



FINCA®

FINCA News

Winter 2018 • Volume 29 • Issue 4

BrightLife Impacts 100,000 Lives in Uganda

BrightLife has impacted over 100,000 people in Uganda with life-enhancing clean energy products. This milestone, made possible by the support of FINCA's donors, comes barely three years since BrightLife started operations.

Customers living on less than \$4 per day can affordably acquire solar lanterns, solar home systems and improved cookstoves through pay-as-you-go (PAYGo) financing. This allows poor clients to pay over time through monthly installments. Also, by working directly with manufacturers, BrightLife can bring warranty-backed products to market at the lowest possible cost. In addition to affordability, BrightLife customers attribute perceived improvements in their families' health and safety to their BrightLife products.

Irene Ahebwa is a 26-year-old mother of three and is both a FINCA Uganda client and BrightLife customer. FINCA group loans empowered Irene to open a small produce stand. With this source of income, Irene picked up an improved cookstove from BrightLife using PAYGo, which was more manageable for her family's budget. Up until that day, she had been preparing her family's meals using a traditional charcoal stove. It was cheaply constructed, slow at cooking and it produced lots of smoke.

Irene's new cookstove from BrightLife was a long-overdue change. It cuts toxic emissions by 90 percent, reduces firewood use by 50 percent, and is the only cookstove that offers on-demand energy by converting heat from fire into electric power.

“When I learned that this cookstove had a light and could charge a phone, I thought, ‘Wow.’”

While Irene is now both a FINCA microfinance and a BrightLife customer, that was not always the case. To build a bridge between energy access



Photo by Alison Wright

Irene Ahebwa warming up milk for her son using an improved cookstove from BrightLife.

and financial inclusion, BrightLife is using PAYGo data analytics to build credit profiles for unbanked Ugandans. This opens the door to broader credit and savings options for low-income clients at a financial institution, like FINCA Uganda, for increased resiliency.

With an eye toward impacting the next 100,000 lives, BrightLife recently amplified its human resources. The local team has recruited marketing, customer experience, operations and finance talent with vast experience gained from industry-leading companies. Dozens of new sales agents have also been onboarded following weeks of training on the program's mission, products and values. BrightLife can now count on a network of 45 sales agents to take its impact to the next level.

If you are interested in learning how you may support BrightLife, please contact Colleen Zakrewsky, Chief Development Officer, at (202) 971-4627 or Colleen.Zakrewsky@FINCA.org.

Letter from the President and CEO



Dear Friends,

Despite being 34 years into our journey, 2018 has been full of the entrepreneurial spirit that characterized the early days of FINCA. We welcomed a new board member, Daniela Mielke, a global financial technology (“fintech”)

executive, as well as a new General Counsel, Judy Reyes. Our global microfinance network has kicked its digital transformation into high gear to bring financial services to the world’s poor like never before.

With microfinance efforts strongly in place, we challenged ourselves to deliver complementary programs to accelerate our mission to alleviate poverty. BrightLife has enhanced the lives of 100,000 people in Uganda with clean and reliable

energy. Our recently launched FINCA Ventures initiative is set to increase the availability of basic services to poor families across a range of sectors, like safely managed sanitation. And our latest endeavor, FINCA Forward, marries our work in microfinance with social enterprise to catalyze the next wave of fintech innovations to solve for challenges in financial inclusion.

This year has been full of milestones and achievements, none of which could happen without your trust and support.

Wishing you a wonderful holiday season,



Rupert W. Scofield
President and CEO, FINCA International

Putting Technology to Work for the Poor

Financial exclusion underpins so many of the challenges faced by the world’s poor, but we know that access to socially responsible finance strengthens the economic security of low-income families. Yet, 1.7 billion adults around the world—more than half of whom are women—still lack access to the financial services proven to reduce poverty, hunger and gender inequality.

Today, a growing number of fintech innovations are reshaping financial services and helping to expand financial inclusion. Examples of fintech innovations

include new data analysis solutions that improve credit scoring, and digital delivery channels, like mobile phones, that make banking more accessible and affordable.

To ensure these technologies are available to the poor, FINCA partnered with the United States Agency for International Development (USAID) to launch a new initiative, called FINCA Forward. This program, focused on countries in Africa and Latin America, aims to achieve three things. First, it will help small and growing fintech enterprises test their financial service innovations with microfinance clients. Second, it will enable community-based microfinance organizations, like FINCA, to more easily evaluate and onboard digital financial services. Third, and most importantly, FINCA Forward will expand access to innovative, affordable and accessible financial services for the poor, especially women.

By facilitating stronger collaboration between early-stage fintech enterprises and microfinance institutions serving the poor, FINCA Forward can help accelerate financial inclusion for those left behind. If you are interested in learning how you may support FINCA Forward, please contact Colleen Zakrewsky, Chief Development Officer, at (202) 971-4627 or Colleen.Zakrewsky@FINCA.org.



Mobile phone technology can transform finance in underserved markets.

Village Banking™ Goes Digital in Guatemala

Village Banking™ was pioneered by FINCA's founder, John Hatch, in the 1980s. A Village Bank is a group of low-income entrepreneurs who come together to share and guarantee one another's loans. This simple idea empowered microentrepreneurs to become engines of development in their communities. Over three

decades later, FINCA continues to implement this time-tested concept thanks to donor support, albeit with a modern twist.

In rapidly urbanizing centers, like Guatemala City, FINCA clients may live in unsafe areas. Consequently, Village Bank group meetings come under pressure as clients worry about their physical safety en route to gatherings. In response, FINCA turned to the world's most popular messaging platform—WhatsApp. This mobile phone app presented an opportunity to reinvigorate Village Bank group meetings without requiring clients to leave the security of their homes.

For the pilot, FINCA Guatemala set up the WhatsApp group meeting space, signed members up and assigned a loan officer to moderate the group discussions. The team used the experience to script a template for subsequent virtual group discussions. Today, Village Bank meetings conducted via WhatsApp have been successfully rolled out across six FINCA branches around Guatemala City.



Photo by Dawn Deeks

FINCA Guatemala client, Engracia Rivera Campos, with her credit officer, Carlos Tiño.

Solving Kenya's Sanitation Crisis One Toilet at a Time

FINCA Ventures launched this year to improve access to life-enhancing basic service products for the poor. One service in desperate need of solutions is sanitation. In developing countries, 95 percent of fecal sludge may be disposed without treatment. Such conditions lead directly to diarrheal disease, which is the second leading cause of death for children under the age of 5.

Sanivation, a social enterprise in Kenya, understands just how much sanitation impacts lives—from health, to the environment, to livelihoods and the economy, to basic human dignity. FINCA Ventures partnered with Sanivation to boost solutions in safely managed sanitation.

Peter Khisa, age 35, lives in a one-room home across from an abandoned airstrip outside the slum of Karagita. Ravaged by sickle cell anemia since his youth, Peter is barely able to walk. This complicates the most routine daily activities, like using the toilet. For over 20 years, Peter had to crawl on his belly to reach the outdoor pit latrine.



Photo by Alison Wright

Peter Khisa at home in Naivasha, Kenya

"I must cross 50 feet of dirt to reach a communal pit latrine shared by five homes. This is especially grueling during the rainy season."

Fortunately, Peter was introduced by a friend to Sanivation's container-based toilet, called Blue Box. For just \$2 per month, Peter has a toilet sitting at the foot of his bed that is cleaned twice weekly by Sanivation's servicing team. Talk about a life-changer! Such simple yet powerful solutions are made possible by donor support.

Reducing Poverty through Microloans and Clean Energy

Located 50 miles northwest of Chicago, Unitarian Universalist Church of Elgin (UUCE) boasts over a century of history and welcomes parishioners from a diversity of backgrounds. UUCE has been a steadfast supporter of FINCA since 2007, supporting six Village Banks on three continents. By enabling access to microloans, UUCE has empowered thousands of low-income clients to build more resilient lives.

During a gathering in early 2018, UUCE members participated in a seminar with FINCA staff where they learned about BrightLife, FINCA's social enterprise in Uganda that distributes and finances clean energy products. This gave UUCE members the opportunity to grasp just how much energy poverty affects people in developing countries, especially in reducing productivity and exacerbating health problems among women. UUCE immediately realized the value in providing clean energy and unlocking its affordability via PAYGo loans. That's why, in addition to supporting microfinance clients in Haiti, UUCE decided to direct



Photo by Alison Wright

Gertrude Nalule, a microfinance and BrightLife client in Uganda.

its generous 2018 gift toward supporting BrightLife. Ms. Elizabeth Olson, member of the UUCE Board of Trustees, had this to say:

“UUCE is committed to fostering a more just and compassionate world. Working to alleviate poverty and improve living standards for marginalized populations is central to our mission. By giving to FINCA, we are able to turn mission into action and tangibly serve those most in need.”

If you are also interested in learning how you may support BrightLife, please contact Colleen Zakrewsky, Chief Development Officer, at (202) 971-4627 or Colleen.Zakrewsky@FINCA.org.

3-to-1 Matching Gift Challenge

Thanks to a special 3-to-1 matching gift, your contribution will go **four times** as far between now and the end of the year! Your gift and the match will help more women become engines of change, better providing for their children.

Donate online today at FINCA.org/match.



Provide a Legacy Supporting FINCA Clients for Generations

- **Stocks, Bonds or Mutual Funds**—Support FINCA with a gift of securities.
- **Bequest**—Include FINCA in your will or living trust.
- **Retirement Plan**—Make a qualified charitable distribution from a traditional or rollover individual retirement account (IRA) to FINCA.
- **Estate**—Include FINCA as a beneficiary of your IRA, 401(k) or life insurance policy.

For more information about any of these gift opportunities, please contact Bill Lane at Bill.Lane@FINCA.org or (202) 971-4695.

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