

**Supporting Credit with Education in Peru  
Freedom from Hunger Financial Report  
Submitted to Dining for Women  
July 1–December 31, 2007**

**I. Expenditure Budget**

**Expenses:**

In-country Expenses:

Program Costs	\$ 25,431
Operational Grants to MFIs:	
PRISMA	44,295
Edpyme Confianza S.A.	45,500
Freedom from Hunger Technical Assistance:	
Personnel	7,116
Travel	3,190
Other Direct Costs	85
Administrative Support	<u>25,123</u>
<b>Total project budget</b>	<u><u>\$ 150,739</u></u>



\_\_\_\_\_  
Controller

February 1, 2008

\_\_\_\_\_  
Date

**II. Dining for Women Fund Disbursement Narrative**

The funds contributed by Dining for Women were used towards the in-country expenses of providing training and technical assistance to the partner organizations, providing over 500 hardworking women in rural Peru with access to Credit with Education services. Thanks to donors like you who support new programming, as a program matures, the per-dollar cost of serving each woman will decrease, thereby increasing the impact of your donation.

Funds were applied toward the support of partner organizations in total as needed, and were not directed specifically to one particular organization. We pursue this approach in order to leverage donor funds to the greatest extent towards delivering program services rather than incurring prohibitive administrative costs, as well as to honor our commitment to each partner organization regardless of the variance in needs between them. For example, Edpyme Confianza and PRISMA receive the greatest amount of funding from us to offset the operational costs of implementing Credit with Education, in order to ensure the credit associations they are serving are able to reach self-sustainability, generally attainable within eighteen to twenty-four months. Prior to our partnership, Confianza was not offering an educational component at all; today they are reaching over 1,700 women with these services. FINCA Peru, on the other hand, has a history of offering educational services; as a result,

they do not require extensive financial support to implement our education services, but they do benefit greatly from our direct technical assistance and training.

### **III. Loan Information**

The average loan size made in Peru varies by partner organization; it is \$156 for FINCA Peru clients, \$127 for PRISMA clients and \$96 for Confianza clients. In total, \$20,647,308 in loan funds have been disbursed to date through our Peruvian partners; most importantly, every \$8 loaned have generated \$1 in savings for credit association members, to total savings of \$2,386,574 to date.

Examples of the types of businesses started by women included those that involve resale such as the provision of school supplies, selling snacks in front of schools or operating food stalls in the market; agricultural ventures such as raising pigs and guinea pigs to sell as food or harvesting cochineal beetles from cacti for red food coloring; and home production businesses such as making cheese and yogurt or producing sugar from agave juice.

The generous contribution from Dining for Women has made it possible to expand our reach to thousands of women in rural Peru. The combination of credit with education—basic, reliable information on business and financial management, health and nutrition—equips women to end their families' hunger. Thank you for your part in ensuring that the women have such tools.