

Partner Profile: FINCA Peru



Photos courtesy of FINCA Peru



In Peru an estimated 47 percent of adult women and 54 percent of low-income adults lack access to formal financial services.¹

FINCA Peru is a Peruvian microfinance organization and a partner in Global Partnerships' Women-Centered Finance with Education initiative.²

WHO IS SERVED:

As of June 30, 2024, FINCA Peru currently serves over 11,000 clients, focuses on serving low-income female microentrepreneurs in rural and urban areas of southern Peru. 82 percent of their clients are women and 67 percent live in rural areas.³ 71 percent of FINCA Peru's borrowers report that they are accessing a formal loan for the first time through FINCA Peru.⁴

WHAT IS DELIVERED:

FINCA Peru offers microloans tailored for urban and peri-urban microenterprises and rural agricultural activities. They deliver these loans primarily through a community banking model, accompanied by training on a variety of topics during each group's monthly meetings.

The organization identifies training topics annually based on input from clients and loan officers. In recent years, they have trained clients in financial literacy, business management, health, gender-based-violence prevention, and (for rural groups) climate change adaptation. FINCA Peru also provides in-depth agricultural technical assistance to avocado farmers in one of its regions of operation.

FINCA Peru has additional savings and health programs that stem from the organization's mission to empower women, but that go beyond women clients to also serve their families and communities. The organization encourages all clients to save on a monthly basis through their community banks and runs a savings club and financial education program for children through partnerships with local schools. They also, via "health brigades," provide access to basic, preventive healthcare at a low cost to clients and their families in a handful of rural communities each year.

WHY IT IS IMPACTFUL:

FINCA Peru clients can use their loans and accompanying education to make more informed decisions for their businesses and invest in opportunities to sustain or grow their incomes, enabling greater economic resilience and household well-being. A 2024 study found that, because of FINCA Peru, 94 percent of clients reported that their savings had increased, 93 percent reported that their incomes had increased, and 94 percent reported that their quality of life had improved.⁵

"I had the opportunity to work with the money they gave me, to improve my business, and when you improve a business, you improve your quality of life," said one FINCA Peru client from the study. "I live more peacefully, eat better, and spend more time with my children."

1. "The Global Findex Database." The World Bank, 2021. <https://globalfindex.worldbank.org>.

2. FINCA Peru was a current borrower of Global Partnerships Impact-First Development Fund, LLC as of June 30, 2024.

3. Data as of June 30, 2024, as reported by FINCA Peru.

4. Based on responses from 275 FINCA Peru clients in a May 2024 study by 60 Decibels, Inc.

5. Ibid.