

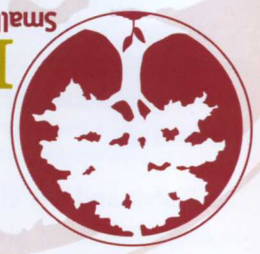
FOUNDATION FOR INTERNATIONAL COMMUNITY ASSISTANCE
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Creating Paths Out of Poverty Since 1984



FINCA
 Small Loans-Big Changes



VILLAGE BANK NOTES

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INSIDE

FINCA Welcomes
 New CFO

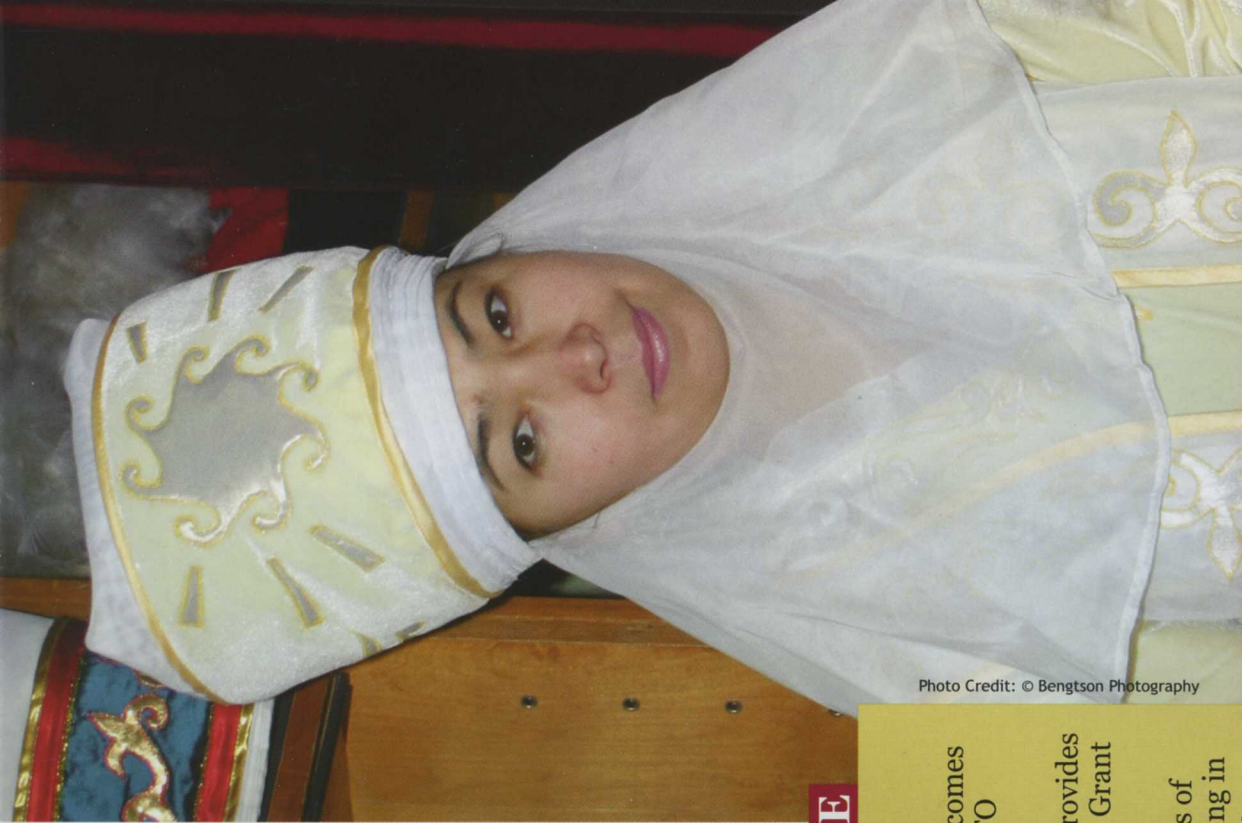
GE Money Provides
 \$1.5 Million Grant

Ten Years of
 Microlending in
 Eurasia

A Client's Dream for
 Her Daughters

Having Fun &
 Raising Funds

Photo Credit: © Bengtson Photography



FINCA
 Small Loans-Big Changes

Investing In Her Children's Futures

Five years ago, in the outskirts of Guatemala City, Ingrid Johana Castillo was struggling for survival. Her small business selling dust rags and dish cloths in a nearby market did not provide enough income to support her mother and two daughters, and though she also worked preparing "paches"—small tamales made from potato dough, covered in sauce and wrapped in banana leaves—to sell, she could not make ends meet. Though she was only able to attend school through the sixth grade, Mrs. Castillo dreamt of affording her daughters the education she never had, hoping this could break the cycle of



Photo by FINCA staff

poverty her family has endured.

Then, in 2004, Mrs. Castillo joined the Village Banking Group "Amigas por Siempre" ("Friends Forever") and took out her first loan for 1,800 Quetzales (US \$244), and bought cloth and potatoes in larger quantities at better prices. Today, thanks to her business skills, hard work, and the help of FINCA loans, Mrs. Castillo's business continues to expand. She has increased her loan size to 3,200 Quetzales (US \$450), and with the additional earnings, Mrs. Castillo is now able to put savings aside toward achieving her dream of seeing her daughters complete their education.

The Village Banking Campaign Attracts Wide-Ranging Support

From high school students to financial corporations, support for The Village Banking Campaign comes from all walks of life. Here are two stories sure to inspire your support of FINCA's goal to operate 100,000 Village Banks by 2010.

Maggie Kulyk, a financial advisor at Ameriprise Financial, recently held a fundraiser headlined by a 70's cover band at the Atlanta Brewery Company in Atlanta, Georgia. The extremely successful event raised nearly \$20,000 for The Village Banking Campaign.

Ms. Kulyk said her interest in FINCA was inspired by the United Nations' Millennium Development Goals. "I wanted to engage my clients more actively in the fight against global poverty, she said. "What stood out to us about FINCA is that it works toward this goal by helping people to help themselves."

Ms. Kulyk and her clients understood that FINCA's focus on empowerment gives the world's poor the tools and opportunity to create a better standard of living. "Village Banking works because it provides its clients with leverage over their own lives," she said.

Like Ms. Kulyk, high school student Amelia Cocco was also motivated to support FINCA's work to provide pathways out of poverty to the world's poor. Along with several fellow students at the Croton Academy of Comedic Arts, she organized a fundraiser where members of the touring troupe performed improvisational comedy and original sketches. The donations, along with a bake sale and raffle, raised \$790.50 for The Village Banking Campaign.

We hope these stories will inspire other FINCA supporters to create their own events—film screenings, bike rides, dance-a-thons and more—to support The Village Banking Campaign. Visit www.villagebanking.org today to learn how you can help us put an end to global poverty.



VillageBanking.org

If you'd like more information about the Village Banking Campaign, please contact Scott Leurquin at sleurquin@villagabanking.org, or at 202.682.1510, ext. 250, or go to www.villagebanking.org and click on Join the Campaign!



FINCA Nicaragua Country Director Jaime Arguello and US Ambassador Paul Trivelli visited with FINCA clients who operate agricultural-based businesses.

FINCA Honduras Becomes a *Financiera*

FINCA Honduras has recently transformed into a *financiera*—or a regulated financial institution—enabling the program to collect and relend savings, access capital, and, in turn, reach many more low-income entrepreneurs. This change in status will allow for expanded outreach to meet the needs of its rapidly growing client base, and attract additional major resources for the program that will further the development of value-added products and benefits for the families served by FINCA Honduras.

Visit FINCA's website at www.villagebanking.org

VILLAGE BANK NOTES

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Celebrating 10 Years of Success in Azerbaijan and Georgia

In June, two FINCA programs marked 10-year milestone anniversaries, showcasing their decade-long road to becoming leading microfinance institutions in their respective countries, and honoring their dedicated and talented employees who give 110 percent every day to ensure that their low-income, hard working fellow citizens, have access to financial services.

FINCA Azerbaijan

Under the theme of Ten Years Together, FINCA Azerbaijan celebrated the great success it has achieved since disbursing its first loan in June of 1998. In ten-years' time, the program has grown to become the leading, non-bank credit organization in the nation, with national operations covering 24 branches and 30 satellite offices serving 55 regions of the country.



FINCA Azerbaijan is also one of the country's leading employers, with close to 700 employees working hard to deliver loans to over 82,000 clients.

"We are enormously proud of FINCA Azerbaijan, because it's not only a best practice institution, but it is also the largest program among FINCA Eurasia's seven affiliates, and has been rated one of the top 100 MFI's in the world" said Executive Director Rupert Scofield.

Not content to rest on its past success, the program plans to reach close to 100,000 clients by the end of 2008.

NEWS FROM THE FIELD

FINCA Georgia

FINCA Georgia is considered one of the oldest and most stable financial institutions in the country, not an easy feat, considering the recent unrest. The program disbursed its first loan in July of 1998 and, today, operates from 22 locations nationwide, providing financial services to poor entrepreneurs including those living in rural areas, where poverty and the need for working capital are greatest. With close to 23,000 clients and a loan portfolio of \$20 million, FINCA Georgia is the country's largest microfinance organization, and a leading financial institution. The program estimates it has created 200,000 jobs for Georgian citizens during the past decade.

Despite recent regional hostilities, the FINCA Georgia staff continues to serve the needs of its clients through nearly all of its 33 regional branches, ensuring that FINCA's assets are secure and that clients continue to receive uninterrupted services. While we do not have operations in the two breakaway provinces of South Ossetia and Abkhazia, FINCA operates branches in neighboring regions of Shida Kartli (Gori) and in Samegrelo.

Executive Director Scofield said, "Our FINCA Georgia colleagues not only deserve our thanks for their service, but also our admiration for their dedication to standing firm, on behalf of our clients, during these tumultuous and unsettling times."



Executive Director Rupert Scofield congratulates one of more than a dozen FINCA Georgia staff members who have been with the program from the beginning.

