



WCCN

Investing for Social Change



IMPACT REPORT

2021

ISSUED OCTOBER 2022

INTRODUCTION

“

My mom always told me, 'I never want you to depend on a man.' Now, after taking out a loan, I have my own business and just fixed the roof on my house. With credit you can be more independent.

”

“

I have better economic stability now [that I have access to credit]. I want to keep expanding my business so my kids can go to school and choose to do whatever they want to.

”

“

My husband's illiterate so it's been tough for him to find work. During the pandemic, he's been able to help me with my tamal business, and thanks to having credit, we have been able to buy healthy food and afford medicine for my mother.

”

These are some of the things we heard from microfinance borrowers in Mexico when we spoke with them recently. Like thousands of small business owners that Working Capital for Community Needs (WCCN) serves each year, microcredit has impacted their lives, businesses, and families.

In our work as one of the oldest social impact organizations in the U.S., we're constantly in dialogue with our partners and the small business owners they support to understand the nature of this impact. How can we best support them as they navigate challenges? How do we celebrate their successes while ensuring continued prosperity and increased well-being?

Building on last year's social impact report, we surveyed and interviewed our 21 partner microfinance institutions across Mexico, Central America, and South America and these organizations' end borrowers.

Here are some highlights of our findings for 2021:

WCCN's partner microfinance institutions served over 520,000 end borrowers with 145,000 being new borrowers.

63% of the end borrowers WCCN serves have no access to the traditional financial system.

Of the end borrowers in which WCCN invests, 67% are women and 45% live in rural areas.

Beyond financial services, 90% of our partner microfinance institutions offer social services, reaching

489,000 people with health care, financial literacy classes, youth programs, and more.

More than 100,000 end borrowers and community members participated in gender equity initiatives.

More than 200,000 end borrowers took out green microloans or accessed green insurance products.

Although we face a host of challenges, these findings motivate us to continue making a difference in the lives of small business owners.

For this reason, we are proud to bring you this social impact report. It demonstrates how together we're working at the front lines of social, economic, and climate justice issues to make a difference, one person, one family, and one community at a time.

Let's dive in!

Cover: Antonia Reyes sells traditional children's clothing for festivals south of Mexico City. She started her business with a small loan from WCCN partner Itaca Capital. Credit: Michael Kienitz.



A NOTE ABOUT OUR METHODOLOGY

WCCN WORKS CLOSELY WITH partner microfinance institutions to collect data. We report monthly and quarterly on financial and social impact to gauge how our partners and small business owners are faring. Starting in 2020, we have done a yearly deep dive to get a better understanding of our social impact.

Our impact measurement and reporting process is built on commonly accepted frameworks: the United Nations (UN) Sustainable Development Goals (SDGs), the Global Impact Investing Network (GIIN) IRIS+ framework, and various industry certifications including Client Protection Certification, the Universal Standards, and SPI4. The UN SDGs and related indicators help WCCN examine our contribution toward No Poverty (Goal 1) and Decent Work and Economic Growth (Goal 8). 95% of our partners align their work with 15 of the 17 total UN SDGs. For example, over three quarters of partners set targets related to Goal 13 on Climate Action.

In-depth interviews with staff at partner organizations and conversations with small business owners themselves are central to our impact reporting. Our bilingual research team conducts interviews that help WCCN understand the human context behind the facts and numbers.

HOW WE WORK

WCCN CHANNELS FUNDS TO local partners in Latin America. These partners offer microfinance loans and social services to business owners and small farmers. First, institutions and individuals donate to WCCN or invest in its pooled loan fund, the Capital for Communities Fund. Then, WCCN disburses funds to vetted institutions, who lend money to small business owners. The business owners pay back their loans, allowing investors to make modest returns and WCCN to increase its impact.



Based in Nicaragua, Keyla Torres Chavarría speaks with staff at partner institutions across Central America as well as directly with microfinance borrowers. “Here in Nicaragua a small number of people have access to financial services. It’s really difficult for people with low salaries to be part of traditional banking institutions. That’s what microfinance institutions are for. They can serve those people who are not served by the banks. That’s something that I really like about microfinance.”



Director of Lending Joshua Miguel Jongewaard and his team are in constant communication with WCCN’s partners in Latin America. “At least once a week we talk directly with partners on the ground to understand how things are going and some of the challenges they might be seeing and how WCCN can continue to support them either this year or in coming years,” he says.

Michael Klenitz

BORROWER *spotlights*

Xochilt Ayala NICARAGUA

Four years ago, Xochilt Ayala got news that would change her life: her son had cancer. Xochilt, who had a stable but demanding position in the Nicaraguan military, had to leave her job to care for him. Concerned about earning enough money to support him and her two other children, she took out a loan from WCCN partner Prodesa. With this credit, she bought materials to begin working as a seamstress. She's been able to gradually expand her business, do home improvements, and make more plans for the future alongside her now healthy son. She hopes to buy a sewing machine and make masks to serve her community.



Keyla Torres

“

A typical day for me is working with our team of consultants on the ground in Latin America. Our main goal is to ensure that the Fund is fully placed. We have to ensure that we're looking at the quality of the transactions we're doing both from a financial perspective as well as from a social impact perspective. We constantly talk amongst ourselves about what we're seeing on the latest analysis. We review monthly portfolios. We also keep in contact with the team in Madison for accounting-related and social impact-focused things. That way we can ensure we're doing the best job that we can to place high-quality loans while having social impact.

Joshua Miguel Jongewaard
DIRECTOR OF LENDING

”

Rosario Chamba ECUADOR

Rosario Chamba grows a variety of vegetables on her small farm in Ecuador, including corn, yuca, potatoes, and tomatoes. She also raises chickens with her husband and her nine kids. She has been working with WCCN partner FACES as a microfinance borrower for more than 13 years, and she used her loans to buy farming tools.



Federico Casablanca

OUR SUPPORTERS

As a solidarity organization founded in the midst of the Nicaraguan civil war, WCCN's work has expanded and evolved while remaining oriented around grassroots efforts to channel resources to those who have been disenfranchised. A remarkable community of supporters committed to making positive change has made these efforts possible. Socially responsible donors and investors have participated in international economic development through WCCN's Capital for Communities Fund for more than 30 years.

This incredible group is diverse; its members support WCCN's work and mission from across the United States and range in age from teens to 97-year-olds! They are Spanish teachers, farmers, lawyers, clergy members, human rights activists, bankers, and more. Many hail from or have worked and volunteered in the countries in which WCCN is active.

Others have met with WCCN staff or partner organizations and upon learning more about WCCN's mission have joined its forces as advocates, volunteers, board members and investors.

"It's a privilege to work for an organization with such an amazing history and longevity. We're carrying the torch now,

and it's important that the fund continues to grow so that we can serve more people and continue our impact in the region, and it is great that we can connect people across the country at large with our end borrowers in Central and South America. It's a definite win-win," says Executive Director William Harris.

“

A central value for me is creating a more just world for people and the planet and changing systems so that people who have been oppressed by them are able to flourish. WCCN helps create new systems.

Julie Andersen
OREGON, WISCONSIN
FORMER WCCN STAFF,
INVESTOR AND DONOR

”



Father Tony Kröll and guest speaker Ayan Omar attend WCCN's 35th anniversary celebration in Madison, Wisconsin in 2019. Father Tony, who hails from Sauk Rapids, Minnesota, received a lifetime achievement award at the gathering. He has recruited nearly 50 individuals to become investors or donors, representing more than a half million dollars in new investments.

“

The Adrian Dominicans Sisters' principles dovetailed nicely with WCCN's, especially in terms of total inclusion: decisions regarding the use of funds were taken directly to local communities so as to bolster local economic development and job creation.

Adrian Dominican Sisters
ADRIAN, MICHIGAN
INSTITUTIONAL INVESTOR

”

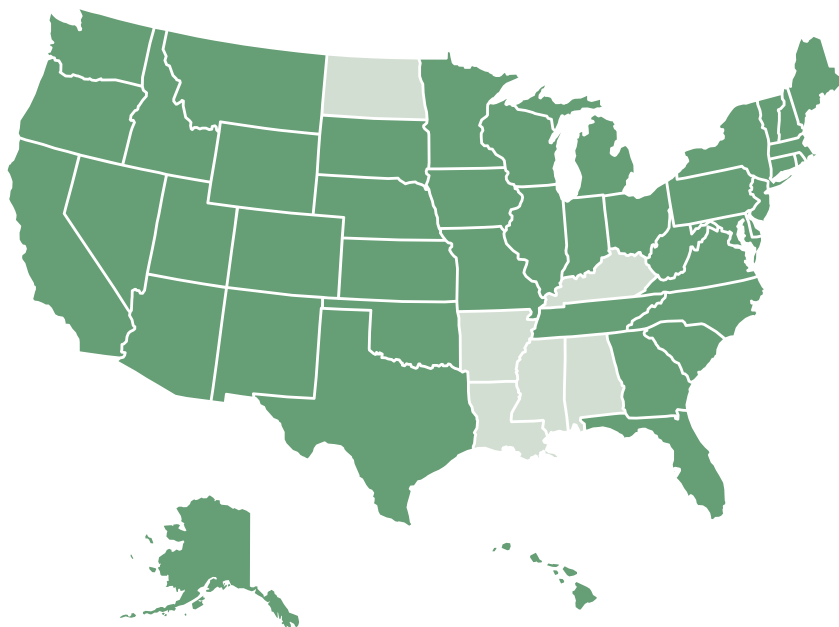
“

I want to know that my money is working for good. When you donate to WCCN, you can be sure that's what's happening.

Jarrett Brown
GREEN BAY, WISCONSIN
DONOR

”

MORE THAN 500 ACTIVE WCCN SUPPORTERS FROM 44 U.S. STATES



“

Mission is a big part of who we are as a church, and this revolving loan fund is a great way for us to help people in Nicaragua (and now in other countries) help themselves. We are mindful of the fact that no one knows better what local problems need to be addressed and how best to address them than the local people themselves.

The Presbyterian Church in Geneva
GENEVA, NEW YORK
INSTITUTIONAL INVESTOR

”

\$100
Minimum investment

More than
15
study tours taken since
1994

Around
300
supporters involved for over
20 YEARS

More than
\$160 MILLION
invested in the Capital for Communities Fund

50
institutional investors

More than
200
individual investors

More than
\$5
MILLION
donated to WCCN

OUR PARTNERS

WCCN works with 21 microfinance institutions and cooperatives in eight countries. In 2021, these institutions collectively disbursed more than a half million loans to small business owners, serving 536,000 people in need of credit.

These partners are small institutions with under \$20 million in total assets. They operate in traditionally underserved areas and work with unbanked and underbanked groups including women and indigenous communities.

“From an operations perspective, close partnerships with the microfinance institutions have proven critical to strengthen access for women and harder-to-reach populations,” says Loan Fund Operations Manager Yamila Simonovsky.

WCCN consultant Keyla Torres Chavarría agrees: “It’s really amazing what you can do supporting these financial intermediaries. They are having great impact through the lending that they receive through international companies like WCCN. The funds that investors put in WCCN really reach poor people through microloans. I like to tell family and friends about the big impact behind the scenes.”



Michael Kientz

Staff at Itaca Capital, one of WCCN’s newest partners based in Mexico City.

WHERE WE WORK



MiCrédito Nicaragua founder and CEO Verónica Herrera and WCCN Executive Director Will Harris discuss the state of microfinance in Nicaragua and the United States.

BORROWER *spotlight*

Antonia Inga Ancajima

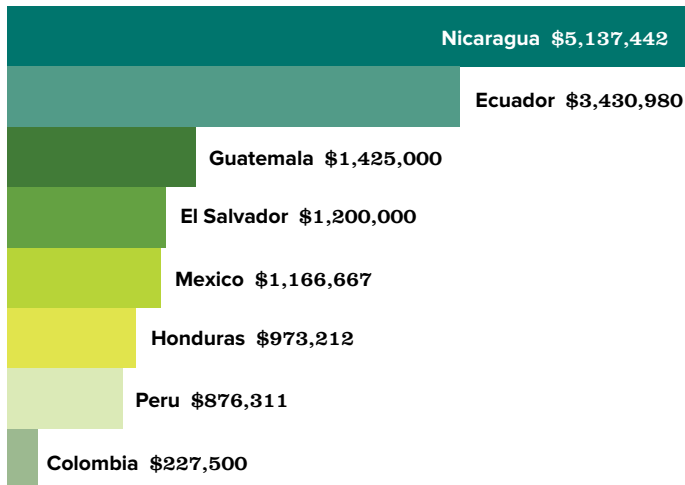
PERU

When we visited Peru in January of 2020, Antonia Inga Ancajima greeted us at the front door of her adobe house with a big smile. She welcomed us through a room with ten tables and thirty five chairs and into the back kitchen where there were multiple bubbling pots of food atop wood fires and an enormous vat of chicha fermenting on the floor. The restaurant at the front of her house is open from 10 a.m. until 8 p.m. for lunch and dinner. “Some people come for food, but others to drink chicha or beer. We host a lot of parties on the weekends.” Chicha is a fermented corn drink which varies in taste and alcohol content depending on the materials used and the maker. “I made mine strong,” said Antonia, but unfortunately she had sold out over the weekend due to carnival. “Come back on Friday, and I’ll set you up,” she laughed. She uses her line of credit to buy the goods she needs to keep her restaurant going. She and her husband have seven children and thirteen grandchildren, many of whom she was watching that day. “It’s not always easy, but we live well and have a lot of love in our family.”

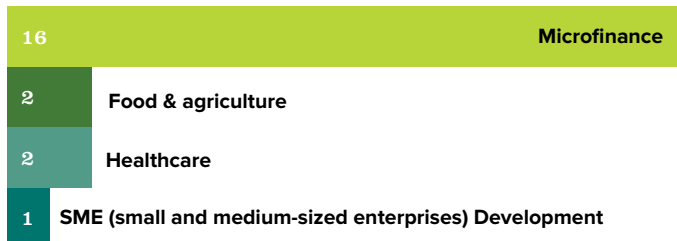


Michael Kientz

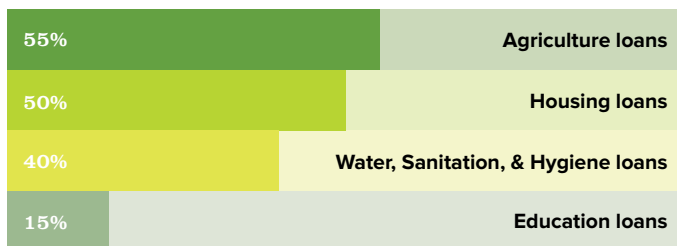
LOAN CONCENTRATION TO PARTNERS BY COUNTRY



PARTNERS BY SECTOR



MOST COMMON FINANCIAL PRODUCTS OFFERED BY PARTNERS



BORROWER *spotlight*

Ángel Antonio Fernández MEXICO

Ángel Antonio Fernández, 21, gets lots of compliments on his new electric mototaxi. The vehicle, which he recently purchased with a small loan from Avanza Sólido, traverses the hilly countryside outside of Tuxtla Gutiérrez, Mexico, carrying around a hundred passengers a day. “I take really good care of my mototaxi, which they like,” he says. What is more, the taxi stands out in an area that is home to more than 1,500 mototaxis: a cloth doll hands outside the driver’s side, paintings cover the exterior, and the front is emblazoned with Ángel’s nickname in large cursive letters: “El Flaco.” As someone who is just beginning his career, he appreciates having access to credit, which has helped him generate income to save money to open his own mechanic shop. “Someone who works hard has a future,” he says.



Michael Kienitz



Michael Kienitz

OUR END BORROWERS

Central to WCCN's mission is the well-being of the end borrowers with whom we work - a diverse group of low-income business owners and farmers who have an equally diverse set of goals and dreams. We remain in close conversation with many of the nearly 25,000 borrowers we support each year to learn about their challenges and successes.

24,847
end borrowers served in 2021



67%
are
women



45%
live in
rural
areas



\$1,661
average
loan
size



4.7
PEOPLE
average
household
size



23%
live under
poverty line
Defined by the
World Bank
as \$1.90 a day



\$803
average
monthly
income

“

I took out a \$700 loan to start my food stand in 2018. Access to credit has helped a lot. Fortunately, my business has grown, and I've increased my income enough to send my kids to school and start to save some money for the future.

María Josefina Tapía Flores
MEXICO

”



María Josefina Tapía Flores (center) works with mother-in-law Teresa Robles to prepare quesadillas in Mexico City.

Michael Kientz

OUR FOCUS AREAS

At WCCN, we're committed to fighting poverty through access to microfinance and social services. At the same time, we believe that to do so, we must address social inequality and climate change, building on a long tradition of working with communities to respond to their most pressing needs together. We recognize that economic justice, social justice, and climate justice are linked in complex ways. Each is central to sustainable development.

ECONOMIC JUSTICE

SEE PAGE 14

SOCIAL JUSTICE

SEE PAGE 17

CLIMATE JUSTICE

SEE PAGE 20



Michael Kientz



Federico Casablanca

BORROWER *spotlight*

Tomasa Panjoj Saquic De Morales GUATEMALA

Tomasa Panjoj Saquic De Morales is the president of a solidarity group in Chichicastenango, Guatemala that started out working with 8,000 quetzales (US \$1,034) shared among four people. She used her portion of the credit to invest in a small store and to buy materials for embroidery. Her favorite motifs are the sun, moon, lilies and peacocks. She never studied, but she sees it as her role to educate her children on the importance of school. “Education is expensive, but no education is more expensive.” She has a strong vision for how she wants to improve her community and the environment. “We could cut all of the trees down, but then our children would have none. We have to take care of that for our children.”



Michael Kenitz

Investing in ECONOMIC JUSTICE

ECONOMIC JUSTICE The fair distribution of economic burdens and benefits.

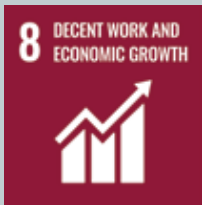
THE PROBLEM

Around the world, 1.7 billion people do not have access to traditional financial services. In Latin America, the World Bank estimates that an average of only 55% of adults have bank accounts. Many lack a credit history or the collateral to take out loans or open bank accounts, and some turn to predatory lenders for cash in times of need. Without access to financial services including credit, it is difficult to acquire assets, save money for the future, and weather natural disasters, accidents, and illnesses like COVID-19. Disfranchised people – particularly vulnerable populations such as women and indigenous groups – struggle to make ends meet, and the cycle of poverty persists.

OUR APPROACH

We work with our partner microfinance institutions to extend financial services to groups that have been historically marginalized and excluded from the financial system. We pair financial services with education, business support, and other programs to support well-being and economic justice. With access to individual or group credit, microfinance borrowers can start and grow their businesses, save money, and re-invest. In addition, insurance products help support families in the event of shocks. Borrowers, their families, and communities as a whole are better equipped to meet basic needs, including having safe, comfortable housing, access to health care, clean water, nutritious foods, and affordable, quality education.

MAIN SUSTAINABLE DEVELOPMENT GOALS (SDGS) IMPACTED



“

At a high level, what we're doing is helping people who are in need. WCCN is making access to credit possible.

**Joshua Miguel
Jongewaard**
DIRECTOR OF LENDING

”



Michael Kientz

Itaca microfinance borrower and produce vendor Beatriz Padilla picks her daughter, Silvia, up from school. Silvia and her classmates, who are taught in both Spanish and Otomí, an indigenous language spoken in the central plateau region of Mexico, have been preparing a dance recital for their parents. Itaca recently painted the walls of several classrooms and will help install an air conditioning unit there.

WCCN partners served a total of
146,123
new clients in 2021

7
WCCN partners offered insurance products in 2021, reaching
480,000
people

114,526
total clients **were able to increase their income in 2021** with the support of microloans, **representing about 20% of total active clients** across all partners

63%
of partners' total active **clients are unbanked, or don't have accounts** with traditional financial institutions.

“

There's better economic stability and if I have a need for something, I can get it thanks to my business and credit from Itaca.

Antonia Reyes
WCCN BORROWER

”

PARTNER INITIATIVES

WCCN partner PADECOMSM reported that 75% of its active clients in El Salvador lived below the poverty line in 2021, and nearly all of them are in rural areas. The average monthly household income for its borrowers is US \$300, one of the lowest among WCCN partners. PADECOMSM recognizes the importance of education and that school fees can often be a burden on low-income families. The institution offers microcredit for education and covers basic fees for borrowers' children. Its borrowers also took out more than 1,300 loans for home improvement in 2021.

One of WCCN's newest partners, Itaca Capital, reported that 42.3% of its active clients lived below the poverty line set by the Mexican government in 2021. Serving borrowers in Mexico City and the state of Mexico, 83% of its portfolio are women, many of whom take out group loans. The average loan size in 2021 was US \$530. Itaca offers social services ranging from life and medical insurance to free financial education, and facilitates community projects involving health, sanitation, reforestation, and public school repairs.



Michael Kienitz

Children wait to be dismissed for recess in a school that Itaca Capital recently helped to renovate and repaint. WCCN partners support borrowers and their families in a variety of ways.

BORROWER spotlight
Antonia Reyes MEXICO

Stepping into Antonia Reyes' store is like entering the pages of a beautiful "I Spy" book. A shop owner, food vendor, and seamstress outside of Mexico City, Antonia has filled her business with fresh papaya, jicama, cucumbers, and cactus, which she sells in front of the local preschool as parents drop their kids off in the morning. Hanging on a rack on one end of the store are vibrant balls of yarn alongside items of traditional clothing. Gourds that double as water containers shift in the light breeze. Antonia, who

labels herself a hard worker who gets antsy when she's not involved in a new enterprise, has always been involved in preparing and selling food, from fried plantains to ice cream to fish.

However, she hasn't always been able to offer the abundance of products she does now. Five years ago, her husband, who worked with her at a small general store, was electrocuted by an exposed live wire and lost the ability to walk. Their business went under shortly after. The family of six struggled as their income

dropped, and they sometimes ate fewer meals as they tried to stay afloat. Then, Antonia learned about Itaca Capital. After taking out credit for a new business space and merchandise, Antonia feels better equipped to handle life's unexpected challenges and to celebrate new milestones in her life and business.

"There's better economic stability and if I have a need for something, I can get it thanks to my business and credit from Itaca."



Michael Kleinitz

Investing in SOCIAL JUSTICE

SOCIAL JUSTICE Creating a fair and equal society where each individual matters, their rights are recognized and respected, and decisions are made in ways that are fair and honest.

THE PROBLEM

In a diverse region rich in talent and natural resources, many groups do not receive equal rights and opportunities. Low-income and rural populations do not have access to many resources and services, including health care, education, and asset ownership. 51% of women in Latin America do not have a bank account, and only 11% have access to credit. Indigenous people – more than 53 million people from more than 800 cultures – are 2.7 times more likely to live in poverty than non-indigenous people.

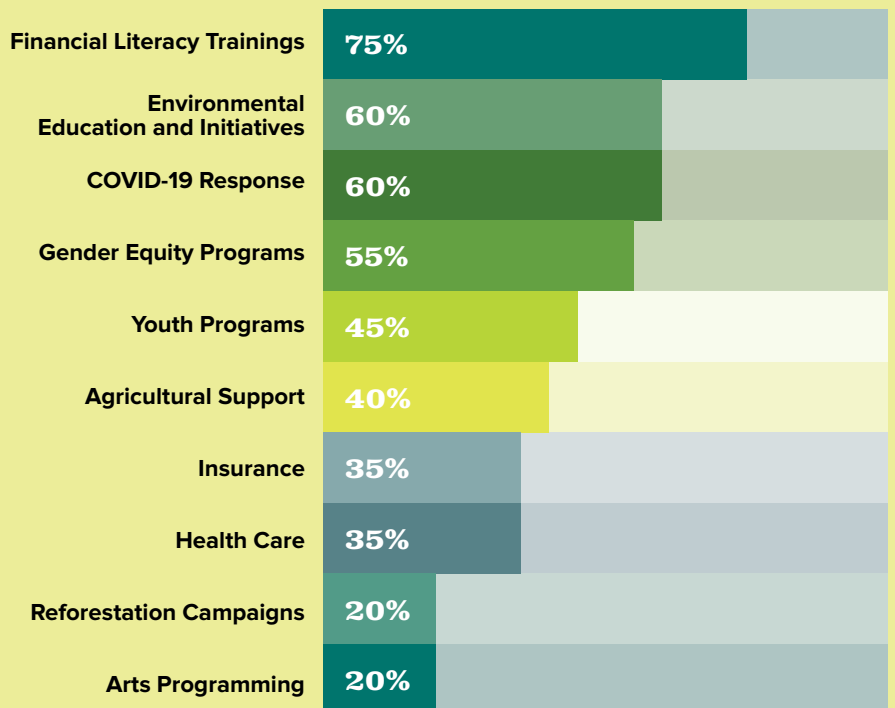
OUR APPROACH

Intersecting with economic justice, social justice is a multi-faceted concept. For us, it means ensuring that women, rural farmers, and indigenous communities have equitable access to basic services such as health care, nutrition, clean water, housing, and education. In particular, financial inclusion for women is an important part of economic development. It helps increase incomes, acquire assets, and weather tough times. Research shows that women with access to financial services increase household spending on nutritious food and education. Because of this, we work with our partners to support groups that have been traditionally excluded from financial and social services. As these groups thrive, so do their communities as a whole.

MAIN SUSTAINABLE DEVELOPMENT GOALS (SDGS) IMPACTED



SOCIAL SERVICES WCCN PARTNERS OFFER



% of WCCN partners offering social service

BORROWER *spotlight*

Natalia Enriquez Rivas

COLOMBIA

Natalia Enriquez Rivas sells jeans, shirts, and accessories at La Merced Shopping Center in Pasto, Colombia. A microfinance borrower since 2017, she met a credit officer at the shopping center and learned more. “We chatted and I learned about the benefits of the services that MiCredito Ya offered. I took out credit shortly after that. Since then, my business has grown and I’ve learned more about business management and finances from MiCredito Ya’s classes. I’ve been treated fairly by every single loan officer I’ve worked with, and so have my employees who have also taken out credit,” Natalia says.



MiCredito Ya

67%

of the borrowers WCCN directly served in 2021 were women

100,437

borrowers live below the poverty line

16,768

microloans were taken out for housing improvement and/or construction in 2021

More than

10,000

indigenous borrowers were served

489,008

borrowers accessed social services provided by partner MFIs in 2021

More than

850,000

borrowers and community members participated in gender equity programs

More than

1.2 million

borrowers and community members accessed free and subsidized health care

PARTNER INITIATIVES

Aldea Global, a Nicaraguan institution composed of more than 13,500 members (“asociados”) in the agricultural center of Jinotega, provides microcredit to smallholder farmers along with promoting transparent and direct relationships between speciality coffee farmers, roasters, and importers who share its value of sustainability. “We orient ourselves around the question, ‘What do farmers really want?’” says Business Manager Diédericks Gadea. Gender equity is important: the Tierra Madre program, an initiative funded by the organization’s coffee brand of the same name, supports women farmers in getting titles to their land. 38% of Nicaragua’s rural population is landless, and in Jinotega, women only have 15% of land titles. Having a land title is paramount to accessing microloans and the Tierra Madre program serves as a pathway to cheaper, longer-term, more extensive access to credit for rural women.

In Mexico, Avanza Sólido partners with medical specialists and community organizations to offer free health care to borrowers and their families, particularly those in rural and indigenous communities. Campaigns consist of women’s health services including mammograms, ultrasounds, and access to traditional midwives, whose community health centers have received little support during the pandemic but whose services are vital. Complementing these health care services, trainings on Gender-Based Violence prevention, mental and emotional health, and reproductive health are held on the outskirts of Tuxtla Gutiérrez for low-income communities. In 2021, nearly 5,000 people accessed these services.



Michael Kientz

BORROWER spotlight

Luby de los Ángeles Chavarría Dormus NICARAGUA

Luby de los Ángeles Chavarría Dormus is a coffee producer in Mancotal, Nicaragua who has worked with Aldea Global since 2018. “Before [I became an Aldea associate], I lived in my mom’s house. Now I have my own house and 3 manzanas

(about 7.4 acres) of land with coffee plants. My coffee is in great shape and I’ve been able to pay off my loans from Aldea thanks to the support I’ve gotten,” she says.



Aldea Global

Investing in **CLIMATE JUSTICE**

CLIMATE JUSTICE The fair division of the benefits and burdens of climate change.

THE PROBLEM

Climate change has many consequences, particularly for WCCN borrowers. Changes in temperature and precipitation affect crop production, impact water availability, and increase disease prevalence. In Latin America, 70% of the population depend on smallholder farms for income generation and nutrition, making climate change-related crop losses - projected to worsen - a crucial issue. In 2020, for instance, close to 80% of the maize in the highland region of Guatemala was lost. There are also more frequent and severe natural disasters as a consequence of climate change. In Guatemala, Honduras, and Nicaragua, Hurricanes Eta and Iota left their mark in November 2020, affecting more than 8 million people and damaging more than 964,000 hectares of crops, according to the World Meteorological Organization. The impact on livelihoods, health, and nutrition persisted well into 2021. Financial services for low-income business owners and farmers are vital. Helping small farmers weather the global food crisis and climate change is – and will continue to be – key.

OUR APPROACH

The response to climate change requires governments, nonprofits, corporations, and other institutions to each do their part in working to protect both people and the planet. In our small but important role, we work with partners to focus on supporting small farmers and business owners with climate change adaptation. Green financial products, insurance, and trainings on environmental stewardship and sustainable farming all help address the specific needs of vulnerable communities. In Ecuador, FACES conducts trainings on sustainable livestock management, organic farming, and natural disaster resilience while offering agricultural insurance. On a larger scale, as part of Confluence Philanthropy's pilot Emerging Asset Managers program, WCCN has joined forces with fellow impact funds and foundations to effectively respond to climate change together. Our partners are also part of large, collaborative efforts. For instance, ASEI in El Salvador is a member of Scale for Resilience, a global initiative to mobilize resources to help smallholder farmers adapt to climate change.

MAIN SUSTAINABLE DEVELOPMENT GOALS (SDGS) IMPACTED



“

We're working with smallholder farmers on climate change mitigation strategies. We're also developing green products that take environmental changes into account.

FACES Ecuador

”

PARTNER INITIATIVES

Latin America has around 57% of the world’s remaining primary forests, a source of biodiversity and carbon capture, but deforestation is threatening many areas, especially in the Amazon. Deep in the Ecuadorian Amazon in Napo province, Insotec is partnering with an indigenous association of cacao producers called Kallari, Kichwa for “start.” Through the association, members - the majority of whom are indigenous- use sustainable production methods and are integrated into the national and global supply chain. Insotec has offered 51 micro-loans and technical assistance to this group, contributing to the fight against deforestation by giving producers an alternative to cutting down trees to farm. Insotec also went on seven medical missions to Napo province in 2021, serving 984 people in rural areas.

For MiCrédito, a WCCN partner since 2013, the well-being of people and the planet have been priorities, even as Nicaragua faces environmental, political, and social challenges. MiCrédito requires borrowers who take out agricultural loans to use sustainable

practices. More than 1,500 did so in 2021. Borrowers receive vouchers for discounts on seeds and other farming products and participate in agricultural networking events. They can access free technical assistance to learn about the benefits of organic farming. Loans for water, hygiene, and sanitation (WASH) are also available and can be used to repair or install toilets in homes, purchase tanks to store clean water, or install clean water systems. The institution also conducts reforestation, recycling, and community clean-up campaigns. WCCN consultant Keyla Chavarría has been pleased with MiCrédito’s work through environmental, political, and social challenges: “MiCrédito is a wonderful company and they are doing really well. In this country we have suffered a lot. We had the 2018 socio-political crisis. And then the pandemic came. We said, ‘Oh my God, this can’t be happening.’ But it makes me proud being a Nicaraguan. [MiCredito CEO] Verónica [Herrera] says, ‘Nicaraguan people, we are very resilient.’ We learn to overcome all of those challenges. It’s wonderful.”



Keyla Torres

BORROWER spotlight **Santa** **NICARAGUA**

Santa grew up in a family of farmers, so it felt only natural to continue in her parents’ footsteps when she inherited their land. A microfinance client with MiCrédito in Nicaragua, Santa initially only grew yucca, but noticed that the soil quality had gotten worse and that she wasn’t producing as much as before. She took out a loan to buy additional land. After a series of sustainable agricultural trainings, she diversified her crops: now she grows peanuts, beans, and hibiscus flowers. In particular, hibiscus is known for its hardiness and can withstand changes in climate that destroy other crops. Santa is now proud to be the main earner in her family and to manage her own finances. She also employs six other women in her community.



Michael Kientz

BORROWER *spotlight***Viviana Patricia Valverde Orejuela**
PERU

Viviana Patricia Valverde Orejuela and her husband have a small embossing shop and make trophies, plaques and medals for their community in Catacaos, Peru. Their business has grown steadily over time, and they benefit from a great location on the historic main street of Catacaos which is a popular tourist destination, but was also ground zero for the floods of 2017. “The water was up to my waist,” says Viviana. “We lost about \$8,000 worth of equipment and materials. The flood came too fast for us to respond. It was simply too dangerous to try and save anything because the currents ripped off the doors and swept most things away.” With no insurance and little in their savings accounts, it was difficult to recover, but then they were able to get a loan for new equipment. “We aren’t taking any chances, so we’ve put an addition on our roof to be a workshop, and that’s where all the equipment is now,” says Viviana. She and her husband have four children, and they want to continue to provide a good life for them.



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15,000

trees planted in MFI staff and
community reforestation
campaigns in Mexico,
Guatemala, and Honduras

2/3

of **partner MFIs**
offer green loans

(for water and sanitation,
sustainable farming, clean energy,
and environmental housing)

24,000

borrowers accessed
sustainable farming
trainings and
technical assistance

12

partners hold
environmental
certifications from
third-party organizations

74,000

community members
participated in
environmental trainings
and **sustainability**
initiatives in 2021



THANK YOU!

We have a small but vital role working on the front lines of poverty alleviation in Mexico, Central America, and South America. As we've learned, a small amount of money goes a long way and has ripple effects on families and communities. It's easy to be part of

the solution. You can make a recurring donation or investment today.

Visit wccn.org, contact us at info@wccn.org, or call (608) 257-7230 to learn how you or your organization can get involved. Join us in the fight for economic, social, and climate justice!

On behalf of our staff, partners, and community of nearly 25,000 small business owners and farmers, thank you!

All statistics in this report are as of December 31, 2021.



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