

PROJECT FACTSHEET

Title of project	SCBF 2013-10: Providing Access to Finance for Haiti's Rural and Agricultural Populations
Country / region	Haiti/ Cap Haitian, Jacmel, Les Cayes, Croix des Bouquets and 2-3 other rural areas to be determined
Financial Intermediary	FINCA Haiti , a microfinance institution
Competence Centre mandated for execution	FINCA International , 1101 14th Street, NW, 11th floor, Washington, DC 20005 (endorsed by Credit Suisse)
Overall project budget	CHF 131'706.00 (36.1% self-contribution by partner)
SCBF contribution	CHF 84,186.00 (63.9% SCBF funding share)
Date of project approval	02.07.2013
Project period	08.2013 until 12.2014
Context	<p>Only 22% of adults in Haiti have an account at a formal financial institution, including MFIs and rural regions are especially underserved. The Ministry of Agriculture of Haiti estimates that MFIs and the commercial banking sector do not supply sufficient credit to meet rural demand – one of the biggest constraints faced by smallholder farmers and rural enterprises is a lack of access to affordable and flexible financial services to help build income and assets. Contributing to this was the retrenchment and other issues suffered by the Haitian microfinance industry with the devastating earthquake of 2010.</p> <p>The project will enable FINCA Haiti to develop appropriate agricultural lending products to address the needs of these populations and expand access to this group through additional product and service delivery channels. FINCA anticipates that its innovations and successes in rural lending will serve as a model for other financial institutions in Haiti.</p>
Current status of the MFI	<p>FINCA Haiti was founded in 1989 to serve the entrepreneurial poor in Haiti. FINCA Haiti continues to be a key player in the Haitian microfinance market, focusing its efforts on the lowest income and on women, operating mainly in the service and agricultural sectors. In Q1 2013 FINCA Haiti transformed from a non-profit into a regulated Societe Anonime (SA) thus enabling the organization to mobilize savings to further serve the needs of the low-income segment.</p> <p>FINCA Haiti went through a time of consolidation and restructuring following the earthquake in 2010, with a resumption of growth, which started in Q4 2012. As a result of the 2010 earthquake, 2 of the 8 branches were destroyed, with the entire portfolio of those branches written off and other branches and clients heavily affected. Currently, FINCA Haiti has close to 4,000 clients, approximately 120 employees and 5 branches. 84 percent of the clients are women. Concurrent with the restructuring, FINCA Haiti is developing and implementing an agricultural loan product, strengthening rural value chains and increasing access to financial services generally among rural populations and agricultural workers.</p>
Objective and main activities	<p>The goal of the intervention is to expand FINCA Haiti's capacity to provide more accessible financial services tailored to the needs of smallholder farmers and rural micro-entrepreneurs. SCBF's support will leverage the funds provided by the USDA to support agricultural and rural lending in Haiti. SCBF funding will allow FINCA Haiti to hire consultants to aid in design of agricultural loan products; and develop a detailed feasibility study and implementation plan to determine which alternative delivery strategies will be implemented.</p> <p>The main activities of the project are:</p> <ol style="list-style-type: none"> 1) pilot one or more new agricultural/rural finance products 2) establish at least three new rural offices and develop teams in rural areas of the country 3) pilot test and deploy one or more alternative delivery channels <p>Upon project completion, the Financial Institution should be in a position to provide rural financing to 8,000 clients in rural and per-urban areas of Haiti; FINCA Haiti estimates that at least 50% of the target group will be women. The delivery of rural financial products and services is core to FINCA Haiti's mission; FINCA expects that the new rural products and increased customer access points will be financially sustainable by the close of the grant.</p>