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Nouvel Fonkoze

VOLUME 18 ISSUE 3

YOU Make It Happen

Your gift to Fonkoze is helping put loans in the hands of 64,000 women throughout rural Haiti!
Keep Fonkoze in your thoughts and prayers. Your prayers and positive thoughts are a source of strength and inspiration for Fonkoze staff and clients.

Make a tax-deductible contribution. Your gift is more important than ever! Visit our website to make a secure online contribution (www.fonkoze.org), or send a check payable to "Fonkoze USA" to 1700 Kalorama Road NW, Suite 102, Washington DC 20009.

Give through the employer matching gift program. Submit your company's matching gift form with your donation, and Fonkoze USA will process and return it to your employer. Or, send us your donation first, then present your acknowledgement letter to your employer for processing a match.

Give through the CFC. Fonkoze USA participates in the Combined Federal Campaign (CFC). Designate your contribution to Fonkoze USA, CFC ID # 31204.

Remember a loved one. Give a gift in honor or in memory of a loved one. Provide the details via our online giving form at www.fonkoze.org, and Fonkoze will notify your honoree on your behalf with a beautiful card.

Become a Sustaining Donor

Multiply your impact with a recurring gift! For as little as \$10 a month, your tax-deductible gift to Fonkoze USA can help women in rural Haiti climb Fonkoze's Staircase Out of Poverty. Visit <https://give.fonkoze.org/> or contact Fonkoze USA at 202-628-9033 to get started.

Test Your Knowledge!

- | | |
|---|---|
| <p>1. What is Haiti's estimated unemployment rate?</p> <p><input type="checkbox"/> A) 40%</p> <p><input type="checkbox"/> B) 57%</p> <p><input type="checkbox"/> C) 70%</p> <p><input type="checkbox"/> D) Between A and C</p> | <p>4. Fonkoze's SME loans begin at _____.</p> <p><input type="checkbox"/> A) \$8,000</p> <p><input type="checkbox"/> B) \$10,000</p> <p><input type="checkbox"/> C) \$25,000</p> <p><input type="checkbox"/> D) \$40,000</p> |
| <p>2. Fonkoze's Business Development program helps our clients to:</p> <p><input type="checkbox"/> A) take out larger loans</p> <p><input type="checkbox"/> B) enter the formal economy</p> <p><input type="checkbox"/> C) create jobs in their communities</p> <p><input type="checkbox"/> D) all of the above</p> | <p>5. Fonkoze has distributed more than _____ loans to small and medium enterprises, in partnership with the IIC.</p> <p><input type="checkbox"/> A) 115</p> <p><input type="checkbox"/> B) 150</p> <p><input type="checkbox"/> C) 200</p> <p><input type="checkbox"/> D) 220</p> |

3. True or False: Men are eligible to receive loans through Fonkoze's Business Development program.

For more information, visit our website: www.fonkoze.org.

Answers: 1. D 2. D 3. True 4. B 5. D



Creating Growth with Business Development and SME Lending

Fonkoze's Business Development and SME (Small and Medium Enterprise) Lending programs enable small Haitian business owners to enter the formal economy through activities such as small-scale manufacturing, agriculture, and exports. With a focus on businesses that contribute to economic growth in Haiti, these larger loans are an important component of our comprehensive approach to empowering Haitians to lift themselves out of poverty.

With over 400 clients and a total outstanding loan portfolio of \$1.6 million, Business Development offers year-long loans beginning at \$1,300 to individuals with established businesses, including men. These larger loans with longer repayment cycles provide Business Development clients with greater flexibility than the loans offered on lower levels of Fonkoze's Staircase Out of Poverty, enabling clients to make more significant investments in their businesses.

The Business Development program also helps clients become part of the formal economy and creates jobs in rural areas where there is limited employment.

Carline Lundi, a Business Development client in Mibalè, used a portion of one of her \$25,000+ loans to purchase a delivery truck to transport her goods. She now has three employees who help to transport her merchandise.



Business Development client Zamy Marcelin successfully applied for a loan to sell jeans and shirts in the market in Okay. While most of our Business Development clients enter the program by presenting a business plan, as Zamy did, some of our most successful Solidarity clients work their way up our Staircase Out of Poverty into the program.

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From Fonkoze Founder Fr. Joseph Philippe



“When I founded Fonkoze in 1994, I knew we needed an institution that built the foundations for economic democracy in Haiti. One of our founding principles was this: ‘All Haitians deserves a chance to participate in the sustainable economic development of their country.’

Our primary focus remains on serving the organized poor, particularly the *ti machann*—rural market women, mothers and heads-of-households—the Fonkoze borrowers who are the door to the family and the backbone of the Haitian economy. But we are also working to enable all

Haitians to contribute to Haiti’s development by providing opportunities for small formal sector business owners, including men and community organizations.

Not everyone is an entrepreneur or *ti machann*—some people just need a job. Our Business Development and SME loans make it possible for increasing numbers of Haitians to enter the formal economy, to create economic activity in the rural sectors, and to continue to strengthen the country’s economic foundations.

As we say in my country, *Men anpil, chay pa lou*. ‘Many hands make the load light.’ In this issue of Nouvel Fonkoze, we are excited to feature some of the businesses that are helping contribute to increased jobs and economic development in Haiti, as well as the donors who are supporting our efforts in these and other programs. Read on to discover how you can join us in working shoulder-to-shoulder to build a brighter future for Haiti. Thank you again for your continuing commitment to Fonkoze and our work in Haiti.”



FONKOZE BRANCH OFFICES

Creole / French	Mibalè / Mirebalais
Aken/Aquin	Milo / Milot
Ansapit / Anse-à-Pitre	Miragwàn / Miragòane
Beladè / Belladère	Montòganize / Mont Organisé
Bizoton / Bizoton	Okap / Cap-Haïtien
Bomon / Beaumont	Okay / Les Cayes
Boukankare / Boucan Carré	Okoto / Les Coteaux
Ench / Hinche	Piyon / Pignon
Fòlibète / Fort Liberté	Pòdpè / Port-de-Paix
Fondeblan / Fond-des-Blancs	Pòmago / Port Margot
Fondwa / Fond-Oies	Ponsonde / Pont Sondé
Fonvèret / Fond Verrettes	Pòtoprens / Port-au-Prince
Gantye / Ganthier	San Rafayèl/Saint-Raphaël
Gonayiv / Gonaïves	Sen Michèl / St. Michel de Lattalaye
Gwomòn / Gros Morne	Sodo / Saut d'Eau
Jakmèl / Jacmel	Tirivyè d'Artibonit / Petite Rivière de l'Artibonite
Janrabèl / Jean Rabel	Tirivyè d'Nip / Petite Rivière de Nippes
Jeremi / Jeremie	Tomonn / Thomonde
Kabarè / Cabaret	Twen / Trouin
Lagonav / La Gônave	Twoudinò / Trou-du-Nord
Latwazon / La Toison	Tyòt / Thiotte
Lavale / La Vallée	Wanamant / Ouanaminthe
Lenbe / Limbé	
Leyogàn / Léogane	
Marigo / Marigot	

FONKOZE FAMILY CONTACT INFORMATION

Fonkoze USA 1700 Kalorama Road NW Suite 102 Washington, DC 20009	Leigh Carter Executive Director 202.628.9033 lcarter@fonkoze.org
Fondasyon Kole Zepòl 119 Avenue Christophe Port-au-Prince, Haiti	Carine Roenen, Director 1.800.293.0308 croenen@fonkoze.org
Sèvis Finansye Fonkoze, S.A. 119 Avenue Christophe Port-au-Prince, Haiti	Matthew Brown, CEO 1.800.293.0308 mbrown@fonkoze.org

fonkoze.org
[youtube.com/FonkozeHaiti](https://www.youtube.com/FonkozeHaiti)
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Client Profile

Building a Second Home: Agousta Nicaïsse

Business Development client Agousta Nicaïsse used to be a street vendor, selling clothes and shoes in a small basin she carried on her head.

Now, the Fonkoze client of 17 years manages her own small store, where she sells rice, oil, tomato sauce, fresh tomatoes and onions, and other alimentary goods.

She has progressed from taking out loans of \$75 to loans of over \$1,600.

“If you decide to walk shoulder-to-shoulder with them, Fonkoze can help you grow your business,” she explains.

Before she joined Fonkoze’s Solidarity lending program, she sometimes struggled to provide for her three children (now ages 35, 25, and 20). “But with my commerce, I could always find a way to feed my family,” she says.

As a Solidarity client, Agousta participated in Fonkoze’s Business Skills class, where she learned how to calculate costs and revenues and to manage her business to be profitable, including keeping an inventory of all the items she buys so that she knows how much she needs to sell. She also shared tips with the other women in her Solidarity center about how to be successful in business.

Over time, Agousta’s business became so successful that she required additional capital to fund her store, leading her to advance from Solidarity lending into Fonkoze’s Business Development program, which provides her with larger loans and longer repayment times.

With the profits from her business, Agousta has invested in a cow, a valuable commodity in her village, which is 20 minutes’ walk from Jakmèl.



Using the profits from her store, Business Development client Agousta Nicaïsse is building a new home where she will live with her 20-year old daughter, who aspires to become a doctor.

“It is good to have something that you can make money from whenever you have an emergency,” she explains.

The profits from her business also enabled Agousta to send her children to school. Her two adult sons now work as bricklayers, and her daughter, the youngest, is finishing secondary school, after which she hopes to become a doctor.

Now Agousta is building a four-room house where she will live with her youngest daughter and another young woman whom she has helped to take care of for many years. Agousta has also purchased a radio and a television for her home.

She explains that she can count 25 women whom she encouraged to

join Fonkoze. “They just can’t stop thanking me every time they see me,” she says. “Before Fonkoze, they were struggling to pay for schooling for their children. Things are not perfect now, but it is much easier for them to take care of their kids.”

Reflecting on what Fonkoze means to her, Agousta speaks of all the changes Fonkoze has helped her to make in her life. She concludes simply: **“Fonkoze is my second home.”**

CONTINUED FROM PAGE 1

With unemployment rates in Haiti estimated to be between 40% and 70%, clients like Carline meet a serious need by creating local jobs and stimulating increased economic activity in their communities.

Husband and wife duo Isemela and Emmanuel Limpreux, for example, used a Business Development loan to expand the size of their bread factory in Ench, where they employ ten people. With their Fonkoze loan, they have increased their output and sell their products to additional vendors throughout the area.

In addition to the Business Development program, **Fonkoze is working to further economic development in Haiti through loans to small and medium enterprises**

CLIENT ENTRY

Business Development and SME Lending



(SMEs). An important source of jobs for Haitians who are not entrepreneurs, our SME clients include light manufacturers, clients purchasing agricultural goods for distribution, and artisans who are scaling up exports to retailers in the United States and other countries. Offering higher disbursements than our Business Development loans, our SME loans begin at \$10,000.

Since February 2012, Fonkoze has participated in the Spain-IIC Haiti SME Development Fund, which was established to increase the availability of loans for Haitian SMEs. During that time, Fonkoze has provided more than 220 SME loans, in partnership with the IIC (Inter-American Investment Corporation, the investment arm of the Inter-American Development Bank). The total value of these co-funded loans is over \$7.2 million.

While small loans remain at the heart of Fonkoze lending, larger loans distributed through both our Business Development and SME lending programs are essential to our efforts at furthering Haiti's overall economic growth. Given SMEs' contributions to job creation, local innovation, and dynamic trade of goods and services, they play a critical role in spurring economic development in Haiti. Through Business Development, SME Lending, and our other loan programs, Fonkoze is working toward our vision of a Haiti where people, standing together shoulder-to-shoulder, have pulled themselves out of poverty.

To support Fonkoze's efforts in empowering Haitians to lift themselves out of poverty, please visit www.fonkoze.org.

Innovating with Cocoa: JL Industries

Before the creation of JL Industries, farmers in the northern town of Pilate were facing a difficult time finding local customers to buy their cocoa. To strengthen local value chains, JL Industries founder Patrick Jean-Leger came up with the idea to not only buy their cocoa crops, but to also enter the business of cocoa production. He felt he could help improve the final product by providing the technicians with regular trainings.

Fonkoze provided Patrick a way to realize his ambitions.

Patrick was already aware of Fonkoze's commitment to women's employment, and our SME Lending program seemed like a good opportunity to find loan capital to expand his new business. A year and a half after founding JL Industries, Patrick took out a loan for \$30,000, which enabled him to provide his technicians with training and to buy additional cocoa plants for processing.

The company now works over five hectares, with 10 full-time employees and as many as 70 part-time employees during the harvesting season. 90% of Jean Lager's staff members are women.

"I adopted Fonkoze's method of working with women because I realized that women are the ones who are responsible for the family," Jean Lager explains. "At JL Industries, we provide them with training and help them learn to work as a team, and their salary helps to support their families."

After repaying his first loan, Patrick took out a second loan of \$40,000 that he is using to continue trainings and the expansion of his business. JL Industries is currently



SME client and JL Industries founder Patrick Jean-Leger employs 10 full-time staff members, and as many as 70 part-time staff members during the harvesting season. He focuses on hiring women because, as he explains, "They are the ones who provide for the family."

working on the distribution of cocoa produced in Pilate, but has plans to expand to other parts of Haiti.

Of course, as with any business in Haiti, there are challenges. JL Industries' biggest challenge as of now is that the quality of the product needs to continue to improve for export. Patrick is therefore continuing to train the technicians to further refine their techniques.

Of Fonkoze, Patrick says, **"Fonkoze is the leader in microfinance in Haiti. The institution influences other institutions to follow its steps in the sustainable economic development of Haiti."**

He continues, "I hope to create more jobs in the future with the help of Fonkoze." ●

Leave a Lasting Legacy for Fonkoze and Haiti

As a friend of the Fonkoze family, we want to thank you for the commitment you have made to Haiti. Your support has helped us live up to our title as "the bank on which the poor of Haiti can rely." Over the past 20 years, Fonkoze has become an established Haitian institution that will continue to serve our clients and members for the long-term as they make the difficult climb out of poverty.

While Fonkoze's financial services are on the way to sustainability, we still need financial assistance from friends like you to continue our critical work in education, health, and programs that address ultra-poverty.

Join us in working shoulder-to-shoulder for a better Haiti—a Haiti where all Haitians can participate in their country's development, where rural economies thrive, and where families have access to education, healthcare and adequate shelter.

Leave a lasting legacy towards rural economic development in Haiti by becoming a member of the Fonkoze USA Shoulder-to-Shoulder Society. To find out how to make bequests and other planned gifts, please contact Leigh Carter, Executive Director, at 202-628-9033 or lcarter@fonkoze.org.

Members of Fonkoze's Shoulder-to-Shoulder Legacy Society

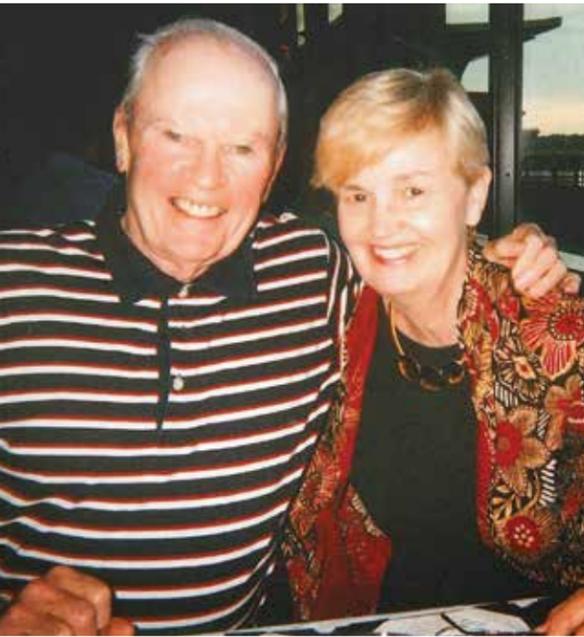
- ▶ Jerry and Anna Bedford
- ▶ Leigh Carter and Andrew Schuman
- ▶ Alexander and Emily Counts
- ▶ Margaret Demeré
- ▶ Barbara DiTommaso
- ▶ Jim and Betty Hanigan
- ▶ Anne H. Hastings
- ▶ Brian and Diana Lovett
- ▶ Joe and Mary Palen
- ▶ Peg Rosenkrands



Solidarity graduate Maggy Saint-Clair uses her Business Development loan to fund her stand in the Okay market. Our Business Development program serves over 400 clients, with a total outstanding loan portfolio of \$1.6 million.

In Their Own Words: Jim and Betty Hanigan

BY BETTY HANIGAN



In addition to supporting Fonkoze as members of our Shoulder-to-Shoulder Legacy Society, Jim and Betty Hanigan have hosted six Fonkoze staff members from Haiti while they participated in Fonkoze's exchange program with Duquesne University.

My husband Jim and I, originally from New York City and Birmingham, AL, respectively, have lived in Pittsburgh for the past 35 years. In 2001, after our church decided to “twin” with a Haitian school in Fondwa, I joined Pittsburgh's Haiti Solidarity Committee and was invited by Dr. Richard Gosser to make a life-changing visit to Haiti. My lasting impressions included the shocking, widespread poverty, but more impor-

tantly, the resilient spirit of the Haitian people. Although I visited many groups that were making a difference, my afternoon in a Fonkoze branch stood out.

I found the staff's enthusiasm and deep commitment, focused on empowering self-sufficiency, to be contagious. Their model of the solidarity group, five women encouraging one another's efforts and holding each other accountable, creates a win/win situation. **The educational component that accompanies the small loans and the mentoring clients receive from credit agents mean that Fonkoze is not just disbursing funds, but transforming lives.**

Within the next year, through the Haiti Solidarity Committee's efforts to find host families in Pittsburgh for two Fonkoze staff members studying on scholarship for a semester to improve their business and English language skills, my husband and I had a chance to open our home for several months to a Fonkoze employee. Jim taught at the sponsoring university, Duquesne, where I had also studied. After a few awkward weeks of adjusting to different languages and food preferences, the adventure was off to a good start. The student even managed the challenges of increasingly colder weather, including a few episodes of snow.

Jim and I were hooked. In the next eight years, we were able to host five more Fonkoze staff members, all studying on scholarship at Duquesne. In some way, these students all became

“family.” While each student was unique, they all exhibited great personal courage and a contagious commitment to the mission of Fonkoze.

While we have downsized to an apartment and are no longer able to host students, we remain committed in our desire to support the efforts of Fonkoze in transforming lives in Haiti. Over the thirteen years that have passed since the first Fonkoze student arrived on our doorstep, we have witnessed amazing growth in the organization, having now expanded to 46 branches, with nearly 800 staff members (98% of them Haitian) serving over 64,000 clients.

To learn how you can make a planned gift, please see page 5.

We have seen the efforts of Fonkoze validated as it won national attention, described in *Newsweek*, for its speedy efforts to assist clients within days after the devastating 2010 earthquake when other banks in Haiti were paralyzed. We have seen Fonkoze earn recognition from agencies like Guidestar and Charity Navigator, and attract large investment by groups like the Whole Planet Foundation.

As retirees, we want to make our more modest donations really count, so we chose to make a planned gift to Fonkoze.

We would recommend Fonkoze to anyone who wants to make a gift that keeps on giving. It's a gift to the poorest of the poor, through an organization with a track record in moving people from dependence to self-sufficiency. **It's a gift that has the power to truly transform lives. •**

Achieving the Unexpected: Ketlin Jolicoeur

“Because of Fonkoze, many women achieve unexpected things,” says Business Development agent Ketlin Jolicoeur. “Everywhere Fonkoze operates, you will hear women giving testimony about us. Most of them consider Fonkoze to be husbands.”

The sense of empowerment he witnessed among our clients first inspired Ketlin to join Fonkoze as a Solidarity credit agent in 2005. An Education major in college, he found himself drawn to development and wanted to contribute to Fonkoze's mission of empowering Haitians with the tools to lift themselves out of poverty.

Already skilled on a motorcycle, he quickly took to his job as a credit agent, and after a year and a half, Ketlin was promoted to the position of Business Development agent. For three years, he remained responsible for the entirety of Fonkoze's Business Development lending in the Central Plateau, until the program's expansion led Fonkoze to hire additional agents.

Ketlin's favorite part of his job is helping Fonkoze clients, particularly those who have worked their way up the Staircase Out of Poverty. He recalls one client with whom he worked, Bruny Dieudonné. She started out as a Solidarity client with a \$75 loan. After several years with Fonkoze, her business expanded to the point that she outgrew her stand in the open market, and opened a small store at her home. Not only did her own business succeed, but she also helped her son open a hardware store—now one of the most successful hardware stores in the community

of Hinche. Bruny has continued to expand her own business, most recently borrowing \$15,000 from Fonkoze.

Ketlin has worked with over 50 clients who graduated from Solidarity lending into Business Development. “Because they already understand Fonkoze's principles, it is easier to work with them,” he explains. “They tend to organize themselves better, and usually pay on time.”

Ketlin and his wife have two children, a four-year old girl and a three-year old boy. He has big dreams for their future: he hopes that they will become a medical doctor and an agronomist, respectively. His own dreams include studying in another country and owning his own business.

“Because of Fonkoze, many women achieve unexpected things. Everywhere Fonkoze operates, you will hear women giving testimony about us.”

Ketlin believes that business is key to Haiti's future, and emphasizes the importance of Fonkoze's Business Development program to Haiti's economy. “No country can be developed without a powerful credit system,” he says. Ketlin continues to work with the dream “that Haiti will become a developed country, and that every Haitian can have a better life.” •



© NIKELSON PIERRE-LOUIS

Credit agent Ketlin Jolicoeur, who has worked with Fonkoze clients for almost ten years, believes that our Business Development program is critical to strengthening Haiti's economy.