



ECLOF
INTERNATIONAL

PROMOTE SOCIAL JUSTICE
& HUMAN DIGNITY

ANNUAL REPORT 2023

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ECLOF INTERNATIONAL IS A SWISS FOUNDATION ESTABLISHED IN GENEVA IN 1946

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OUR MISSION

ECLOF has a clear mission to promote social justice and human dignity through microfinance.

Microfinance services offer vulnerable and excluded people and groups access to capital resources that enable them to build sustainable livelihoods. This can open up a path from vulnerability to self-reliance and stability.

ECLOF's relationship with clients must be a partnership of equals, not the one-way relationship between donor and recipient. Our responsibility is to lend capital on reasonable terms appropriate to the circumstances of our clients. Their duty is to use it well, and then repay it. Both of us do our utmost, in the language of the Gospels, to be excellent stewards of the resources we share.

Our highest priority is to reach vulnerable communities, particularly in rural areas, which are excluded from access to formal sources of finance. We support them without regard to gender, race, creed or political persuasion.

Human dignity is our goal: a world where all can share the God-given benefits of the Earth in security and without fear for the future. ●

OUR VALUES

HUMAN DIGNITY

We respect the immeasurable value of every human life. Today inequality denies millions of people the chance to enjoy life in its fullness. We will purposefully work to enhance human dignity, so that everyone has access to resources they need to become providers for their families, employees, churches, and communities.

SOCIAL JUSTICE

Everyone has the right to food, education, health, a secure livelihood and the benefits of community life. We will help our clients to reclaim those rights through earning a living, which can protect them against calamity and build confidence in their capacity to choose their own futures.

SOLIDARITY

As fellow-citizens of one world, we will walk alongside our clients to listen to their concerns and work as partners with them as they act to improve their lives. At the international level, we will join, as members of the act Alliance, with other organisations to call for an end to the global structures and policies that perpetuate poverty and exclusion.

PARTICIPATION

All men and women have a right to shape their own destinies. In our work we will support vulnerable and marginalised groups. However as women, girls, and young people are disproportionately affected by poverty, we will specifically target initiatives that promote their participation and leadership in the economic, social, and political decisions which shape their lives. ●

CHAIRMAN'S STATEMENT

KIMANTHI MUTUA · CHAIRMAN



On behalf of the board of directors, I present ECLOF's annual report for 2023. While many of the economies where ECLOF is active continued to recover from the impacts of COVID-19, others faced challenges due to lingering effects of the pandemic and political tensions. Inflation remained a significant concern. Geopolitical conflicts, natural disasters, and ongoing pandemic-related challenges led to disruptions in supply chains and high energy prices. Add to this a persistent lack of economic opportunities in many countries where we operate.

We have seen the pandemic disproportionately affect already disadvantaged groups, including women, rural folks, and informal workers. It is these groups that need to build their resilience to withstand future shocks. Financial and non-financial products from ECLOF help them achieve this: by providing opportunities to generate income, by building financial literacy, and by promoting savings.

From worrying delays during the pandemic, loan repayment performance across the network has improved to nearly pre-Covid levels. In some cases, the cleanup of portfolios has led to a reduction in client numbers. Operating expenses are on the rise everywhere, but we mitigate this through the use of technology and mobile banking channels.

Serving rural areas efficiently requires innovation and digitization: examples in this report highlight efforts undertaken in Kenya and Brazil towards digital products and service delivery. Systematically protecting our clients from the potential negative effects of financial services is part of the ethos of ECLOF. We are proud to report that ECLOF members have signed up to the SPTF's Client Protection Pathway.

ECLOF in the Dominican Republic is the first member of our network that offers deposits and we see that more and more clients entrust their savings to ECLOF. This affirms ECLOF's commitment to highest levels of professionalism and quality, while remaining accessible to the lowest income strata of society. Accessibility is a result also of physical presence: this year, the number of ECLOF branches worldwide increased from 77 to 96, most of them in second tier cities and servicing rural areas. As a network we have retained high social outreach indicators, serving 68 % women and 59 % rural clients. Remarkable is the growth of agricultural loans to 36 % of the global portfolio in 2023. Stories from Armenia, Sri Lanka and Kenya in this report give positive examples of women in agriculture.

The demand for responsible financial services accessible to the most vulnerable is strong. In order to service it, we require capital. Capital that comes from partners like the Religious Communities Impact Fund, a collaborative effort of American Catholic congregations. The Fund's Executive Director speaks to why they invest in ECLOF.

I thank the ECLOF International Board for their wonderful support, and the ECLOF International staff for their professionalism in dealing with challenges and in grasping opportunities. I acknowledge and admire the creativity and resilience exhibited by the local boards, managers and staff throughout our network.

We will continue to stand with our clients and we will continue to promote social justice and human dignity through our microfinance network. ●

ECLOF NETWORK IN 2023

USD 45.06 M Global Portfolio
11 % of Portfolio at Risk > 30 days

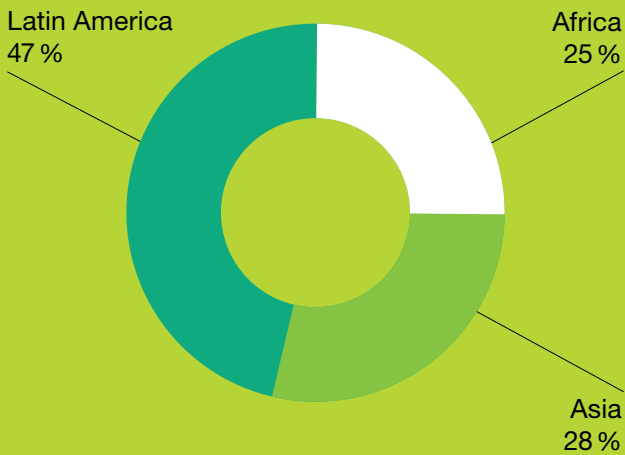
115,813 Clients

97 Branches
896 Staff
457 Loan Officers (51 % of staff)

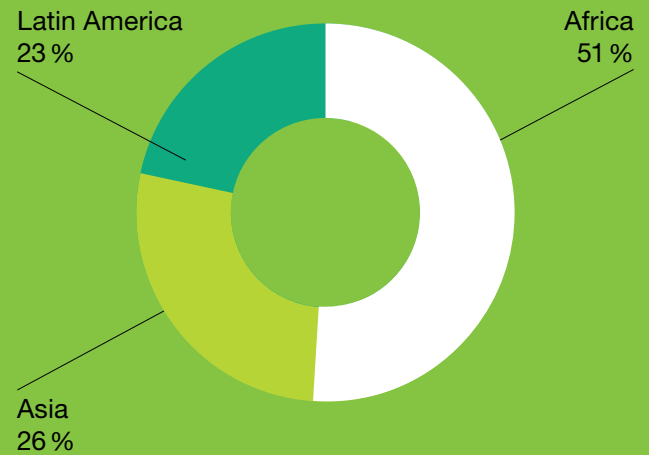
PERCENTAGE OF LOAN OFFICERS



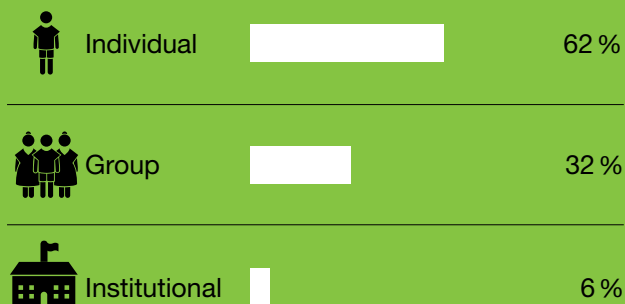
LOAN PORTFOLIO DISTRIBUTION



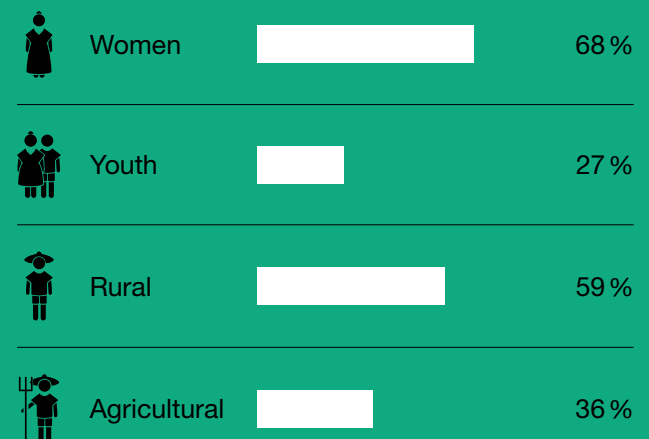
CLIENT DISTRIBUTION



LOAN PORTFOLIO COMPOSITION



SOCIAL OUTREACH TO BORROWERS



REGIONAL REPRESENTATION



Individual



Group



Institutional



Women



Youth



Rural



Agricultural

AFRICA

USD 11.09 M Loan Portfolio
24 % of Portfolio at Risk > 30 days

59,677 Clients

26 Branches
326 Staff
165 Loan Officers (50 % of staff)

LOAN PORTFOLIO COMPOSITION



15 %



84 %



2 %

SOCIAL OUTREACH TO BORROWERS



60 %



34 %



63 %



37 %

ASIA

USD 12.41 M Loan Portfolio
5 % of Portfolio at Risk > 30 days

29,575 Clients

35 Branches
334 Staff
187 Loan Officers (56 % of staff)

LOAN PORTFOLIO COMPOSITION



76 %



17 %



7 %

SOCIAL OUTREACH TO BORROWERS



80 %



16 %



82 %



59 %

LATIN AMERICA

USD 21.56 M Loan Portfolio
9 % of Portfolio at Risk > 30 days

26,561 Clients

35 Branches
236 Staff
105 Loan Officers (45 % of staff)

LOAN PORTFOLIO COMPOSITION



79 %



14 %



7 %

SOCIAL OUTREACH TO BORROWERS



71 %



26 %



23 %



7 %



ECLOF STRATEGIC THEMES



INNOVATIVE CLIENT SERVICES

ECLOF places high emphasis on understanding the needs and preferences of different groups of low-income clients and adapting services and delivery mechanisms to them. Designing products and services that meet those needs is not just a main principle of social performance in microfinance, it is also a driver for success and outreach of microfinance institutions. One group ECLOF targets specifically are young people: while they form the largest human resource, it is estimated that 8 in every 10 youngsters worldwide are excluded from the economic and financial system. The story from the Dominican Republic illustrates how ECLOF fosters education by offering parents and schools various lending alternatives and training.

It is generally accepted in the industry that building the capacity of clients greatly enhances the chance of attaining positive social impact. A key part of the service ECLOF delivers to clients is training: in areas like financial management and budgeting, digital financial service, entrepreneurship, home improvement or sustainable agriculture. These services benefit clients and their families—but they also improve repayment performance and increase the loyalty clients feel towards ECLOF. Digitalization is considered essential in enabling microfinance to reach a

wider audience. It can improve institutions' productivity, lower transaction cost to clients, and increase transparency. ECLOF offers those digital finance services with a special emphasis on reaching the poor in the most remote locations. In Kenya, ECLOF's mobile loan allows users to avail emergency loans. ECLOF in Brazil innovates on IT infrastructure for operational efficiency, accountability, better client service, and paperless offices.

Group lending is a pro-poor methodology that allows a group of individuals that do not have "bankable" collateral to pledge to provide a mutual loan guarantee. This type of group is often referred to as a solidarity group or self-help group (SHG), with group sizes ranging from 6 to 20 members. In India, ECLOF empowers women in rural areas through SHGs by providing credit, business management training, and other support for income generation. This protects clients from over-indebtedness, reduces the loan burden, and contributes to economic development.

Finally, ECLOF in the Philippines establishes a new company to provide loans and financial advice to small and medium-sized enterprises who have graduated from micro business stage.

Towards a Complete Digital Customer Experience



◀ Helping clients with IT services.

ECLOF in Brazil has been using a locally developed management information system called Midascred since 2011. The software covers all aspects of the business such as loan portfolio, accounting, finance, and even HR management.

Progressively, the system has been upgraded and updated. Nowadays it allows ECLOF to operate completely paper-free: the entire process from loan application and analysis over contracting to payments-handling is done digitally. Clients appreciate this ease of dealing with ECLOF. And it reduces our environmental footprint while saving big on travel and material cost. Finally, it even reduces the amount of space needed for archiving. A next step is the use of artificial intel-

ligence (AI) to interact with clients and gather information and even photos and videos from them about their business, their financing needs and other aspects. Soon AI will automatically obtain and incorporate credit bureau information that protects clients from becoming over-indebted.

The mid-term goal is for ECLOF in Brazil to offer a complete digital customer experience and a holistic set of services around clients' finances, reaching from savings over loans to digital payments. This future is not too far ahead! ●

ECLOF IN BRAZIL INNOVATES ON IT INFRASTRUCTURE FOR EFFICIENCY AND BETTER CLIENT SERVICE.

COOP ECLOF and CATALYZE: Mobilizing Capital for Children’s Education



◀ To increase access to quality education, ECLOF in the Dominican Republic offers education loans to low fee non-state schools and parents.

In the Dominican Republic, letting their children enjoy quality education is a major concern parents have — this is true not only for the aspiring middle class but also in low-income communities which ECLOF targets.

In partnership with USAID Catalyze, COOP ECLOF Dominican Republic addresses this need through a two-tiered approach: by financing private schools in low-income communities and by offering parents access to school fee loans.

Schools use the loans for purchasing new equipment and materials, adding and reconstructing classrooms or making other infrastructure improvements. But they also benefit from financial education by trained ECLOF staff. Together, this strengthens the schools’ financial and management capabilities, and in the long run, their capacity to deliver quality education.

The parents of the students attending those schools can borrow from ECLOF at accessible conditions. Thus they qualify for a discount from the school when they pay a full or half year’s tuition at once. At the same time, schools gain much-needed liquidity. Again, ECLOF provides education as well: to parents on financial literacy. This gives them agency and the good feeling of taking control of their kids’ education.

Through this innovative two-tiered approach, ECLOF has disbursed loans worth over 220,000 dollars, benefiting 447 children. More than 2,500 parents were trained. In summary, this product strengthens the financial stability of schools in low-income communities while at the same time easing the financial burden on families for fostering their children’s education. ●

The Oppus Family: Graduating from Micro to Small Enterprise



◀ Oppus Family at their e-scooter showroom.

Joseph Marvin and his spouse Rachael Lou Oppus own a number of businesses, including a restaurant, a chain of chocolate stores, and an E Scootery dealership that sells tricycles, quads and electric bikes.

For the last five years, ECLOF Philippines has been financing the growth of their restaurant and chocolate shops. Later the family chose to expand their “E Scootery” business to promote clean air, efficient energy use, and cost savings for Filipino workers. Mr Oppus found out that a typical worker can save at least 200 pesos per day on gasoline by switching to an electric bike.

Expanding the E Scootery, however, required an amount of capital that exceeded the loan amounts permitted to ECLOF Philippines.

So for the Oppus family, ECLOF’s newly founded SME-finance business, ECLOF Finance Corporation (EFC), came just at the right time. EFC offers larger loans to small and medium-sized businesses for expansion.

Mr. Oppus is grateful to ECLOF for its constant backing during their journey. The fact that the family now owns three businesses, having started with just one, makes him proud. The ECLOF trainings have been very beneficial to him in handling the financial aspects of his firm. The urge to give his young and expanding family financial stability drives him. In addition, he is happy to be able to make a social impact to the community by reducing carbon footprints. •

Women Entrepreneurship Development Through Self-Help Groups



◀ Mrs. Aruna Natarajan in her lands.

In today's rural India, self-help groups are vital for reducing poverty. A rising proportion of underprivileged people, primarily women, join Self-Help Groups (SHGs) and actively participate in credit, savings, and income generating activities. The approach has been so successful that the government put it at the core of its strategy for ensuring livelihood opportunities for India's poor. It is estimated that there are 9 million SHGs active in the country.

ECLOF in India serves more than 2,300 women entrepreneurs through 376 SHGs in the rural regions of Tamil Nadu, southern India, where 40% of the women workforce are small-micro business owners. One of those groups is called "Sri Ayyanar SHG" in the Madurai district of Tamil Nadu. In addition to offering them financial services and training, ECLOF keeps

track of the group members' social and economic development. Here is the story of one of them.

CLIENT STORY

MRS. ARUNA NATARAJAN

Mrs. Aruna Natarajan, 51, has been a client of ECLOF for a decade. She is involved in family agriculture and cattle rearing with her husband. Before joining ECLOF, the Natarajan family was unable to develop their own agricultural lands for lack of capital. One day, Aruna attended ECLOF's workshop on women's empowerment. Thereafter, she recalls joining ECLOF and availing of her first loan of 10,000 rupees to develop her lands for paddy cultivation, which kicked off her fortune. Additionally, ECLOF provided training on bookkeeping, basic

saving habits, writing a business proposal, and connected them to government-led cottage industry training.

Today, notably and successfully, Aruna has reached the eighth loan cycle from ECLOF India. As a family, both Mrs. Natarajan and her husband worked hard on the land to see the fruits of their labor. Later, they expanded their businesses, such as cattle rearing and grinding batter for everyday sales. She is able to roughly earn 1,000 rupees per day from the sale of milk and batter.

Mrs. Natarajan proudly mentions that she has made maximum use of the resources and her time. She is able to offer employment to other women in her village to help her with her business. With the assistance of ECLOF India, she was able to earn enough to get their two daughters and one son married and also build a house for themselves. ECLOF has witnessed Mrs. Natarajan's economic growth and even took part in the marriage of her children. Of course, without her hard work and dedication, her success would not have been possible. ●

M-Cash Emergency Loans: Instant Cash for Dealing with Unexpected Situations



◀ A client of ECLOF Kenya can instantly access a short-term loan without any form of human intervention.

In Kenya more so than in other places, mobile money has emerged as a viable alternative to the traditional banking system —especially for low-income customers like those of ECLOF who have a hard time accessing bank branches, don't have the necessary documentation or fear the high cost of opening a bank account.

Through a simple registration process, individuals with a mobile phone can open an account, which allows them to deposit, withdraw, transfer funds, and even access microloans, all from the convenience of their device. Many financial institutions leverage this widely available system.

ECLOF, as an innovative microfinance provider that serves mainly rural areas, has introduced its own mobile money product, known as M-Cash. By dialing *576#, a client of ECLOF Kenya can instantly access a short-term loan without any form of human intervention.

The loans are not purpose bound, clients use them to deal with short-term cash needs like paying school fees, buying necessities, and unexpected expenses.

More than 4,200 individuals with a good credit history with ECLOF benefited from M-Cash loans in 2023.

By 2024, ECLOF hopes to reach 10,000 clients with this innovative, hassle-free emergency product. ●



RURAL AND AGRICULTURE OUTREACH

Rural dwellers need to be able to save, borrow, invest and protect their families against risk. But with little income or collateral, they are often barred from access to loans from banks and other formal financial institutions. And to those institutions willing to bridge the gap, challenges abound: infrastructure is scarce or non-existent in rural areas, clients are far flung, transaction costs are high, and the agricultural yields can fluctuate depending on uncontrollable factors.

ECLOF addresses these issues through locally rooted financial and non-financial services to rural dwellers and farmers. Around 60% of ECLOF's clients worldwide reside in rural areas, and 36% of the loan portfolio is dedicated to agricultural loans. ECLOF offers tailored products and services that are accessible to clients at the bottom of the pyramid, help them build capacities and increase yields through training and market linkages and reduce risks through micro insurance and emergency loans.

Smallholder farmers produce one third of the world's food and up to 70% of the food produced in developing countries. However, these farmers lack capital, inputs, knowledge, service delivery, and land rights that limit their ability to produce. Examples from Sri Lanka, Armenia and Kenya demonstrate how ECLOF equips smallholder farmers with the tools they need to enhance their agricultural practices and generate a sustainable income and promote food security.

One way to address poverty, migration, economic inequality, unemployment, and the advancement of rural and underdeveloped areas is through rural entrepreneurship. A case study from Uganda depicts how individuals from rural communities can develop small businesses to support themselves and their families' livelihoods if they have access to financial services.

A Story of Aspiration and Perseverance: Meet Janet, a Young Kenyan Farmer



◀ Young Janet Nyambura farming her way to a sustainable future.

Meet 25-year-old Janet Nyambura Gitonga, a farmer from Nyahururu. When Janet’s father passed away in 2013, her mother found it difficult to provide for the education of the five children. Educational loans from ECLOF saved the day: whenever school fees threatened to bust the monthly budget, Janet’s mother would borrow short-term from ECLOF and repay promptly with income from her micro business.

Janet recalls, *“I remember the many times my mother took school fee loans from ECLOF Kenya to pay for my education and that of my siblings, and I could not wait to complete my studies to join ECLOF Kenya as a member also.”*

Janet finished her degree in accounting and finance in 2022 with the help of an educational loan from ECLOF. In order to help her mother financially after graduating, Janet started growing vegetables, potatoes, and maize. Soon, she discovered that farming requires significant capital.

She participated in the training program for sustainable agriculture offered by ECLOF. Subsequently, she joined ECLOF through the self-help group “Energy”. Over time, Janet scaled up her farming operation from one acre to five acres.

In order to get her produce to market quicker, she plans to purchase a truck within the next two years with the income she earns from her farm. Janet dreams of becoming a major supplier of agricultural produce in Kenya.

She hopes that ECLOF Kenya will help her reach her goals and help her flourish. Without Janet’s determination and hard work, success in a short time was not possible. ●

Ms. Lalani Pramila: From Subsistence Farmer to Successful Businesswoman



Gammeddegama village, in Galle district, is a less privileged village. The majority of villagers are engaged in tea cultivation, others grow coconut. Those who do not own land, work as laborers for those who do. This is how all the villagers earn their daily income.

Most of the villagers are organized into self-help groups. It is through these organizations that ECLOF Sri Lanka provides financing and training to villagers who would otherwise not be able to access these services. One of the groups is called Dedunu Women Society, and its members have started several profitable businesses during the past nine years. After learning about ECLOF's credit scheme for small groups, the group's founder, Ms. Lalani Pramila, a Gammeddegama resident, formed the group.

She is the mother of two children and the wife of a soldier. Her father gave her a 5-acre plot of land that was worthless and covered in dense forest. She needed capital to start her agricultural business on this plot of land. After meeting the requirements for small group loans from ECLOF, Dedunu Women Society requested their first cycle loan, which included Ms. Lalani Pramila's request for 25,000 rupees. Following the loan approval, she cleared the forest, prepped the ground, and planted 500 tea plants across two acres. At the same time, she led and mentored the members of the Dedunu Women Society about the tea industry, helping them to stabilize their families financially.

Today, Ms. Pramila has completed eight cycles of loans. Her tea cultivation gradually grew from 2 acres to 5 acres due to her hard labor. Later, she purchased another acre of land with earnings from tea cultivation and a loan from ECLOF where she cultivates tea and coconut. This new plot alone created a job for five laborers.

Due to the absence of adequate roads around Gammeddegama village, Ms. Pramila finds it difficult to transport her produce. With an ECLOF loan she bought a scooter first, and later a car for this purpose. Disbanded from the military three years ago, Mrs. Pramila's husband joined her expanding tea farm, and he has continued to support her endeavors ever since. They created a retail store, an oil mill, and a grinding mill together. All of these businesses were in fact needed in the town and welcomed by the locals. This allows the Pramila family to supplement their income from tea farming with additional earnings while still progressing their community.

Her income allowed Ms. Pramila to provide her kids with a quality education. Besides bringing her kids to school, she is also giving them access to internet services, online learning platforms and private lessons in the nearby town.

Over the last nine years, she has grown into a successful businesswoman. She has been devoting a great deal of time to others during this time. She is living Dedunu Women Society's mission. She is grateful to ECLOF Sri Lanka for giving her the opportunity to form and lead Dedunu Women Society, which has enabled her to launch her businesses, support her peer villagers, and develop into the woman she is today. ●

Empowering Young Farmers to Stay on Their Land



◀ Ani Ayvazyan

In Armenia’s rural communities, agriculture continues to be the primary source of employment for both women and men. Since 1999, ECLOF has worked to advance rural agricultural development throughout the country. ECLOF today serves around 2,000 rural clients, and every second loan finances agriculture.

Most rural clients of ECLOF have a high school degree and are self-employed. Many of their peers have left the rural areas to seek their fortune in the cities. ECLOF offers them an alternative: loan financing and financial advice to become a commercial farmer. ECLOF loans finance cattle breeding, crop production, viticulture, purchase of agricultural machinery or construction and renovation of agricultural facilities.

CLIENT STORY ANI AYVAZYAN

34-year-old Ani Ayvazyan is from the Vayots Dzor region, which is regarded as Armenia’s viticulture center. She lives with her husband and has 3 small children. As a local bus driver, Ani’s husband did not earn enough to support the family. Ani sought guidance from ECLOF regarding her 3,000 square meters of uncultivated family land. With a loan from ECLOF, she cultivated the land and planted grapes. In two years, Ani hopes to harvest her first crop of grapes. Ani is proud of contributing one day to the Armenian wine industry. ECLOF acknowledges Ani’s love and commitment to her family, which inspired her to launch her business and work tirelessly, becoming another young woman entrepreneur in Armenia.

CLIENT STORY ARMAN MINASYAN

Arman Minasyan, 32 years old, from Gegharkunik Region, lives with his wife and two small children. He has been engaged in farming for many years, and it is the only source of livelihood for his family.

Arman grows potatoes on 6 acres of his family land. But because summers were dry and irrigation water scarce lately, Arman struggled to harvest enough to keep his family afloat. One day, Arman attended an ECLOF training on financial literacy. He decided to apply for a loan from ECLOF to install a drip irrigation system.

So in autumn 2023, the farm produced a substantial amount of potatoes for the first time since the installation of the drip irrigation system. Arman was pleased with his ability to boost his productivity and provide employment to seasonal workers who assist him in planting and harvesting season. ●

A Bumpy Road to a Prosperous Business: Regina Nalintya



◀ Ms. Nalintya Regina in her retail shop selling electronics.

Ms. Nalintya Regina, single mother of three small children, is a retail shop owner from Migeera town, a bustling stopover town on the Gulu-Kampala highway. Regina herself has a turbulent history as an entrepreneur: In 2015, she started a small-scale business selling clothes. When her capital was depleted, she had to close her business and look for employment. She started working for a mobile money shop. With the savings and a loan from ECLOF, she launched her own electronics shop in 2017.

Over the years, she diversified her business, adding mobile money services and solar supplies. She also invests in land plots within Migeera town. Today Regina qualifies for loans of up to 5 million shilling.

While Regina’s business flourishes, challenges abound: new taxes have increased the prices of some electronic items lately, there are risks of robberies, and sometimes her staff overcharge customers in her absence. Regina has to “be vigilant at all times”!

She confesses, *“I am grateful to ECLOF for providing me with financial resources and training that enabled my business to grow. After attending the training programs offered by ECLOF, I can keep a record of my business transactions in a more organized manner and manage my expenses. With the increased income, I purchased a plot in Migeera.*

Consequently, I have constructed a house today rather than renting an apartment. To run my store, I employ two locals permanently. I attribute my accomplishments to God’s grace, which has allowed me to run my business and support my three-year-old daughter and my one-year-old twin sons through lockdowns and other challenges in town.

Once again, I would like to express my gratitude to ECLOF for stepping in to provide loan financing, which has been crucial to increasing my business capital.” ●



CHURCHES AND COMMUNITIES SUPPORT

Churches and communities play a key role in our work: through financial assistance and providing tools and materials to support the entrepreneurs' work, thus enhancing the impact of the loan; through linkages with their network of partners; and by connecting ECLOF with potential beneficiaries.

Our work would not be possible without the support of Church partners like the Religious Communities Impact Fund (RCIF): Its Executive Director explains how the foundation proudly supports ECLOF's mission of serving vulnerable and excluded populations.

Increasing inflation, erratic political landscapes, and soaring costs for food, fuel, and other necessities of life have disproportionately affected the underprivileged populace in developing countries.

With the support of churches, ECLOF continues to provide smallholder farmers and micro entrepreneurs with technical assistance in this setting.

For example, through productive farming initiatives that promote youth, gender equity, environmental conservation, and organic farming, ECLOF supports farmers in Colombia.

A case study from Myanmar demonstrates how ECLOF's supplemental services help individuals of the local community endure multiple crises.

In Ecuador, ECLOF promotes the development of rural and indigenous communities by offering microbusinesses and farmers both financial and non-financial resources that allow them invest and grow.

Value Added Agricultural Products Contributing to Community Development



◀ Fabian Mena's micro processing and packaging business in Pacto rural community.

Pacto is a small rural community located 70 kilometers outside Quito. The main livelihood of the inhabitants of Pacto is agriculture: growing coffee, cocoa, sugarcane, tropical fruits, and producing panela (unrefined whole cane sugar).

ECLOF serves clients in the area with loans and training to enhance their rural and agricultural enterprises. 44-year-old Fabian Mena studied chemical engineering in the city and became a technical specialist in food and beverages. He discovered that farmers received the smallest share of the value chain of the very products they cultivate. So, even though work was scarce in Pacto, he decided to return home, determined to promote his family's agricultural crops and add value to them through his knowledge and expertise.

He also took an interest in recovering the ancestral and historical heritage of the area. Fabian is proud of his heritage. He explains that the origins of "Pacto" (the Pact) trace back to the colonial period, when a coalition of armies signed a contract here and hence the name. Today, 80 agricultural families cooperate in the area, sharing a sense of pride in their ancestry and common belonging. These families promote the local agricultural crops.

Upon returning to Pact from the city, Fabian set up a micro processing and packaging business in order to enhance the quality of the locally produced coffee. He turned to ECLOF for financing his venture he had coined "Pakto Vida Natural". Today, the company produces bottled panela drinks, flavoring panela, powdered panela infused with ginger, medicinal candy,

ethanol, and herbal liquors. All products are organic.

Soon hospitality turned into a second income source for Fabian and his partners, as tourists wanted to experience Pacto community life, its ancestral heritage, and the production sites of healthy food. Lately, Fabian has also been promoting his products in formal markets, through health food stores and city fairs.

Fabian is grateful for ECLOF's assistance in creating extra value from crops that were otherwise bought up by traders at a discount. He was able to invest in agriculture, processing and packaging. Fabian's work ethic has allowed him to uplift his community, support his family, and create revenue while also improving their quality of life. ●

65 Years of Enduring Through Crisis: ECLOF Myanmar Reinventing Itself Multiple Times



◀ Assistance program for pregnant women and new mothers.

ECLOF Myanmar finds ways and supports the most vulnerable; thanks to partners like ECLOF International, Act Church of Sweden, LIFT, and the United Nations Capital Development Fund. Where possible, ECLOF's loans continue to fund farmers and micro entrepreneurs. In areas where local authorities don't permit financial services, ECLOF provides business training and applies its Beneficial Welfare Fund Program to make grant assistance to the most disadvantaged, including old-aged people without families, disabled people, and children.

Since 1959, ECLOF has been present in Myanmar. Originally part of the Myanmar Council of Churches, ECLOF funded construction and social welfare activities of churches. ECLOF later became an independent entity and obtained a microfinance license as an NGO in 2012.

In 2018, the law changed and NGOs were no longer allowed to provide microfinance services. So ECLOF once again embarked on transformation, this time to an equity-based organization. Then Covid interrupted the process, and in February 2021, the Myanmar Military seized power and toppled the civilian government.

The military enforced a new regulation that withdrew all granted licenses and put pressure on NGOs, aid organizations, and civil society organizations to either operate in accordance with

government demands or cease operating. As a result, 80% of NGOs had no registration status. Having applied ahead of time, ECLOF Myanmar continued to be a recognized NGO. ECLOF's top priority during that time was to maintain the organization's values and existence.

Today, ECLOF continues operating in Kyone Pyaw Township, Ayeyarwady Division, and Seik Phyu Township, Magway Division. Both townships are severely impacted by the on-going fighting. In Seik Phyu, 80% of the area is a zone of conflict.

As a result, local people are afraid and unsecured, many migrate to avoid the war. The area is also prohibited for transportation, communication, and trade flow. Food security and job opportunities are major areas of concern for the inhabitants.

Pregnant women and new mothers are among the most vulnerable. After receiving the green light from the authorities, ECLOF launched an assistance program for these women in November 2023, providing items such as cotton baby wraps, blankets, sheets, and cash assistance for birth certificates. In total, nearly 2000 vulnerable people in 29 villages benefited during 2023.

With the invaluable backing of its partners, ECLOF Myanmar is able to cope with the current unstable political, military, economic, and financial situation. Despite the many challenges in the country, ECLOF Myanmar keeps trying its best to endure, offer supplementary services, and create a sustainable means of livelihood for vulnerable populations. ●

Empowering Marginalized Communities through Productive Farming Projects



ECLOF serves clients in the Colombian municipality of Boyacá where the main economic activities are agriculture, cattle raising, mining, trading, tourism, and artisanal production. Nonetheless, Boyacá remains among the country's poorest departments.

Most ECLOF clients are small-scale farmers. In recent years, they have had to deal with increased production costs, climatic factors, the slow recovery of losses caused by the COVID-19 pandemic, and the nation's overall political and economic instability. As a result, some farmers stopped farming to engage in other income generating activities like trade or petty work as farmhands.

With its financial and non-financial services, ECLOF seeks to counter this trend, empowering farmers to re-engage with their soil and become commercially viable producers. Here are examples of the programs offered by ECLOF in Colombia:

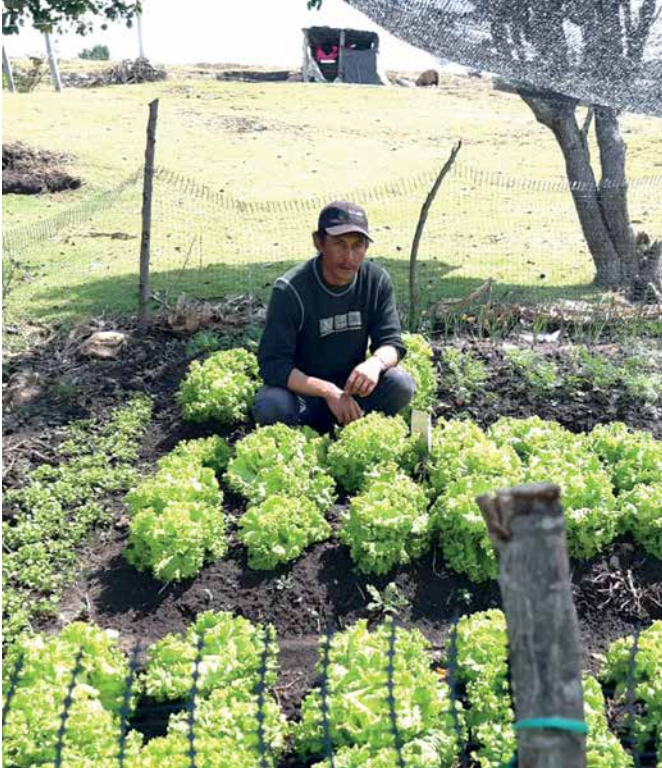
GENDER EQUITY

CULTURE OF CARE AND PROTECTION OF THE ENVIRONMENT

EMPOWERING YOUNG FARMERS

ENCOURAGING ORGANIC FARMING

Women in the region, who head at least 25 % of all households, have small power over business, financial, and agricultural activities due to cultural gender norms, while men regularly leave their homes to seek employment in larger cities. Our projects encourage alternatives for rural women's economic inclusion.



ECLOF promotes best practices in agricultural environmental protection, including:

RESPONSIBLE USE OF SOIL

CULTIVATION AND PRODUCTION OF CLEAN AND HEALTHY AGRI PRODUCTS

DEVELOPMENT OF SKILLS IN GOOD LIVESTOCK AND AGRICULTURAL PRACTICES

PRUDENT AND REASONABLE USE OF WATER FOR IRRIGATION

TREATMENT AND MANAGEMENT OF BIODEGRADABLE MATERIALS

PRESERVATION OF HUMAN AND ANIMAL HEALTH

Food security and nutritious agricultural products free of chemicals and pesticides are benefits of organic farming. Farmers are able to produce crops that are healthy and clean, which is good for them and their families for consumption. Additionally, we link young farmers to training programs, which strengthens their sense of belonging and permanence in their farms and places of origin, instead of migrating to cities.

Our clients acknowledge that through ECLOF's support, they have been able to build a steady revenue stream in recent difficult times. They report stronger sense of commitment and kinship with the organization. With its non-financial program, ECLOF has impacted about 240 individuals in 2023. It is essential to support and promote our farmers' initiatives, as well as the empowerment of women

and youth in these regions, because they are the backbone of our economy and must overcome numerous challenges to remain in rural areas. ECLOF is very grateful for the financial support provided by Primate's World Relief & Development for this project.

INTERVIEW WITH SARAH GEISLER

RELIGIOUS COMMUNITIES IMPACT FUND (RCIF)



“ECLOF’S MODEL IS UNIQUE AS IT HOLISTICALLY SUPPORTS INDEPENDENTLY GOVERNED MISSION-DRIVEN INSTITUTIONS IN TWELVE COUNTRIES.”

TELL US ABOUT YOUR ORGANIZATION ?

RCIF is a collaborative effort of Catholic Religious Congregations who believe, as Gospel people, that they are called to use their financial resources as a ministry to assist in overcoming social and environmental inequities. RCIF invests Congregations’ pooled assets in nonprofit organizations addressing economic inequalities and sustainability in communities worldwide. Together with congregations and communities, RCIF continues the legacy of community development investing that reflects the Gospel values of economic justice, compassion, human dignity, and environmental stewardship.

WHAT IS YOUR INVESTMENT POLICY, AND HOW DOES IT ADDRESS ISSUES LIKE ECONOMIC JUSTICE AND/OR ECONOMIC JUSTICE FOR WOMEN ?

When considering an investment, RCIF looks to see that the majority of the organization’s beneficiaries are low-income women and children (who benefits), that the organization has gender and racial diversity on its governing board, management, and staff (who is leading and implementing), that beneficiaries are given opportunities to provide feedback and guidance to shape and improve the organization’s programs and services (meaningful input recognizing the value of lived experience and human dignity), and that the organization’s operations benefit the care of the earth.

Sarah Geisler’s thirty-year career has focused on community development finance as an investor and practitioner, working to increase the flow of affordable impact capital to underserved communities and people within the US and the global South. Motivated by social justice, Sarah has raised and deployed investment capital for impacts including housing, economic development, financial inclusion, regenerative agriculture, and community assets and social enterprises. As Executive Director of the Religious Communities Impact Fund, Sarah is responsible for continuing the community investing legacy of Catholic sisters.

WHY DID YOUR INVESTMENT COMMITTEE DECIDE TO INVEST IN ECLOF ?

RCIF has been invested in ECLOF since 2014. ECLOF’s model is unique as it holistically supports independently governed mission-driven institutions in twelve countries with governance, financing, and capacity-building. RCIF recognizes our shared values and ECLOF’s focus on serving women, youth, rural areas, and smallholder farmers from within their communities — vulnerable and often excluded populations on the margins. Further, we believe lending and empowerment promote human flourishing through solidarity and right relationships. ECLOF’s robust data collection and evaluation of client needs, satisfaction, and impact gives us confidence that the organization values the input and experience of those it serves.

HOW DO YOUR CONSTITUENCY VIEW DIRECT IMPACT INVESTMENTS LIKE THE ONE WITH ECLOF ?

ECLOF is a key partner in RCIF’s international portfolio of loans serving low-income countries. Allocating resources to flow to parts of the world with high need, as we do through ECLOF, is what Jesus called us to do — care for one another.

WHAT WOULD YOU SAY TO OTHER CHURCHES OR CONGREGATIONS THAT ARE INTERESTED IN INVESTING WITH ECLOF ?

As a faith-centered and faith-first organization, RCIF is pleased to join with our sisters and brothers from other congregations to invest in ECLOF’s work serving the economically poor through its global network of members.



ECLOF KEY DATA

NETWORK KEY FIGURES



LATIN AMERICA

DATA

LOAN PORTFOLIO COMPOSITION

SOCIAL OUTREACH TO BORROWERS

Country	Portfolio Value	Clients	Branches	Staff	Loan Officers %	Individual %	Group %	Institutional %	Women %	Youth %	Rural %	Agricultural %
BRAZIL	USD 0.19 M Portfolio	244 Clients	1 Branch	3 Staff	67 % Loan Officers	100 %	0 %	0 %	71 %	6 %	54 %	21 %
COLOMBIA	USD 1.00 M Portfolio	1,084 Clients	1 Branch	3 Staff	67 % Loan Officers	100 %	0 %	0 %	51 %	17 %	35 %	14 %
DOMINICAN REPUBLIC	USD 18.22 M Portfolio	24,014 Clients	31 Branches	219 Staff	43 % Loan Officers	7 %	85 %	8 %	73 %	27 %	20 %	3 %
ECUADOR	USD 2.04 M Portfolio	1,059 Clients	1 Branch	7 Staff	70 % Loan Officers	14 %	78 %	7 %	57 %	14 %	82 %	82 %
JAMAICA	USD 0.10 M Portfolio	160 Clients	1 Branch	4 Staff	50 % Loan Officers	91 %	0 %	9 %	49 %	4 %	19 %	4 %

AFRICA

DATA

LOAN PORTFOLIO COMPOSITION

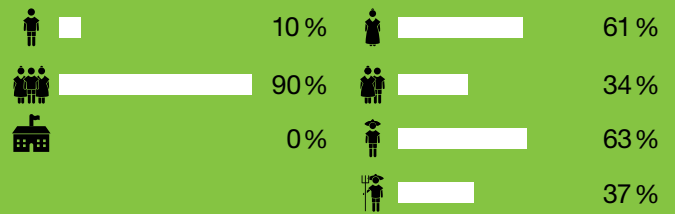
SOCIAL OUTREACH TO BORROWERS

KENYA



USD 10.33 M Portfolio
59,205 Clients

24 Branches
313 Staff
51 % Loan Officers

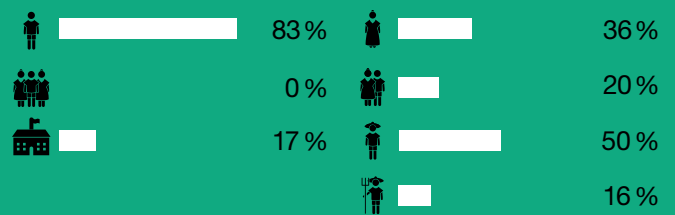


UGANDA



USD 0.77 M Portfolio
472 Clients

2 Branches
13 Staff
38 % Loan Officers



ASIA

DATA

LOAN PORTFOLIO COMPOSITION

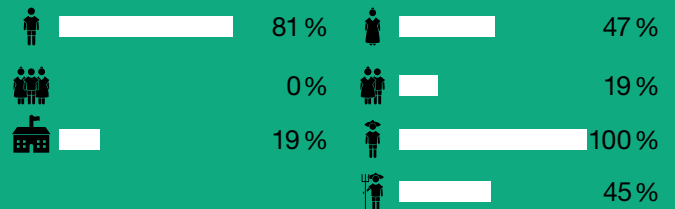
SOCIAL OUTREACH TO BORROWERS

ARMENIA



USD 4.11 M Portfolio
1,981 Clients

5 Branches
30 Staff
50 % Loan Officers

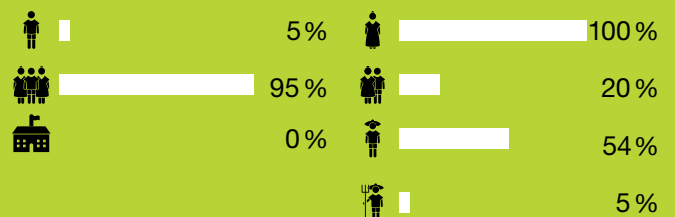


INDIA



USD 0.64 M Portfolio
2,326 Clients

7 Branches
13 Staff
54 % Loan Officers

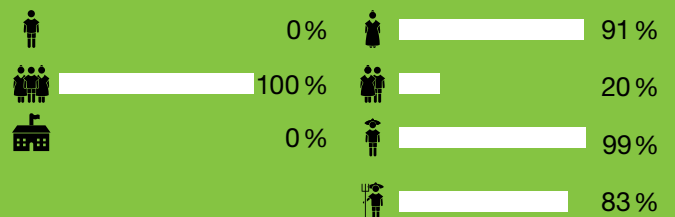


MYANMAR



USD 0.87 M Portfolio
5,414 Clients

3 Branches
25 Staff
44 % Loan Officers



PHILIPPINES



USD 6.23 M Portfolio
14,089 Clients

14 Branches
231 Staff
58 % Loan Officers



SRI LANKA



USD 0.56 M Portfolio
5,765 Clients

7 Branches
35 Staff
57 % Loan Officers



NETWORK COLLABORATIONS

ECLOF International provides its network members with access to technical support services to strengthen institutional capacity and expand depth, breadth and scope of outreach, and to new partners, resources and products.



JANUARY
ECLOF International organized a strategic planning session for the Board and Staff of ECLOF Sri Lanka.

MARCH
Participating in the Board meeting of the ECLOF Dominican Republic.



FEBRUARY
ECLOF International Managing Director meets the Staff and Management of ECLOF Kenya.



APRIL
At the opening ceremony of ECLOF Armenia's business center and head office with their Board and Staff.



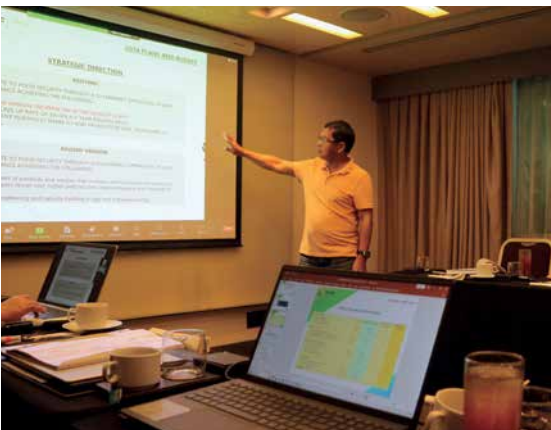
OCTOBER
Dinner between ECLOF International and the Board and Staff of ECLOF Philippines.



NOVEMBER
ECLOF International connects with the Board, Staff and Clients of ECLOF Ecuador.



NOVEMBER
ECLOF Philippines hosts an exchange visit for ECLOF Sri Lanka on best practices in agricultural finance.



DECEMBER
For the Management and key Staff of ECLOF Philippines, ECLOF International conducted a strategic planning and budgeting workshop for 2024.

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