



**Organization for Security and Co-operation in Europe  
Secretariat**

EF.NGO/2/05  
22 May 2005

ENGLISH only

---

## **Conference Services**

Please find attached the presentation by Mr. John Fitzgerald, FINCA, delivered to the Session II (*Improving economic prospects in countries of emigration*), of the 13<sup>th</sup> OSCE Economic Forum, Prague, 23-27 May 2005.



# FINCA International, Inc.

Small Loans – Big Changes



A Commercially Viable Approach to Poverty Alleviation

---

---

---

---

---

---

---

---

---

---

## FINCA – mission



### MISSION:

FINCA'S Mission is to reduce poverty by providing financial services to economically active, poor families, so they can raise household incomes, improve their standard of living, and create jobs; and to deliver those services through a global network of local, self-sustainable microfinance institutions.



---

---

---

---

---

---

---

---

---

---

## FINCA – vision



### VISION:

To bring our network to operational and financial self-sustainability by operating on commercial principles - so that outreach and poverty impact can be maximized.

FINCA is achieving this vision without sacrificing the fundamental mission of serving the poorest of the economically active poor

---

---

---

---

---

---

---

---

---

---



## FINCA – products and services



- Credit
  - Village Banking loans
  - Small group loans
  - Individual loans
- Savings
  - Voluntary savings
  - Mandatory savings
- Insurance
  - Credit, health/funeral, catastrophe
- Services/training
  - Smart cards, customer support, business skills training, health education




---

---

---

---

---

---

---

---

---

---

---

---

## F/Eurasia – regional performance



	August 2001	August 2002	August 2003	August 2004	December 2004
Total Clients	36,198	43,063	46,851	62,233	<b>67,443</b>
Total Loans Outstanding (\$000)	\$7,312	\$12,671	\$18,487	\$29,768	<b>\$33,215</b>
Average Loan Amount Disbursed (\$)	\$321	\$433	\$457	\$534	<b>\$600</b>
PAR > 30 days	0.8%	1.1%	1.2%	1.2%	<b>1.2%</b>
Operational Self-Sufficiency	95%	89%	117%	121%	<b>142%*</b>

\* Fiscal year-to-date

---

---

---

---

---

---

---

---

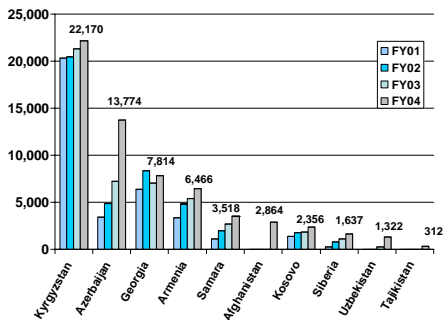
---

---

---

---

## F/Eurasia – clients (2001-2004 FY end)




---

---

---

---

---

---

---

---

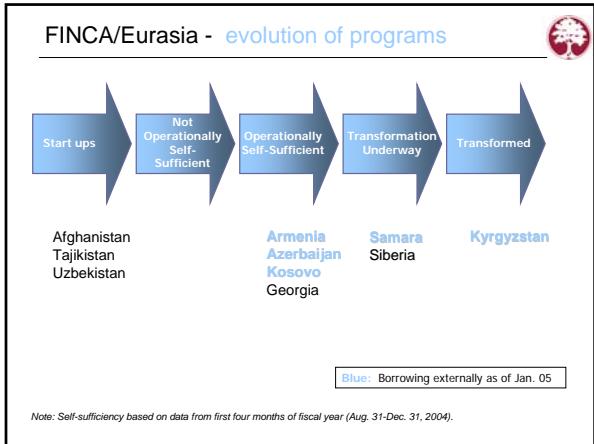
---

---

---

---






---

---

---

---

---

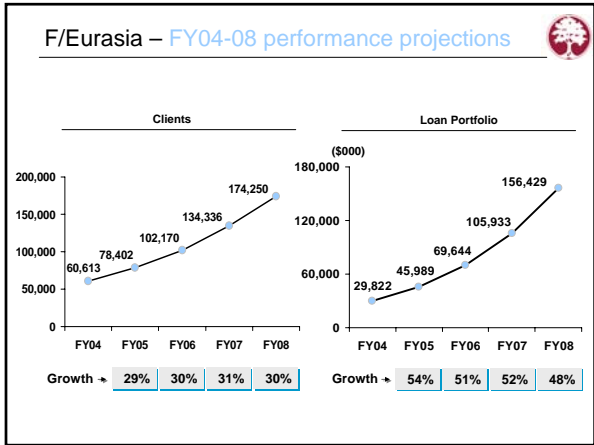
---

---

---

---

---




---

---

---

---

---

---

---

---

---

---

### FINCA – conclusion: what FINCA offers

- A proven track record of sustainable development, impact on poverty, increased outreach
- The ability to rapidly scale up new programs and impact the lives of hundreds of thousands of poor entrepreneurs around the world
- Contribution to job creation and job stability

---

---

---

---

---

---

---

---

---

---

CONCLUSION: **microfinance/SME lending can offer** 

- Poverty reduction
- A contribution to:
  - Job creation & sustainment
  - Social & economic stability

---

---

---

---

---

---

---

---

CONCLUSION: **Youth outreach and what microfinance/SME lending can offer** 

- **Combine microfinance/SME lending with youth training programs, for example:**
  - Provide employers with grants to subsidize youth salaries during training period
  - Do not make grants/subsidies a condition for receiving a loan

---

---

---

---

---

---

---

---