

Report on Guatemala Microloan Project

*A joint project of Presbyterian Women from Suchitepequez and Sur Occidente Presbyteries,
and the Presbytery of Western North Carolina*

January 2016

Conception: The idea for the microloan project was conceived during the November 2013 Women's Retreat in Guatemala attended by four representatives from each presbytery.

Goals of Microloan Project: For women of the three presbyteries to work together to provide Guatemalan women opportunities to grow in self esteem, hope, and freedom, and to help them develop sources of economic income for themselves and their families.

Implementation:

- An agreement was established with Adegua, a non-profit organization in Guatemala with many years of experience in microloans, to oversee the project.
- The presbiteriales identified locations to begin pilot projects in each presbytery.
- In March 2015, Adegua held information sessions to generate interest.
- In April 2015, groups were formed in Santo Domingo, San Felipe, Coatepeque, La Junta, and Las Animas and each group elected officers. Thirty-six women, eighteen each from Suchitepequez and Sur Occidente presbyteries, received training and were given \$125 loans to embark on or expand business ventures.
- Business investments included selling food and tortillas, growing corn, raising chickens or pigs, selling clothing, firewood, charcoal, and propane, strengthening a store of basic supplies, and tire repair.
- Following the disbursement of loans, Adegua staff visited each woman in her community to verify the investments.
- Groups met regularly for accountability and support.
- The first six month loan cycle was completed in October 2015.

Results:

- In a short time this project has provided opportunities for new experiences. Solidarity among the groups is being developed, women are becoming leaders or being strengthened in their natural leadership, and women who had never cashed a check or saved are learning financial and business skills.
- Of the 5 original groups, the group of 4 women from La Junta never fully formed since the group was too small and members did not live near each other. They returned the money and that was fine.

- In October 2015, every woman in all four remaining groups fully repaid their loan plus 2.5% interest.
- Though gains were minimal and there were a couple cases where capital was lost (chickens died and a pig was stolen,) women are learning, seeing benefits, and have hopes for even better results as the project continues.
- As part of the project designed to teach the value of saving, all women succeeded in saving some money, and many were successful in saving a quetzal a day.
- Of the thirty-two women who completed cycle one, all but two or three wanted to continue in the project.
- Adehqua has proven to be a very valuable partner, providing excellent training and support, as well as accountability and communication.

Cycle 2: The existing groups were able to add new women so that there are now about 65 women participating in cycle two. In Las Animas, the microloan group has grown from 8 to 25 and the founding members immediately began instructing the new participants. As in cycle one, each participant was eligible for a Q1,000 (\$125) loan. Those participants who completed cycle one and desired a larger loan to continue to expand their business were eligible, with group approval, to receive up to Q1,500 (\$200.) Cycle 2 loans are due to be repaid in April 2016.

Future of Project: In order to further opportunities for women to grow in self esteem, hope and freedom, the plan is to add workshops on topics such as health, nutrition, family relationships, and the role of women in the Bible and society. The hope and prayer is that this project will eventually expand to other locations within the presbyteries and thereby serve additional women.

Support: Thanks be to God for bringing this idea to fruition. Leaders within the women's groups in Guatemala have been key in getting this project off the ground. In addition, the microloan project has been received with enthusiasm and support by Presbyterian Women in the Presbytery of Western North Carolina. Many individuals and women's groups have contributed money to make the microloans possible, and many have served as prayer partners for each of the loan recipients. A challenge before us is to find additional sources of funding so the project can continue to develop and expand and be sustainable.

Members of the PWNC Microloan Task Force:

Mimi Michael, Virginia Stevens, Barbara McLean, Jaime Beasley, Margarette Kennerly, Buzz Durham, Susan Maveety, Ben Hill, Patricia Clark, Marilyn Baldrige, Ellen Dozier

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July 2016 Update

Results from Cycle 2 - October 2015 to April/May 2016

- **Participants:** The total number of loan recipients grew from 32 women in cycle 1 to 70 women in cycle 2. The number of women in each group was Santo Domingo (12), San Felipe (13), Coatepeque (19), and Las Animas (26). Each participant was eligible for a \$125 loan, but those who completed cycle 1 and desired a larger loan were eligible, with group approval, to receive up to \$200.
- **Challenges:** As with any business, the women face challenges such as the risk in raising animals, but they are learning to manage and overcome the challenges.
- **Savings:** The women are encouraged to save a quetzal a day, and their savings are deposited in their account in the bank. Women who never saved before are learning they can do this!
- **Leadership:** Women are growing in leadership skills. This is especially true in Las Animas, where remarkably strong and positive leadership has facilitated the development of a very committed and cohesive group.
- **Repayment:** 68 of 70 women repaid their loans on time, one arranged a late repayment schedule, and one defaulted. To cover the defaults, as arranged each woman in the affected groups paid a fee, while the balance was recovered from the savings of the women who did not pay. Though these situations proved challenging, there were also positive aspects in that there was solidarity and growth among the groups.
- **Success Stories:** Three women from Coatepeque have had very good and unusually quick results, and have left the project because they are now able to continue working alone with their own capital.
- **Adehgua:** Adehgua continues to offer excellent training and support to the women, and has provided excellent feedback, accountability and communication.

Cycle 3 - April/May 2016 to October/November 2016

Cycle 3 began with a total of 65 participants in the following communities: Santo Domingo (15), San Felipe (11), Coatepeque (14), and Las Animas (25).

Future of Project

1. Women will have the opportunity to remain in the project for 3 years (6 cycles) in order to grow in learning and experience, and to prepare to continue their businesses independently.
2. A pilot project will be initiated in Las Animas to integrate health and education into the microloan project in order to address identified needs in nutrition, sanitation and health.
3. Hopes are to expand to other locations within the presbyteries to serve additional communities.

Support: Individuals and groups in the Presbytery of Western North Carolina have been excited about this project.

1. Prayer partners - Each loan recipient has been paired with a prayer partner in NC to provide prayer support. People have enjoyed learning about the lives of the Guatemalan women, their families, and their businesses.
2. Mother's Day Card Project - Many purchased special Mother's Day cards where the proceeds went to fund the microloan project.
3. A Facebook page, "Guatemala Microloan Project" was started to share information about the project and generate interest and support.
4. The Microloan Task Force is applying for a Thank Offering Grant through the Presbyterian Women PC(USA). If we receive the grant, funds will be used to develop the health project in Las Animas and to expand to 3 additional communities.

Members of the PWNC Microloan Task Force:

Marilyn Baldrige, Sue Barrett, Jaime Beasley, Ellen Cinq-Mars, Patricia Clark, Ellen Dozier, Buzz Durham, Ben Hill, Margarete Kennerly, Bethany Mannon, Susan Maveety, Barbara McLean, Mimi Michael, Tina Joyner.