BY STANDARD MEASURES, EVEN THE FAILURES WERE SUCCESSES

Even the 400% is an understatement since it fails to take into account that half of the amount sent was withdrawn for community projects. The closed sites used funds to construct one community’s first public bathroom that served handicapped individuals, to repair homes for the indigent, repair a fire damaged church, partially fund the purchase of land for a community center as well as purchase various pieces of equipment. Numerous impoverished communities that were economic deserts now have a small pharmacy, market, fresh eggs, beauty parlor, fax, copy and Internet service and perhaps stores with stationery and hardware supplies. The entrepreneurial poor are always a good investment.

MINICOL

Eight Colombia Project sites were established through MINICOL, an education-focused non-profit registered both in the U.S. and Colombia to provide financial support and mentoring to ensure that children from impoverished homes have educational opportunities. In the first ten years working with MINICOL, five programs closed (one site closed twice) and in each case, the permanent loan pool funds were transferred to another MINICOL site. These transactions exceeded ten million pesos, approximately $4,000 USD given varying exchange rates over that ten-year period. Sites were allowed to keep their earnings,
although some of their earnings were tied up in loans that still needed to be collected. Consistent with our efforts to ‘do no harm’ we did not want to give the impression that the loans were forgiven. Hopefully the administrators worked diligently to collect on those debts since their program would benefit from 100% of the collections at that point. In two or three cases the administrators continued to make small loans to a reduced number of borrowers. The TCP Global team was advised by an RPCV who had spent his career working with international grant programs, that he had never seen a case where funds were returned when a program closed. We do recognize that these were special circumstances in which we were dealing with St. Vincent De Paul nuns who knew that others in their MINICOL circle would benefit from the proceeds. They were thrilled they still had earnings to withdraw.
APRODEFA – CARTAGENA

The primary mission of APRODEFA-Cartagena was community empowerment. As in its parent non-profit, APRODEFA-Barranquilla, the micro-loans were used as an enticement to get families to participate in the APRODEFA program. While health and education non-profits have a natural connection to their target communities, those who work in community empowerment initiatives must work at building connections to potential leaders. Looking for entrepreneurial people is a good way to start. Ofelia did an excellent job managing the program under difficult circumstances (geographically spread out community, high transportation costs in both time and money, establishing a non-profit and simultaneously creating the loan program) but a government relocation project and then a flood disbursed two of the communities where she worked. The flood also wiped out businesses for several borrowers and those losses virtually wiped out the loan program. All funds sent to Cartagena, however, had already been invested twice.

Two TCP Global team members visited Ofelia several years after the program closed and went with her to visit former loan sites and speak with people who were still operating their businesses, some who had qualified for bank loans and others who had taken on leadership roles in the community. While TCP Global was not able to establish a permanent loan pool, our loans helped APRODEFA-Cartagena to gain access to communities and effect sustainable change.
APDES in Ariguani, joined The Colombia Project after its founder, Aura stayed at my house during an internship for young leaders sponsored by the League of Women Voters. Aura and several friends were discouraged by the poor services provided in her small town and decided to quit their jobs, apply for grants and deliver real service in the community. When we visited Colombia with the League of Women Voters to see the interns at work in their communities, most talked in aspirational terms of what they hoped to do. As I recall, Aura was the only one who had a program running in her community. She already had a group of women who delivered pre-school nutrition and enrichment programs. They had programs to raise awareness and combat violence against women. She had already set up the micro-loan program by the time we arrived and many of the borrowers became involved in local government as well.

Since we were the first foreign delegation to ever visit Ariguani there was a big gathering in the community center. The women who spoke eloquently about their work and their hopes for Ariguani impressed me. I was also impressed that Aura remained in a support role, leaving center stage to those she had empowered.

The micro-loan program was off to a good start and they were excited about setting up satellite programs in nearby towns. In retrospect, they grew too big and too fast, receiving five fund transfers in just ten months. The program relied on one staff member who also ran the office while Aura was away working on a PhD. Payments declined, resulting in an increased number of open loans that became even harder to manage. While a small well-organized program can
provide a steady revenue stream and support rather than distract from the non-profit’s primary mission, a faltering program is a burden.

After investing all funds nearly four times APDES elected to concentrate on building its community programs, investing funds in development of a center where they could train community leaders and run their violence-prevention and nutrition programs. This is definitely not the outcome that The Colombia Project envisioned, but at the end of nearly five years, the APDES loan program had used its $12,000 to support 254 loans worth $44,500. The closing of the loan program provided funds for a center that will serve the community well into the future.

FUNDEHUMAC – SANTA MARTA

FUNDEHUMAC in Santa Marta came to The Colombia Project through the Friends of Colombia network. FUNDEHUMAC has a long history of educating the children of displaced families, helping indigenous peoples on the coast access government services, supporting victims of violence and implementing a scholarship and mentoring program to allow impoverished youth to complete a university education. Alba, the head of FUNDEHUMAC, works tirelessly on behalf of anyone in need. During her association with The Colombia Project, 2004-2011, programs were run from her house and that is probably still the case. Her door is always open and she has a broad support network for a wealth of social service programs in Santa Marta.
Alba is incredibly generous to a fault. She was never comfortable asking people to repay their debts and refused to charge interest. She was reluctant to withdraw earnings, feeling the funds should rather be invested in the poor. Thus, we were never successful in getting Alba to experience the joyful empowerment of generating funds to implement her special projects. Dealing with money and reports was a burden for her. I continually asked questions, trying to understand the reports her assistant filed. From her perspective, I am sure my questions suggested a lack of trust.

What looked like a golden opportunity to The Colombia Project team, was the last straw for Alba. We had this idea that the Ariguani administrator who was studying for a PhD in public administration and the ASHOKA fellow in Barranquilla should work with Alba in Santa Marta and Ofelia in Cartagena and that all of the programs would be stronger by working together. We were searching for a way to make our program sustainable and possibly transfer leadership to Colombia. A network of administrators seemed the logical way to start. Alba of Santa Marta and Ofelia of Cartagena had come to respect each other during a meeting with all Colombia Project partners in La Victoria, Colombia, but the same had not happened with Aura of Ariguani. Alba also had major differences with the ASHOKA fellow in Barranquilla. These were four strong and effective women and there was resistance to our misguided attempts at forging an alliance.

By the time Alba cut ties with The Colombia Project, FUNDEHUMAC had invested each dollar 2.4 times. She recognized the economic stimulus provided
by the micro-loans, but was weary of the bookkeeping and collection aspects and had begun to shift the permanent loan pool funds to a modified version of a village savings and loan program that would be run by the people in various communities. Had this program come on board in 2009 when The Colombia Project had fully evolved rather than 2004 when we were on the steep part of the learning curve, it is likely that Alba and FUNDEHUMAC might still be doing micro-loans.

Panama

A program introduced with the assistance of a Response Volunteer in Panama is the only program that failed to invest funds at least twice. After the first round of loans, the non-profit partner announced there were simply no additional candidates for loans. After trying unsuccessfully to find another site in Panama to use the funds, TCP Global asked the non-profit to return the funds, which they did (minus $170 from one partially repaid loan and minus bank charges). This is a tribute to the types of partners that TCP Global attracts. We have no control over the funds after they are sent abroad and our informal agreement is definitely not legally binding. It serves only to clearly document for all parties concerned how the program is to work, Had the partner refused to return the funds, there is nothing we could have done.