



WCCN

Investing for Social Change



GRASSROOTS CONNECTION

Fall 2023



A Note from the Executive Director

This past February I traveled to Guatemala to participate in WCCN's supporter tour to meet our partners, end borrowers and to take in historic and cultural sights in the Guatemalan Highlands. For fun, I took a week of vacation and went in advance of the trip to El Paredón, a surfing community on the Pacific coast, with the intention of taking surfing lessons and exploring the area for a few days.

My flight was delayed into Guatemala City, but my driver awaited me patiently and we hit the road around 10 pm, stopping for fuel and snacks in the outskirts of "Guate." Soon we had glided down the volcanic mountains and were driving through massive sugarcane fields and banana plantations that seemed to go on forever in the tropical heat. Several times we had to stop at road blocks so that semis with multiple trailers could cross the highway, loaded with sugarcane. For reference, Guatemala is now the fifth largest exporter of sugar in the world, despite its small size. The land and sugar mills are owned by a few of the wealthiest families in Guatemala, and with increased production there has been less land and less water for everyday Guatemalans.

Around 2:30 am we arrived in El Paredón and the nightwatchman escorted me to my cabana. I offered the driver my couch to sleep on, but he said he had to be back in Antigua by six a.m. to take some tourists to Lake Atitlán, so he needed to head out.

I woke up the next morning to the sounds of roosters crowing, dogs barking and the crashing waves of the Pacific. I roused myself from bed and went to the front desk, where a twenty-something Italian woman checked me into the hotel and recommended the hotel breakfast. I decided to walk into town in the hopes of finding a local place to eat. Not far from the beach, trash began to accumulate along the roadside, and without the ocean breeze a sweltering heat set in. I later learned there was no trash collection in El Paredón, so everyone has to pile their trash up and burn it. I found a small stand that had tables outside and I asked the owner for a plate of rice and beans and eggs, with a side of fruit. The lady who owned the restaurant could have easily been a WCCN borrower, as could the "paca" clothes vendors across the street. Pacas are large packs of clothes that often come from the United States through donations from second-hand stores that are unable to sell them here. I spotted a trucker hat from an RV park in Kentucky for 10 quetzales that I had a hard time passing up.

Disappointingly, there wasn't much going on in town, and no central market, so I headed back to the beach to cool off. By that time the beach was filled with surfers and sunbathers, and as I walked amongst them I heard no Spanish, and very little English. I recognized German and French as the dominant languages of the crowd. At lunch, I was surrounded by European patrons and the staff were all non-Guatemalan as well. By the third day I had not encountered any locals on the

beautiful black sand beaches, and I began to wonder who the beach belonged to, who it was for, and who benefited from it.

I signed up for surfing lessons at the hotel, and was assigned to Wilmer, a 17-year-old 110 lb local who had lived through the rapid transformation of his community from a sleepy fishing village to an international surfing community. He had a good sense of humor, which was important as he ducked under waves and withstood the undertow holding onto my longboard and its overweight, balding passenger. Each day after lessons I would ask about his take on the community. He was positive and happy to have work, but after a few conversations he admitted that it would be nice if there was more local ownership of hotels and restaurants.

One day toward the end of my trip, I was returning from the beach after watching the sunset. An old man was struggling to get out of a hammock, so I offered to help him up. He asked in a Chicago accent where I was from and what I was doing in Guatemala, so I told him about WCCN and our work in microfinance. He introduced himself as “Ponzi Bob,” and asked to have lunch the next day, to which I reluctantly agreed. I would learn that Ponzi Bob had been a public school teacher, but spent the summers in Guatemala in various gold-mining schemes. He was interested in the fact that WCCN worked with cooperatives and was curious if a cooperative structure would finally be the answer he was looking for to get the Guatemalan government to allow him to dredge a river in the highlands. After an hour or so with Ponzi Bob I formed the opinion that he was likely to never find the answers he was looking for, and that was probably a good thing.

On my last night I joined a couple of Swiss tourists for dinner at a place that had been recommended by the hotel. We got the last table and as our server approached, I recognized him from some other place and time. After some conversation I learned that he is also a server at the Weary Traveler, a restaurant two blocks from WCCN’s Madison, Wisconsin office, and that he had probably waited on me there many times. We had a good but expensive meal.

I was happy to return to Antigua and eventually to the Highlands, where we met with three different WCCN partners and various end borrowers. Most of our partners operate under cooperative or non-profit structures, and the microfinance organizations are an important source of well-paying jobs for the local communities, which they are grateful to have. We met with WCCN end-borrowers as well, who were able to tell us about the impact of credit in their lives. One family mentioned that climate change has drastically affected their ability to raise subsistence crops, which has made income from weaving more important. They also told us about how many families had left the community to migrate to the US in search of economic stability. Certainly there seemed to be quite a few empty homes on the dusty streets.

Comparing the two parts of my trip, I felt a sense of pride in supporting a more inclusive form of ownership and entrepreneurship through my work at WCCN than what I found on the coast. There was recently a presidential election in Guatemala that came down to a choice between the two distinct forms of development I saw in my time there, and Guatemalans voted for a more inclusive, anti-corruption government. I hope that as a supporter you feel a sense of solidarity in the assistance you provide to our mission and the 22,000 plus end-borrowers that we support in economic self-determination. When I visit them, they always ask me to pass along their gratitude for your help, and now I do just that.

William Harris
Executive Director



WELCOMING EXCEPTIONAL TALENT TO THE WCCN BOARD OF DIRECTORS

We are thrilled to introduce the latest additions to the Board of Directors at WCCN. These esteemed individuals bring a wealth of expertise, passion, and dedication that will undoubtedly enrich our organization's mission to empower entrepreneurs and uplift communities. Join us in extending a warm welcome to Antoinette Kenmuir-Evans, Daniel Guerra Jr., David Diggs, Ligia (Ligi) Vado, and Martin Kokholm Nielsen. We are excited to have these remarkable individuals on board and look forward to their valuable contributions.



Antoinette Kenmuir-Evans

Antoinette's commitment to improving the lives of underserved communities led her to join WCCN. As Vice President in JP Morgan's Wealth Management division, her financial expertise complements her dedication to making a positive impact.



Daniel Guerra Jr.

As the founder of Altus, a platform dedicated to improving healthcare compliance and education, Guerra brings a deep understanding of innovation and community service to our board. His leadership as the former chairperson of Madison's Community Development Authority underscores his dedication to community development.



David Diggs

With an impressive background in both corporate and nonprofit sectors, David Diggs is a seasoned leader in product strategy and operations at Google. His extensive experience includes management consulting, financial services, and nonprofit leadership. David's commitment to organizational performance and community empowerment aligns perfectly with WCCN's vision.



Ligia (Ligi) Vado

Ligi’s remarkable career spans over two decades in economics and finance policy research. Currently serving as a Senior Economist at the Credit Union National Association (CUNA), the largest trade association for credit unions in the United States, Ligi’s expertise in data analysis and advocacy enhances our board’s capabilities.



Martin Kokholm Nielsen

With a global perspective shaped by living in Africa and extensive CFO experience, Martin Kokholm Nielsen offers a unique perspective on microfinancing and sustainable living. His background includes work in Denmark, the USA, Chile, and Africa.

STAFFING UPDATE



Amber Vroman
Communications &
Social Impact Manager

We are delighted to welcome Amber Vroman as the new Communications & Social Impact Manager at WCCN. Amber brings a wealth of experience in communications and marketing, and is committed to sustainable agriculture. Her previous work with Oikocredit US and Upaya Social Ventures in the realm of microfinance has equipped her with a deep understanding of our mission to empower underserved communities in Latin America. Amber has honed her expertise in connecting with unique and diverse audiences through collaborations with a range of teams, including industry giants like Nintendo of America and the Kellogg Company. In her free time, Amber actively supports her local farmer’s market and paints imaginative starscapes. We look forward to the creative energy and dedication she brings to our organization.



RECONNECTING WITH OUR ROOTS

Journey with WCCN to Nicaragua

In 1984, a passionate group of individuals came together to form the Wisconsin Coordinating Council on Nicaragua (WCCN). Those individuals sought a way to send aid to Nicaraguan farmers simply trying to make a living while their country was in crisis. WCCN's mission has since expanded to support Latin America as a whole, but we've never forgotten our roots. Nearly four decades later, we are thrilled to announce a momentous return to the very place where it all began—a journey to Nicaragua that promises to be both transformative and unforgettable. Nicaragua holds a special place in the heart of WCCN. Now we invite you to visit Nicaragua with us as we embark on an extraordinary expedition in partnership with Naturally Smart Travel.



Our Nicaraguan Adventure, At a Glance

Our journey in February 2024 commences as you step off the plane at the Augusto C. Sandino International Airport in Managua. One of Naturally Smart Travel's trusted drivers will be waiting to greet you as you exit the airport doors, ready to guide you to a comfortable hotel, where the adventure truly begins. After settling in, we'll dive right into the vibrant culture of Managua. A city tour will introduce you to its unique charm. As evening falls, we'll convene for a memorable Bienvenidos Dinner at one of Managua's renowned restaurants, known for its eclectic menu, inventive cocktails, and an inviting outdoor terrace.

With the sunrise, we'll venture into the picturesque Nicaraguan countryside. Expect immersive experiences, including interactions with local WCCN partners, deep dives into the local culture, and delicious traditional cuisine.

Our expedition continues as we make our way to the historic city of Leon. Here, we'll forge connections with other partners and engage with small-business owners, all while having ample time to relax and explore the captivating city of Granada—a place deeply connected to WCCN's origins.

As our adventure draws to a close, we'll return to Managua for a day of cultural exploration and reflection. We'll come together for our Feliz Viaje dinner, celebrating the incredible journey we've shared and the positive impact we've created.

At WCCN, we believe that travel can go beyond sightseeing. By joining us on this remarkable trip, you'll be part of an experience that bridges cultures, fosters connections, and uplifts communities.

Travel with Purpose

To get a glimpse of the transformative experiences that await you in Nicaragua, read about our recent journey to Guatemala in the Spring 2023 edition of our Newsletter. Through the eyes of previous Board Member, Mark Elsdon, you'll gain insights into the powerful bonds formed with borrowers and the life-changing difference even a small investment can make in their lives.

We extend a warm invitation to you to join us on this unforgettable journey to Nicaragua—a journey back to our roots. By participating, you'll not only immerse yourself in the beauty and culture of this enchanting nation but also witness the transformative power of microfinance in action.

Join Us in Nicaragua

Your support has been instrumental in our mission to empower communities throughout Latin America. Now we invite you to see the impact of your contributions firsthand.

To secure your place on this fantastic voyage, please visit Naturally Smart Travel's website or contact us with any questions you might have. The deadline to book your trip is coming up in January, so we encourage you to act swiftly.

Get ready to connect with WCCN's roots in Nicaragua. We look forward to embarking on this extraordinary adventure with you!



RESERVE YOUR SPOT

Trip Dates

February 3 - 10, 2024

Register by

January 4, 2024

Visit

Managua

Jinotega

León

Granada

The Nicaraguan
Countryside

Trip Includes

7 Nights Accommodation

Private Transportation

Meals & Dining

24/7 Tour Guide & Host

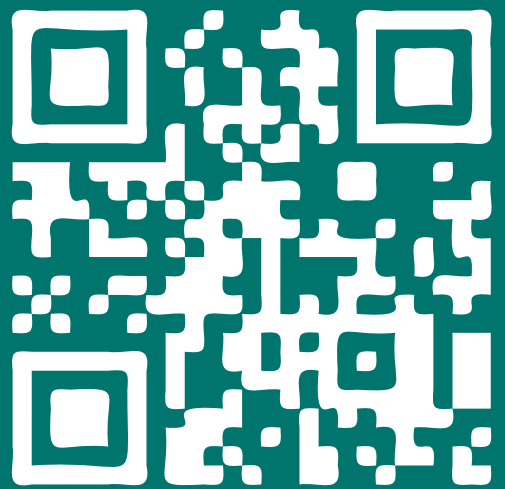
Local Fees & Gratuities

Support for Scholarships
& Capacity Building

Free Webinar

Did you catch our webinar highlighting the authentic Nicaraguan experience? Watch it now: <https://bit.ly/3rRZpHD>

SCAN TO BOOK TODAY



<https://bit.ly/3rEqWf9>

IN THE NEWS: LATIN AMERICA



Mexico: WCCN Partners Face Agricultural Funding Cuts



In late December, 2022, the Mexican government, led by President Andrés Manuel López Obrador, made a surprise announcement that they would cut funding to the agricultural lending agency “FND,” which was one of the largest Mexican government programs for funding small businesses in Mexico, with a focus on agriculture. WCCN’s partner, Itaca Capital, had substantial obligations to FND and had prepaid a large loan to them with the understanding they would receive new funding in 2023. In April, the Mexican Senate approved dismantling FND all together. WCCN had an outstanding balance of \$1.7 million with Itaca Capital at the end of 2022 and had reserved half of that balance due to the news about FND. Since that time Itaca has closed its operations, and WCCN has reserved the remaining balance. While it was a substantial loss for WCCN, we have been fortunate to be able to absorb it through earnings and equity. We are deeply concerned for our end-borrowers that were being supported by Itaca and other Mexican MFI’s with ties to FND that have also closed, and the end-borrowers’ capacity to maintain their businesses without formal credit. WCCN has one remaining partner in Mexico which did not have loans from the Mexican government and is performing well. WCCN may decide to stop lending in Mexico after our remaining loan is paid back, as it has proved to be volatile.





Guatemala's Political Shift

The people of Guatemala recently elected Bernardo Arévalo as their new president in a remarkable turn of events. Arévalo was not considered a serious threat when the campaign cycle began, but he ended up beating former First Lady, Sandra Torres in a run-off election. Arévalo is a progressive lawmaker and academic, and has been accused by the current conservative government of cheating in the election. He was briefly barred from the run-off before being reinstated. There is no proof that Arévalo or his party did anything wrong, but Arévalo has been forced to call for mass protests in order to defend his right to take over the presidency in January, 2024. It remains to be seen if the powers that be will allow him to do so peacefully, or if this will lead to litigation or possibly violence. WCCN's partners in Guatemala are in good shape heading into this political conflict, but after three weeks of mass protests they are feeling the effects of not having been able to place new loans or collect on their current loans. WCCN has already had to postpone placements for a total of \$1.4 million to partners in Guatemala in October due to the protests.



Ecuador's Turbulent Political Landscape

In May of this year, Guillermo Lasso, President of the Republic of Ecuador faced a vote of impeachment due to his inability to build a coalition in Congress to support his agenda. There were also accusations that members of his inner circle had ties to the Albanian drug cartel which has taken over the lucrative cocaine trade in Ecuador. Instead of being impeached, Lasso took the extraordinary (but legal) step of dissolving Congress and calling for new presidential elections in which he did not run. During the short campaign season, Fernando Villavicencio, an anti-corruption candidate, was murdered by one of the prominent drug cartels. Two candidates faced off in a runoff in the election on October 15th, with Daniel Noboa, the heir to one of the wealthiest families in Ecuador, emerging as the winner. It remains to be seen if Noboa can get the increasing amount of gang violence under control by means of force or negotiation. WCCN's partners in Ecuador have been affected by the surge in violence, as many micro-borrowers have decided to close their shops rather than pay the "protection fees" charged by local gangs, which can eliminate the micro-borrower's profits. There has also been a notable migration of people out of Ecuador due to the violence and worsening economy. So far, WCCN's partners are still on their feet, but definitely suffering. The entire country is hoping that Daniel Noboa will lead the country to a more peaceful and prosperous future. Noboa will assume the remainder of Lasso's term which is a year and a half, so he does not have much time to make a positive impact.



WISCONSIN'S 40 MOST INFLUENTIAL LATINO LEADERS: GLORIA CASTILLO POSADA

Gloria Castillo Posada has been named one of Wisconsin's 40 Most Influential Latino Leaders in 2023 by Madison365. Over the last decade, Gloria has passionately driven change in Colombia and North America, focusing on thriving communities and preserving natural resources. Her multifaceted career spans non-profit work, local governance, and education. Gloria's invaluable contributions extended to the WCCN board, enriching our organization. Her recognition celebrates not only her achievements but also her role as a beacon of inspiration within the WCCN family. Join us in congratulating Gloria Castillo Posada for her remarkable journey and unwavering commitment to bettering our world.

CELEBRATING JULIE ANDERSEN'S LIFETIME ACHIEVEMENT

We are proud to celebrate Julie Andersen's prestigious Lifetime Achievement Award presented by Community Shares of Wisconsin. Julie's association with WCCN is a testament to her unwavering commitment to social and economic justice. She served as our Executive Director from 1994 to July 2001, a period characterized by transformative growth and innovation.

Community Shares of Wisconsin unites the community with over 70 nonprofits to address social, economic, and environmental issues. By supporting member nonprofits, including WCCN, they represent a diverse range of causes, all working together to create a stronger, more just community.

During Julie's WCCN tenure, she initiated 14 study tours to Nicaragua, fostering cross-cultural exchange. She facilitated connections between

Nicaraguan and U.S. women's groups, combating gender-based violence. They forged lasting bonds between Nicaraguans and Americans, shaping our understanding and approach to development.

Julie's legacy extends beyond WCCN. Over her 40-year career, she championed various social justice causes, connecting people, ideas, and collective action. As we celebrate Julie Andersen's Lifetime Achievement Award, we honor her profound impact on WCCN and the world. Her legacy inspires us to continue working towards a fairer, more equitable world, driven by compassion and dedication. Congratulations, Julie!



OIKOCREDIT US WINDS DOWN: AWARDS WCCN A GENEROUS GRANT

After 38 years of dedicated operations and programming, Oikocredit US (OUS) dissolved its operations as of June 30th. As they prepared to wrap up, their board of directors sought the most impactful way to leave a lasting legacy. They decided that contributing to a like-minded organization, whose mission and values align closely with their own, was the best path forward.

OUS generously awarded an unrestricted grant of approximately \$300,000 to WCCN in support of the mission to uplift underserved communities. OUS had played an active role in the impact-investing space as a Support Association of Oikocredit International, a pioneering social impact investor and a worldwide cooperative.



BORROWER SPOTLIGHT

Oswaldo Suanzo



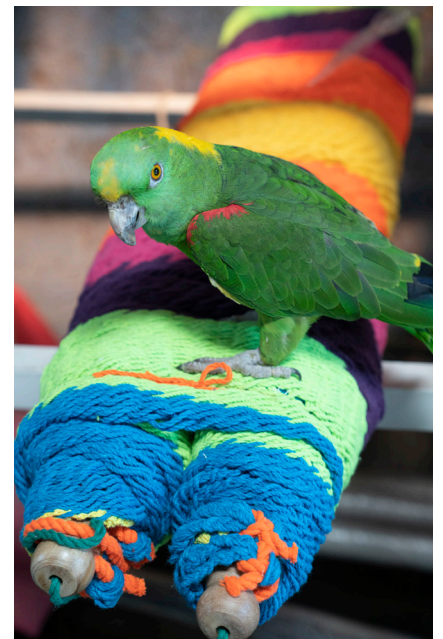
In the heart of Masaya, Nicaragua, Oswaldo Ramírez Suazo weaves more than just hammocks; he weaves dreams and opportunities. With a trade handed down from his grandparents, Oswaldo has passionately crafted hammocks for over two decades.

For many years Oswaldo struggled economically in his business because he couldn't afford to purchase supplies in bulk, and there were ups and downs in sales during the year. However, in October 2015 he accessed his first loan with Mi Crédito, a WCCN microfinance partner. The initial credit of \$2,000 helped Oswaldo create a more steady business model. Since then, Oswaldo has obtained five loans, each contributing to his business' growth.

Oswaldo figures that his most recent loan of \$5,000 allowed him to assemble 300 hammocks. These beautifully crafted hammocks have found homes as far away as Puerto Rico, Panama, Costa Rica, Germany, Spain, and the United States. **Oswaldo's dedication, coupled with the support of Mi Crédito, has not only met the growing demand but also created job opportunities within his community and higher earnings for his employees.**

Beyond business, Mi Crédito stood by Oswaldo during the toughest of times. During the socio-political crisis in Nicaragua, when profits couldn't cover living expenses and loan repayments, Mi Crédito extended a helping hand. They provided food, supplies and even granted an extension on his loan. It's a testament to how the partnerships between end borrowers and microfinance organizations can be a lifeline during adversity. **Oswaldo's children have benefited as well from the increased household income.** They've pursued professional careers, a dream Oswaldo nurtured with the help of microfinance.

As he looks ahead, Oswaldo envisions expanding his business to other countries amidst the challenges Nicaragua faces. **His story is bears witness to the transformative power of microfinance, weaving not just hammocks but also brighter futures.**



WCCN STAFF

William Harris - *Executive Director*

John Hecht - *Chief Financial Officer*

J. Miguel Jongewaard - *Director of Lending*

Yamila Simonovsky - *Loan Fund Operations Manager*

Rick Tvedt - *Accountant*

Amber Vroman - *Communications &
Social Impact Manager*

Michael Kienitz - *Photographer*

WCCN BOARD OF DIRECTORS

Anna Kaminski

Antoinette Kenmuir-Evans

Daniel G. Guerra Jr.

David Diggs

Frank Staniszewski

Grecia de la O Abarca

Javier Monterroso

Jordan van Rijn

Juan Gómez

Layla Kaiksow

Leilani Yats

Ligia Vado

Martin Kokholm Nielsen

Megan Vander Wyst

Who is the beneficiary of your investment with WCCN? Naming a beneficiary is easy and ensures that your investment is safeguarded. You may name a friend or family member as a beneficiary, or consider naming WCCN as the beneficiary of your investment to guarantee a lasting legacy of services to low-income entrepreneurs in Latin America.

Please email info@wccn.org or call us at (608) 257-7230 to request a Beneficiary Designation Form. If you have any additional questions or would like to make a planned gift to WCCN, we encourage you to reach out.

We're looking forward to another great year at WCCN.

As always, thank you for your support!



[/wccommunityneeds](#)



[/wccnmicrofinance](#)



[/WCCN_tweets](#)

Working Capital for Community Needs (WCCN)

Founded in 1984, Working Capital for Community Needs (WCCN) is a 501(c)(3) nonprofit impact investing fund whose mission is to create opportunities for access to microfinance, services and markets to improve the lives and communities of the working poor in Latin America.

WWW.WCCN.ORG | INFO@WCCN.ORG | +1 608.257.7230