and the tractor was determined with the assumption that a house cannot be bought in one year by stakeholders (bearing in mind their household incomes). Since this analysis covers a one-year period (2021), the financial proxy for the house option was taken as the amount of yearly mortgage payments.

<sup>14</sup><https://socialvalueuk.org/wp-content/uploads/2022/12/Standard-for-applying-Principle-3.pdf>

<sup>15</sup>Scholten, Peter, Value Game, A method for involving customers in valuing outcomes, Social Value UK, February 2019, <http://www.socialvalueuk.org/wp-content/uploads/2019/03/ValueGame-Document-FINAL.pdf>

<sup>16</sup>The list of products and their monetary value can be found in Annex B.

The tractor option was determined by cash payment as a cheaper option than installments.

The average of three different bank’s loan offer (with the lowest interest rate: 1.20%-3.79%) for 5 years and 1 year cost of mortgage payments were used as financial proxy.

Anchoring is used with the monetisation approaches in the analysis. As the relative importance of the outcomes are identified, each outcome’s weighted average value was determined in order to determine the anchoring point. The lowest monetary value of outcomes is used as anchoring point in order to avoid over valuation.

Since the time period of the analysis is 2021, all financial proxies are determined accordingly. Because of high inflation, 2022 prices of products and services have doubled.

## Principle 4: Only Include What Is Material

The following two screenings are done to well-defined outcomes in order to understand whether the outcomes are material or not; (1) Relevance test and (2) Significance test. The results of tests are compared with the threshold of the Project and decided as material or not.

Relevance test was passed if at least one of the criteria was ‘Yes’. Significance test was passed if relative importance was at least medium or high for the stakeholders. Other criteria which are quantity, deadweight and attribution were similarly important. However, if an outcome had low importance for the stakeholders, then there was no need to include it in the analysis. Outcomes should be meaningful and important for stakeholders. Otherwise, there is no meaning for tracking the indicators for future analysis. Other ways to optimise value for stakeholders should be discussed in such a case.

Significance is scaled and that scale may vary in the future according to changing circumstances. For the beginning of the project thresholds were determined as follow. These thresholds were subjective judgments and as mentioned can be revised in accordance with future circumstances.

	High	Medium	Low
<b>Relative Importance</b>	10-8	7-5	4-0
<b>Deadweight &amp; Attribution</b>	100%-50%	49%-30%	29%-0%

If outcomes would have happened anyway and third parties’ contribution with at least 50% level, it was taken as high because it would indicate that the project should provide better offer than the market to attract more women farmers for the future. This threshold was a signal to call for a better designed project before increasing the number of stakeholders.

# Women Farmers

The relevance and significance tests show that the outcomes are material. All outcomes are relevant with at least one criterion. As a second step of deciding whether or not outcomes are material, a significance test is done and outcomes proved significant in terms of relative importance and value of outcomes (significantly high).

Deadweight and attribution ratios are significantly low as well. This is an expected result because there is no other micro-credit project with very low cost targeting women farmers.

## Expanding Farming Activities

Relevance Criteria	Yes	No	Description
Policy based performance	•		Keeping women in the business and encourage them to expand their farming activities are part of the project’s policy.
Stakeholder behaviour and concerns	•		Stakeholders stated that they have experienced the outcome as a result of joining the project. Since they had access to low-cost micro-credit, they were able to expand their farming activities.
Societal norms		•	The outcome of expanding farming activities is not related to societal norm.
Direct short-term financial impacts	•		Increase in the amount of planted crops and increase in yield, mean increase in income with a direct short-term financial impact.
Peer based norms		•	It is not possible to conduct a peer assessment because there is no other low-cost micro-credit specific to women farmers in Turkey other than the project. The closest alternative is bank loan which is not an option for stakeholders since they have no farming certificate.
Conclusion	•		

Significance criteria	Quantity	Relative Importance	Value	Deadweight	Attribution
	23	9	TRY 148.955	18%	13%
Conclusion	Medium	High	High	Low	Low

## Increase in Self-Confidence

Relevance Criteria	Yes	No	Description
Policy based performance	•		Increase in self-confidence is directly related with the project’s policy. The main objective of the project is empowering women in the field of agriculture.
Stakeholder behaviour and concerns	•		Stakeholders stated that they have experienced the outcome as a result of joining the project. Women experienced that they are able to earn money by engaging in agricultural activities by themselves.
Societal norms	•		Being productive is a societal norm. Since stakeholders (especially new/young women farmers) experience the feeling of ‘success’ they have been encouraged to be more productive. So, this outcome is related with societal norms.
Direct short-term financial impacts		•	There is no short-term direct financial impact of this outcome.
Peer based norms		•	It is not possible to conduct a peer assessment because there is no other low-cost micro-credit specific to women farmers in Turkey other than the project. The closest alternative is bank loans which are not an option for stakeholders since they have no farming certificate.
Conclusion	•		

Significance criteria	Quantity	Relative Importance	Value	Deadweight	Attribution
	8	9	TRY 148.955	16%	16%
Conclusion	Low	High	High	Low	Low

## Financial Stress

Relevance Criteria	Yes	No	Description
Policy based performance		•	Financial stress is not related to the project’s policy. It is an unintended negative outcome.
Stakeholder behaviour and concerns	•		Weekly installment payment causes financial stress for stakeholders.
Societal norms		•	This outcome is not relevant to a societal norm.
Direct short-term financial Impacts		•	Even if the outcome is related with the financial situation, it has no direct short-term financial outcome. Still, the risk of ‘not being able to pay installment’ should be considered as having a financial impact for the funders.
Peer based norms	•		It is not possible to conduct a peer assessment because there is no other low-cost micro-credit specific to women farmers in Turkey other than the project. So, there is no other project/programme that has weekly payment system. The closest alternative is bank loans which are not an option for stakeholders since they have no farming certificate.
Conclusion	•		

Significance criteria	Quantity	Relative Importance	Value	Deadweight	Attribution
	8	7	TRY 115.469	50%	0%
Conclusion	Low	Medium	High	High	Low

## Increase in Awareness

Relevance Criteria	Yes	No	Description
Policy based performance	•		The outcome is related with the Project’s policy. The increase in awareness creates value for the company by contributing to its marketing strategy on the long term.
Stakeholder behaviour and concerns	•		Toros Tarım stated that it has experienced the outcome as a result of engaging in the project.
Societal norms		•	The outcome is not relevant with societal norms. Nevertheless, companies’ awareness regarding women’s leading power is in general welcomed by society at large.
Direct short-term financial Impacts		•	There is no short-term financial impact of the outcome.
Peer based norms	•		Any company can experience increase in their awareness when engaging in similar supporting activities as they establish close contact with the stakeholders.
Conclusion	•		

Significance criteria	Quantity	Relative Importance	Value	Deadweight	Attribution
	1	7	TRY 648.000	75%	30%
Conclusion	Normal	Medium	High	High	Medium



# Principle 5: Do Not Overclaim

The principle of *Do Not Overclaim* means understanding and capturing your impact, “i.e. the outcomes that were caused by your intervention”<sup>17</sup>. In order to avoid overclaiming, information regarding counterfactual (deadweight), attribution, and displacement has been collected from stakeholders.

For each outcome, stakeholders were asked;

- ▮ “How likely is it that this outcome would have happened anyway?” (related to deadweight)
- ▮ “Who else contributes to this outcome?” (related to attribution)

In order to understand whether any displacement has occurred or not, the analysis has tried to identify whether any stakeholder group other than those of the Project were in fact or could have been adversely affected.

## Rigorous

For this analysis a level of “low rigorous” is sufficient to inform decision. Stakeholder approach<sup>18</sup> is used to understand what would have happened in the absence of the Project. The irreversibility of both the micro-credit loan and the training and consultancy by Toros Tarım are low and there is no trade-off, which is discussed under the Displacement heading further below.

## Women Farmers

Outcome	Deadweight (%)	Attribution (%)
Expanding Farming Activities	18	13
Increase in Self-Confidence	16	16
Financial Stress	50	0

## Deadweight Discussion

Both positive outcomes’ deadweight ratios are close to each other just as expected because both outcomes are directly related with increase in yield which in turn led to increase in income. Both outcomes’ deadweight ratios are low as similarly expected. As the Project is unique and its main aim is to reach out to women farmers who have no (or limited) access to financial resources/instruments to run their farming activities in an effective and efficient way. Since none of them possesses a farming certificate they are the most disadvantaged group in agriculture.

<sup>17</sup>Principle 5: Do Not Overclaim, SVI Standard & Short Guidance (V.01), A Draft for consultation, Social Value International, 2021

<sup>18</sup>The counterfactual is hypothesised by stakeholders based on their opinions.



Even though the deadweight ratios of the positive outcomes are low, still they are not zero. Stakeholders stated that the change could have happened partially through borrowing from their friends/relatives. Buying agricultural input (seeds, seedlings etc.) on loan was mentioned as another option with a mention that this option is on the rise after 2021 due to high inflation. The weighted average of the stakeholders' statements on how much of the changes in "expanding farming activities" and "increase in self-confidence" could have been achieved anyway was determined as 18% and 16% respectively. These rates show that women farmers believe in the difficulty of farming without support on their own.

### **Attribution Discussion**

In one-on-one interviews, women testified to other people’s contribution to the change in self-esteem, albeit to a lesser extent. Based on the weighted average of 16%, it is understood that those family members who support the stakeholders’ advancement in agriculture, and provide their land for cultivation have the most significant share.

As to the attribution rate of ‘expanding farming activities’, one concludes that there are third party actors who contribute to the change, but only with a low level of contribution (13% according to the weighted average). In cases where the amount of the microloan was insufficient the financial support of the family was the most significant ‘third actor’ contribution.

## **Toros Tarım**

<b>Outcome</b>	<b>Deadweight (%)</b>	<b>Attribution (%)</b>
<b>Increase in Awareness</b>	75%	30%

**Deadweight Discussion:** Since Toros Tarım’s experts are in continuous touch with farmers, they could/would sooner or later achieve the outcome but that would indeed take too long. As such, the Project created value for Toros Tarım with its role as an accelerator allowing the company to reach out for women farmers who may exert considerable influence on the other farmers.

**Attribution Discussion:** Due to Covid-19 measures, Toros Tarım needed an outdoor space for training organisations. Local government as well as other institutions in the region contributed to the outcome with their support.

### **Duration and Drop-off**

Duration of the outcomes were discussed with stakeholders. They were asked to imagine that they quitted from the Project. Then it was discussed whether the outcomes would last and how long would they last?

Drop-off rate was not discussed with stakeholders. It was assumed that each year the value of outcomes decreased equally.

## Women Farmers

According to stakeholders since *expanding farming activities* (positive) and *financial stress* (negative) outcomes were directly related with micro-credit both outcomes would be lasting. It is obvious that the sustainability of the positive outcome depends on accessing financial resources. Since the Project offers stakeholders micro-credit with no interest and very small amount of service fee, it is expected that *expanding farming activities* could be possible with the Project. Similarly, the negative outcome is dependent on having micro-credit meaning being in debt. So, if stakeholders would quit from the Project the negative outcome would not last.

Increase in *self-confidence* outcome was based on engaging in agricultural activities without support of their families and/or relatives. It was about being able to “produce” and “having earnings” so stakeholders thought that the outcome would last long. They claimed that once they gained self-confidence it would be permanent. However, taking duration as 5 years would be overclaiming. The basic judgement behind taking duration as 3 years was the effect of external factors such as high inflation and social norms towards women (that their only job is taking care of their children and domestic works). Both factors and challenges may put pressure on stakeholders and may cause decrease in their self-confidence. Besides, woman farmers who joined the Project set a good example for and encouraged each other. If stakeholders would quit from the Project, they would be deprived of this supportive environment. So, in order to avoid overclaiming the duration was taken as 3 years.

Outcome	Duration	Drop-off
Expanding Farming Activities	1	100%
Increase in Self-Confidence	3	33%
Financial Stress	1	100%

## Toros Tarım

Increase in awareness was an outcome which was assumed to last more than 1 year by the company. It was obvious that the awareness gained will not be immediately lost if the company stopped to support the project. In order to avoid overclaiming it was assumed that the company may not contact with women farmers as much as it contacted during the Project process. So, the effect and value of the outcome would decrease over time inevitably.

Outcome	Duration	Drop-off
Increase in Awareness	3	33%

## Displacement

In order to understand whether or not displacement is applicable to the Project, stakeholders were first asked; “Did the Project influence your use of similar services (use of credit)?” They were also asked about other people close to them. The answer was a clear “no”, as expected owing to the Project’s uniqueness.

Secondly, answers to the below two questions were scrutinised;

- Has your activity replaced any other activity (ies) that would have resulted in some of these outcomes?
- Has your activity just moved outputs around, rather than create a net change?

None of the stakeholders has a farming certificate, meaning they are not entitled to any benefit or advantageous credit option that are provided by banks. Since they have limited or no access to financial instruments to run their business, there is no prevention of using credits from banks. Additionally, there is no situation like preventing other people engaging in agricultural activities as a result of the Project’s activities, meaning there is no prevention of experiencing similar outcomes as a consequence of farming activities.



## Principle 6: Be Transparent

Every social impact assessment inevitably includes subjective decisions. This analysis too includes judgments and assumptions. Although these judgements are tested in a sensitivity analysis, we still cannot talk about absolute value.

80 women farmers joined the first phase of the Project, all of whom were tried to be contacted to take part in the analysis. The relatively small scale of stakeholders was an important advantage for one-on-one interviews. However, a total of 56 women farmers took part in the survey and the interviews. Even if a large part of stakeholders (70%) were included in the analysis, 24 women out of them (43%) experienced positive and/or negative changes as a result of joining the Project. In order to optimise value in the second phase of the Project, determining the negative outcomes is more important against the risk of missing unintended negative outcomes for stakeholders.

As this analysis focuses on the main beneficiary group (women farmers), there is a risk of missing material outcomes that may have been experienced by other stakeholders such as families/friends/other farmers as a consequence of (direct or indirect) actions pertaining to the Project. Therefore, the next analysis will be more inclusive of these stakeholders. Readers of this report should be aware that this analysis does not include value (both positive and negative) created for those other stakeholder groups. In order to be able to manage the impact well, the Project managers primarily need a deep understanding of what has changed for the main stakeholders in the first step.

## Principle 7: Verify the Results

Verification is an important part of the process in order to minimise the risk of impact washing. Before submitting the analysis report for assurance to Social Value International (SVI), the results should be discussed with stakeholders.

There was a chance for a discussion about the results with Toros Tarım. However, this was not the case with women farmers as they have limited access to internet and an online group meeting for discussion was not possible. Instead, one-on-one interviews were made over the phone for verification. Only 9 stakeholders could be included in this verification process which may not be enough for a high-quality verification but which is still better than nothing.

Additionally, TISVA's team was delivered a Social Value and SROI Analysis training in 2021. The trainees have a capacity to transmit information to all facilities in the region and are therefore able to carry out discussions about the results with the stakeholders. Owing to this, they can make better decisions to optimise TISVA's value.

The verification process is a dynamic process and a tool to optimise its value.

# Sensitivity Analysis

Estimations and/or subjectivity are inevitable for any social impact analysis. It is therefore important to discuss these estimations and/or assumptions and test the implications on the SROI calculation of different scenarios that may change significant factors.

Sensitivity analysis aims to test which assumptions have the greatest effect on the Project. For an SROI Analysis the standard requirement is to check changes in:

- ▮ Estimates of deadweight, attribution and drop-off,
- ▮ Financial proxies,
- ▮ The quantity of the outcome,
- ▮ The value of inputs, where you have valued non-financial inputs and
- ▮ The duration of outcomes.

For the monetisation of the relative importance of the outcomes, 'stated preference' approach was used for both stakeholder groups. Since the value of outcomes that are determined by using stated preference approach contains assumptions, they should also be tested. As such, monetary value is halved for the sensitivity analysis for both stakeholder groups. Stakeholder groups' inputs are not changed for the test because there is no assumption on monetary value of inputs.

Causality and duration are tested at the highest possible level of causality and the lowest level of duration for positive outcomes and lowest level of causality for negative outcomes.

Stakeholder Groups	Outcome (The Change)	Description	Deadweight Rate	Attribution Rate	Drop- Off Rate	Duration
Women Farmers	Expanding farming activities	Financial proxy is taken as TRY 74.477,5 (half of TRY 148.955)	40%	30%	-	-
	Increase in self-confidence	For all positive outcomes, deadweight increased to 40% (more than doubled) and attribution rate increased to 30-35% which are the highest possible ratio for stakeholders. For the negative outcome, deadweight was decreased to the lowest ratio.	40%	35%	0%	1
	Financial stress	The SROI ratio is higher than 1:1 after these changes.	0%	-	-	-
When the changes of the rates are applied simultaneously for all outcomes, the SROI ratio is 1.14						
Toros Tarım	Increase in awareness	Financial proxy is taken as TRY 324.000 (half of TRY 648.000)  Deadweight and attribution rates are increased to 95% which are the highest possible ratio for the stakeholder. The SROI ratio is higher than 1:1 after these changes.	95%	95%	0%	1
When the changes of the rates are applied, the SROI ratio is 6.17						

The sensitivity analysis was also carried out for each aspect of outcomes separately in order to understand what would be the situation in different scenarios. Some assumptions were used to carry out the sensitivity analysis;

### Scenarios A

- Assumption 1: There was no material change for Toros Tarım
- Assumption 2: All deadweight ratios were high meaning 50% or 90%
- Assumption 3: All attribution ratios were high meaning 50% or 90%
- Assumption 4: Outcomes could not last

	Deadweight	Attribution	Duration	Duration	SROI
Expanding farming activities	50%	50%	1	100%	0,40
Increase in self-confidence	50%	50%	1	100%	
Financial stress	0%	0%	1	100%	

	Deadweight	Attribution	Duration	Duration	SROI
Expanding farming activities	90%	90%	1	100%	-1,51
Increase in self-confidence	90%	90%	1	100%	
Financial stress	0%	0%	1	100%	

### Scenarios B

- Assumption 1: All deadweight ratios were low meaning 10%
- Assumption 2: All attribution ratios were low meaning 10%
- Assumption 3: Outcomes could last more than 1 year

	Deadweight	Attribution	Duration	Duration	SROI
Expanding farming activities	10%	10%	2	50%	10,27
Increase in self-confidence	10%	10%	3	33%	
Financial stress	90%	0%	1	100%	

Scenario A indicates that if outcomes would have happened anyway 50% and above, the project would not create value for stakeholders. On the contrary, scenario B indicates that if outcomes would have happened anyway 10% and below, the project would create higher value for stakeholders. This shows that the more unique the project design is, the more value it creates. Providing access to financial resource and basic trainings only, carry the risk of value decrease in the future. So, in order to optimise value, each phase of the project may offer new opportunity for women farmers. Since the analysis was done with average values, we might be happy with the results. However, outliers' results should be considered in order to avoid any future risk of value decrease for stakeholders.

As discussed above, Scenario A shows that if women farmers would be able to access financial resources with similar requirements, they would experience expanding farming activities. Similarly, if they would have access to expert support and increase their knowledge as to how to increase yield and product quality, they would experience self-confidence. In this case, the value of the project would be under 1:1. Only 11 of stakeholders stated high level of deadweight. However, it should be considered when expanding the project. If new women farmers would experience the same outcomes in any case, then the design of the project may change in order to optimise value for the stakeholders.

# Principle 8: Be Responsive

In order to optimise value, Tekfen and TISVA continuously track changes for stakeholders in a dynamic process. Both organisations try to be as flexible as possible to increase the positive and decrease the negative outcomes with the aim to reduce inequalities and increase human welfare.

The results of the analysis were discussed and accordingly parties concurred that some tactical and operational decisions can be improved.

Principle 8 requires organisations to implement an impact management approach based on three types of decisions<sup>19</sup>:

- **Strategic** - setting impact goals in alignment with stakeholder needs and societal goals,
- **Tactical** - choosing activities that best achieve impact goals and
- **Operational** - making improvements to existing activities.

**Strategy of the Project:** Empowering women in agriculture – remained same

**Tactics:** All 3 tactics listed below reflect stakeholder voice. During one-on-one interviews they were asked what would be more valuable to them. Their concerns were taken into consideration while generating these tactics. Since there is no project similar to this one for comparison, any impact improvement could not be reviewed.

- 1- Women farmers should be informed about insurance for their crops against extreme weather conditions. Due to flood, extreme heat and water scarcity some farmers were unable to harvest their crops. We learnt during the one-on-one interviews that they were unaware of an insurance policy for crops. On the other hand, should they wish to insure they must officially register to the Ministry of Agriculture as farmers. The first step may be to encourage women farmers to officially register as farmers.
- 2- Another external factor is high inflation which diminishes the effectiveness of the Project as micro-credit amount becomes insufficient for some farmers. The amount of micro-credit may be increased for the next phase. However, the Project managers should take into consideration a negative outcome being financial stress. Raising the sum of the micro-loan may automatically raise the level of stress.
- 3- Because of Covid-19 some of the stakeholders were not be able to attend the trainings and were inquiring about the trainings in the next phase of the Project. Also, stakeholders who attended the trainings demanded there be more trainings. This clearly shows that Toros Tarım's observation regarding the eagerness of women about farming is absolutely right. Trainings shall continue in the next phase of the Project.

## Operations:

- 1- Tactic 1 and 3 can be implemented in the same activity. An informative meeting can be embedded in agricultural training programme.
- 2- As the donors of the Project, TISVA and Tekfen Foundation may review the amount of credit and evaluate the risks of paying back processes together.

<sup>19</sup><https://www.socialvalueint.org/principle-8-be-responsive>





# Risk Analysis



Of the 9 impact risks identified by Impact Management Project<sup>20</sup>, the "External Risks" is the most likely to materialise for the Project for two reasons; (1) Extreme weather conditions due to climate change and (2) High inflation. These are the two factors that could have a direct impact on reducing the positive impact of the support provided and, on the achievement, or quantity of desired changes.

Of the 56 stakeholders included in the analysis, 8 stakeholders experienced negativity due to external factors and were unable to harvest and had difficulties in repaying their loan debt. Three stakeholders could not harvest due to lack of water, 2 stakeholders could not harvest due to the quality of their produce, and 3 stakeholders could not harvest due to the rotting of their crop because of plant disease.

Stakeholders who could not generate income stated that they repaid the loan in full, but had great difficulty in doing so. Agricultural inputs (soil quality, water availability, irrigation, fertigation, labour, crop, young plants, oil, energy, residue) availability, accessibility, quality, etc will impact the outcome.

Two out of 3 stakeholders whose produce was rotten due to disease did not participate in the trainings

"Execution risk" is another risk that needs to be considered, although it is unlikely to occur due to Toros Tarım's experience in the region. If the training and consultancy support does not work as planned, having a "B" plan in place will help to ensure that positive changes will occur.

<sup>20</sup><https://impactfrontiers.org/norms/five-dimensions-of-impact/impact-risk/#assess>

# Annex

## **A. Interview Questions**

- 1- Your,
  - o Age
  - o Location
  - o Education level
  - o Household income level
  - o Employment status (Whether you are only farming or have another job)
  - o Experience level in agriculture
  - o Marital status
  - o Number of children
  - o (For married stakeholders) Is your husband is farmer too?
  - o Do you use banking services?
  - o Do you have any savings?
- 2- How have you been involved in the Project? What was the problem and the solution that you expected?
- 3- What did you contribute to get involved in the Project (and how much)? Time, service, money?
- 4- What activity/activities did you experience?
- 5- What changes have you experienced? What do you do differently as a result?
  - So, what happens next? / Tell me more / Why is that important to you?
  - What was the situation before you join the Project (0-10 scale)
  - What is the situation now? (1-10 scale)
  - How can the Project improve the outcomes you have experienced for you?
- 6- Were all the changes positive? If not, what were the negative changes?
- 7- Were all the changes expected or was there anything that you didn't expect that changed?
- 8- Do you think anyone else has experienced any changes as a result?
- 9- What would have happened to you if you hadn't been involved in the Project? Would you still have experienced the same change? If yes, to what extension?
- 10- Did anyone else contribute to the change? How much?
- 11- Did you have to give up anything to take part in the activity?
- 12- Were you getting similar support from somewhere else?
- 13- How long did the change last? Imagine you leave the Project and we are 2 years or 5 years from now, do you think you'll still be experiencing the change?
- 14- How important was this change to you? (1-10 scale)
- 15- Value Game:
  - a. Imagine that you get (3 to 5) presents for your birthday/new year. Those presents should be for yourself and should be the things that are meaningful and important for you.
  - b. Please match the list of the things that are important to you and the changes you have experienced.

## B. The List of Products and Their Monetary Value

### Women Farmers

Things that are important to have to stakeholders	Monetary Value (TRY)	Source
4 packages of fertiliser	TRY 2,000	<a href="https://topraktangetir.com/">https://topraktangetir.com/</a> <a href="https://www.trendyol.com/gubretas/">https://www.trendyol.com/gubretas/</a>
Cash for expenses	TRY 8,000	Stakeholders
2 acres of land	TRY 25,000	<a href="http://www.sahibinden.com">www.sahibinden.com</a> <a href="http://www.hepsiimlak.com">www.hepsiimlak.com</a>
1 year store rent/cost of 5 cattle	TRY 100,000	<a href="http://www.sahibinden.com">www.sahibinden.com</a>
Tractor	TRY 260,000	<a href="https://www.endetayli.com/newholland-traktor-fiyat-listesi/">https://www.endetayli.com/newholland-traktor-fiyat-listesi/</a>
3+1 flat (1 year mortgage cost)	TRY 394,500	<a href="http://www.sahibinden.com">www.sahibinden.com</a> <a href="http://www.hepsiimlak.com">www.hepsiimlak.com</a>

The average amount of one year mortgage	Source of three different banks' offer for mortgage
For an apartment: TRY 394,500 (TRY 32.875 x 12)	<a href="https://www.yapikredi.com.tr/kredi/konut-kredisi/">https://www.yapikredi.com.tr/kredi/konut-kredisi/</a>
	<a href="https://www.ziraatbank.com.tr/tr/bireysel/krediler/konutgayrimenkul/konut-kredisi">https://www.ziraatbank.com.tr/tr/bireysel/krediler/konutgayrimenkul/konut-kredisi</a>
	<a href="https://www.hsbc.com.tr/kartlar-vekrediler/krediler/mortgage-kredisi">https://www.hsbc.com.tr/kartlar-vekrediler/krediler/mortgage-kredisi</a>

### Toros Tarım

Things that are important to have to stakeholders	Monetary Value (TRY)	Source
Employment of 3 agricultural engineers (for 1 year)	TRY 648,000	Stakeholder

## C. SROI Formula

### Calculation of the Impact

The formula is given below to calculate impact by including deadweight, attribution, drop-off, and displacement.

Impact = (outcome quantity x financial proxy) \* (1 - deadweight) \* (1 - attribution)

Impact in year 1: This is the same as the impact calculated at the end of the Project.

Impact in year 2: impact = year 1 – drop off %

Impact in year 3: impact = year 2 – drop off %

Impact in year 4: impact = year 3 – drop off %

Impact in year 5: impact = year 4 – drop off %

### **Calculating Social Return on Investment**

In this stage, the Net Present Value (NPV) is calculated first. The NPV and SROI rate is calculated in accordance with the formulas below:

NPV = present value of benefits (PV)\* – value of investment \*PV = value of impact in year 1 / (1+r) + value of impact in year 2 / (1+r)<sup>2</sup> + value of impact in year 3 / (1+r)<sup>3</sup> + value of impact in year 4 / (1+r)<sup>4</sup> + value of impact in year 5 / (1+r)<sup>5</sup>

r = discount rate (The official data from the Central Bank of Turkey is used)<sup>21</sup>

SROI RATIO = Present Value / Value of Inputs

Net SROI RATIO= Net Present Value / Value of Inputs

The source of the formulas is The SROI Network guidebook<sup>22</sup>.

**When the related values are  
inserted in the formula, the SROI  
ratio is calculated as 1:6,60.**

<sup>21</sup><https://www.tcmb.gov.tr/wps/wcm/connect/TR/TCMB+TR/Main+Menu/Temel+Faaliyetler/Para+Politikasi/Reskont+ve+Avans+Faiz+Oranlari>

<sup>22</sup>A guide to Social Return on Investment, January 2012, The SROI Network.





[www.tekfen.com.tr](http://www.tekfen.com.tr)

[www.tgmp.net](http://www.tgmp.net)

[www.toros.com.tr](http://www.toros.com.tr)