



FONKOZE SITUATION REPORT: Six Months Later

Hurricane Matthew Response



A woman makes her way through a flooded street in Okoto, Haiti - weeks after Hurricane Matthew made landfall on October 4, 2016.

Hurricane Matthew Overview

Hurricane Matthew, a Category 4 hurricane, made landfall in Haiti in the early morning of Tuesday, October 4, 2016 devastating the southern part of Haiti. It was one of the most powerful storms to hit Haiti in several decades. According to a United Nations Office for the Coordination of Humanitarian Affairs Situation Report, at least 546 people were killed; over 1.4 million Haitians (nearly 13% of the population) were in need of humanitarian assistance; and 2.1 million have been affected by Hurricane Matthew. In coastal areas of the South department, the World Food Program reported a 95% loss of housing and harvest. Full recovery is expected to take years and require assistance in the hundreds of millions of dollars. One prominent risk that emerged with Hurricane Matthew was that damaged piped water systems, contaminated water sources, and overflowing latrines could lead to a dramatic increase in Haiti's cholera epidemic.



Aline is holding water purification tablets that Fonkoze distributed to thousands of clients and members post Hurricane Matthew.

Stories of Recovery

Meet Aline Charles, a Solidarity client who was a victim of Hurricane Matthew. The small business she had worked for years to build was all but destroyed. For 3 months, she struggled to rebuild her life, but with the support of Fonkoze Financial Services (SFF), she now has a viable way to pick up the pieces and start anew.

Economic Recovery

From November through March, Sèvis Finansye Fonkoze, S.A. (Fonkoze Financial Services or SFF) loaned an additional HTG 173.6 million (USD 2.6 million) in additional funds to its credit clients in the six most affected branches.

SFF also facilitated large volumes of international and local cash transfers in those same six branches, totaling HTG 219.3 through the end of March. SFF has also supported cash for work programs managed by CRS and CARE, making payments totaling HTG 207.8 million (USD 3.1 million) to 51,962 individuals in the Hurricane affected areas through the end of March.

Cholera Response

Fondasyon Kole Zèpol (the Fonkoze Foundation) launched its Cholera Awareness and Prevention Campaign in the six most affected branch regions. In November and December, 2016, Fonkoze's health team trained 374 Center Chiefs on the importance of hygiene, hand-washing, and drinking treated water. In turn, the Center Chiefs trained 13,302 members of their Credit Centers, benefiting approximately 66,510 individuals (based on an average household size of five). All clients in the six branch regions received at least one month's supply of water purification tablets (Aquatabs); the team distributed 3,643,180 tablets.

Transparency and Accountability



Fonkoze USA is committed to transparent and efficient stewardship of funds, always ensuring that administrative costs are kept to a minimum so as to maximize the amount we send to partners in Haiti. When Hurricane Matthew hit, we knew that funds would be most needed in Haiti, which is why we opted to send 100% of your contributions (\$183,752 as of March 2017) to our partners.



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	IMPACT ON FONKOZE	FONKOZE'S RESPONSE
STAFF	<p>All of Fonkoze's 900+ staff members survived the Hurricane without any severe injuries. However, staff from 20 of our 45 branch offices reported a range of loss, including destruction of and damage to homes; damage to fields; loss of livestock and other assets.</p>	<p>To help the most affected members of staff get back on their feet, Fonkoze made a modest cash payment to 112 members of staff in the most affected areas.</p>
OPERATIONS	<p>Our branches, which tend to be among the stronger buildings in their communities, were left relatively unaffected. However, a total of 13 branches reported some damage to buildings and equipment with flooding in 10 of them. Fifteen branches were without internet connectivity for the first few weeks post hurricane.</p>	<p>Within a week, we were able to reopen all of our branches although some were not fully functional. Branches in the areas affected by the Hurricane were assisted initially by other branches to process transactions. It was nearly two weeks before internet connectivity was fully restored to all branches. In addition, we worked through the challenges of ensuring adequate fuel for the generators, transporting physical cash to these branches, taking more security precautions, among others. Damaged equipment had to be replaced while building repairs carried on for several months. In at least two cases, SFF needs to relocate a branch to a safer location.</p>
CLIENTS	<p>Six of the branch regions for Sèvis Finansye Fonkoze, S.A. (Fonkoze Financial Services or SFF) were in the direct path of the hurricane, including Okoto, Okay, Aken, Ti Rivye d'Nip, Bomon, and Jeremi. When the hurricane hit, they were serving 14,477 borrowers and 33,940 savings clients.</p> <p>After monitoring our credit client activities post Hurricane throughout October and most of November, SFF head office operations staff worked closely with branch managers and loan officers to evaluate each client's capacity to repay their loans in the six most affected branches. Using an evaluation form, loan officers interviewed clients from the particularly hard-hit branches of Bomon, Jeremi and Okoto and the clients that had not yet made any payments on their outstanding loans in Aken, Okay and Ti Rivye d'Nip evaluating the impact of the Hurricane on their homes, businesses, mental and physical health.</p>	<p>Based on the results of the client evaluations, SFF began rescheduling and "topping-up" client loans. A total of 4,169 loans were rescheduled giving clients more time to repay. The rescheduled portfolio totaled HTG 44.1 million (USD 654,000) and an additional HTG 24.9 million (USD 370,000) was lent to these clients to help them re-launch their economic activities.</p> <p>SFF has also disbursed an additional 12,197 loans to clients in these six branches, injecting a total of HTG 148.7 million (USD 2.2 million) back into the economy. Of these loans, 8,856 have been disbursed to clients that had loans outstanding at the time of Hurricane and were able to fully repay, the remaining 3,341 loans were disbursed to existing clients that did not have an active loan at the time of the Hurricane or to new clients.</p> <p>SFF facilitated large volumes of international and local cash transfers through the six most impacted branches in the most impacted areas. Through the end of March, SFF had processed 13,703 CAM and MoneyGram transfers totaling HTG 150.2 million (USD 2.2 million) and another 14,431 mobile money transactions through Digicel Mon Cash totaling HTG 69.1 million (USD 1 million).</p> <p>Fondasyon Kole Zèpol (the Fonkoze Foundation) launched its Cholera Awareness and Prevention Campaign in the six most affected branch regions.</p>