

Colombia

Fighting Poverty through Education, Microenterprise, Graduation

Your Program Impact Report, Fall 2024

2023–2025 OPPORTUNITY COLOMBIA STRATEGIC GOALS

With support from generous donors, impact the lives of an additional **170,454 people**, providing **3 programs** in collaboration with **9 partners**, and releasing **\$26.1M** in capital

Our work on the ground in Colombia continues to yield compelling results and, more importantly, truly positive impact on the families we serve. Work streams include Education Finance, microenterprise, and the Ultra-Poverty Graduation model, all focused on geographies with large population of people living in extreme poverty. Our proven three-pronged interventions of **tailored training, financial resources, and support** increase incomes, create and sustain jobs, and provide affordable quality education for children and youth.

PROGRESS ON OUR WORK IN COLOMBIA: Exceeding Projections

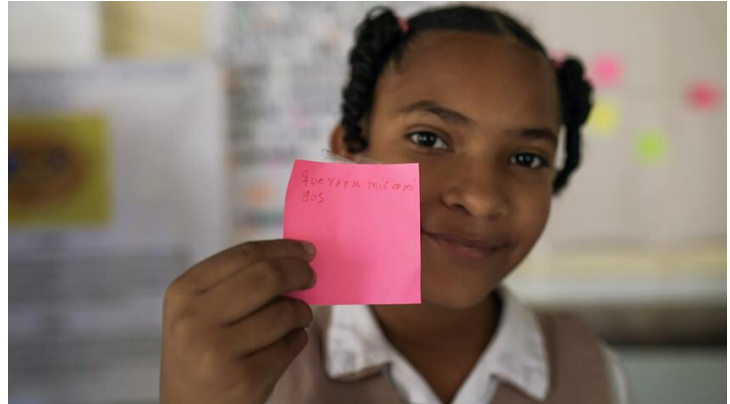
Results in the Colombia Opportunity Zone		CY2023 Total	CY24 Cumulative Total (as of 6/30/24)	2025 Cumulative Target
CAPITAL RELEASED				
	Total number of loans disbursed	10,106	13,586	10,645
	<i>School Fee Loans</i>	0	130	N/A
	<i>Micro-loans disbursed to entrepreneurs (majority women)</i>	10,106	13,456	5,485
	Value of loans disbursed	\$6,617,702	\$9,167,348	\$6,617,500
CAPACITY BUILDING				
	Improved savings capacity: Women-majority groups enrolled in savings groups	8,200	11,918	15,135
	Ultra-Poverty Graduation families	N/A	204	120
	EduFinance: new schools enrolled in EduQuality	29	140	120
OVERALL IMPACT				
	Number of lives impacted	56,824	79,200	45,378

EDUCATION

Our Education Finance and Education Quality teams are focused on developing partnerships with financial institutions and facilitating learning activities with the schools that participate in the EduQuality program. To date, we have:

- 4 financial partners signed, and technical assistance completed: Crezcamos, Finanfuturo, Actuar Famiempresas, El Alcaravan
- 29 schools in the EduQuality program began phase 2, after completing more than five years in phase 1 and reaching the objectives of the program
- 107 new schools began phase 1
- 5,800 children were impacted by phase 1 schools and 21,400 will be impacted in phase 2 schools

The first loans have been disbursed, however funding availability from the partners and Colombia's economy situation will delay the growth of the disbursement process. Losses in the financial system have reduced interest to explore new credit products. We are generating alternate strategies to work with financial institutions under the umbrella of the government's public policy *Economía Popular*. The goal is to increase the interest of financial institutions in our clients, so that clients can have access to formal products and services.



EduQuality school student, Cartagena

MICROENTERPRISE

We have deployed a series of strategies that impact the most vulnerable communities on the North Coast. In 2024, almost 3,500 loans valued at nearly \$2.6M have been disbursed in the Colombia Opportunity Zone. As mentioned above, the current climate of Colombia's financial system has reduced microcredit activity.

We have created 261 new savings groups impacting 3,718 people. Access to internal financial resources (loans) and financial literacy training (via savings groups) create stability and sustainability for the families living in the Zone.

With our financial partner Crezcamos, in addition to supporting our work in the Opportunity Zone, our most relevant progress during the year was the completion of a digital platform. During the second half of the year, we expect to renew the women smallholder farmers initiative, increasing access to ag loans.

Crezcamos reaches locations along the border with Venezuela, which means the social impact in this region is going to be greater, as this has been an area impacted by the Venezuelan migration phenomena.

A new pilot partnership has been established with a lending financial technology company, Quipu, which is reaching the most vulnerable people in several regions of Colombia. We anticipate reaching more than 300 clients with digital loans by the end of 2024.

We expect to formalize a new partnership in September 2024 with Colombia's national government's National Guarantor Fund (*Fondo Nacional de Garantías*). This authority is the guarantor of credits for financial inclusion in the country. We project disbursement of over \$1.5M in nine months via more than 1,500 loans.

Key learnings:

- ▶ Focus on the family
- ▶ Human-centered design
- ▶ Integrated approach
- ▶ Financial product development
- ▶ Remove barriers for women
- ▶ Meet clients where they are

Maria, a Graduation participant and entrepreneur who opened her own restaurant selling soups and seasonal dishes



Savings Groups

The savings group program has proven to be one of the most successful interventions for communities living in extreme poverty. It targets the lowest-income communities—in Colombia, known as strata zero, one, and two. Results include:

- Creation and strengthening of savings habits
- Creation of strong community networks
- Increased resiliency
- Improved financial literacy (savings and loans)
- Training in other topics as identified by each group (e.g., conflict resolution, leadership)



Yeni, savings group member and jewelry maker, with her children

During 2024, the number of savings groups has increased. We have strengthened our facilitators team in Cartagena and will sign a partnership with a USAID to create 15 groups within a gender-driven initiative that is being developed in areas that have suffered from violence for decades. New initiatives to increase efficiency and outreach will be analyzed and concluded during the second semester of the year. Part of this analysis has led us to develop a pilot with a digital solution to carry out the meetings and capture our clients' data in an app

called *DreamSave*. This could be a tool to reduce the time of the meetings and create digital inclusion in our clients.

ULTRA-POVERTY GRADUATION: Pathway to Opportunities

In Cartagena, Colombia, Opportunity International's Ultra-Poverty Graduation program is called *Pathway to Opportunities*. It is designed for those not yet ready for formal financial services. We launched the first cohort of 250 families in January 2023—preceded by six months of planning, partnership- and community-building, and the selection of families.

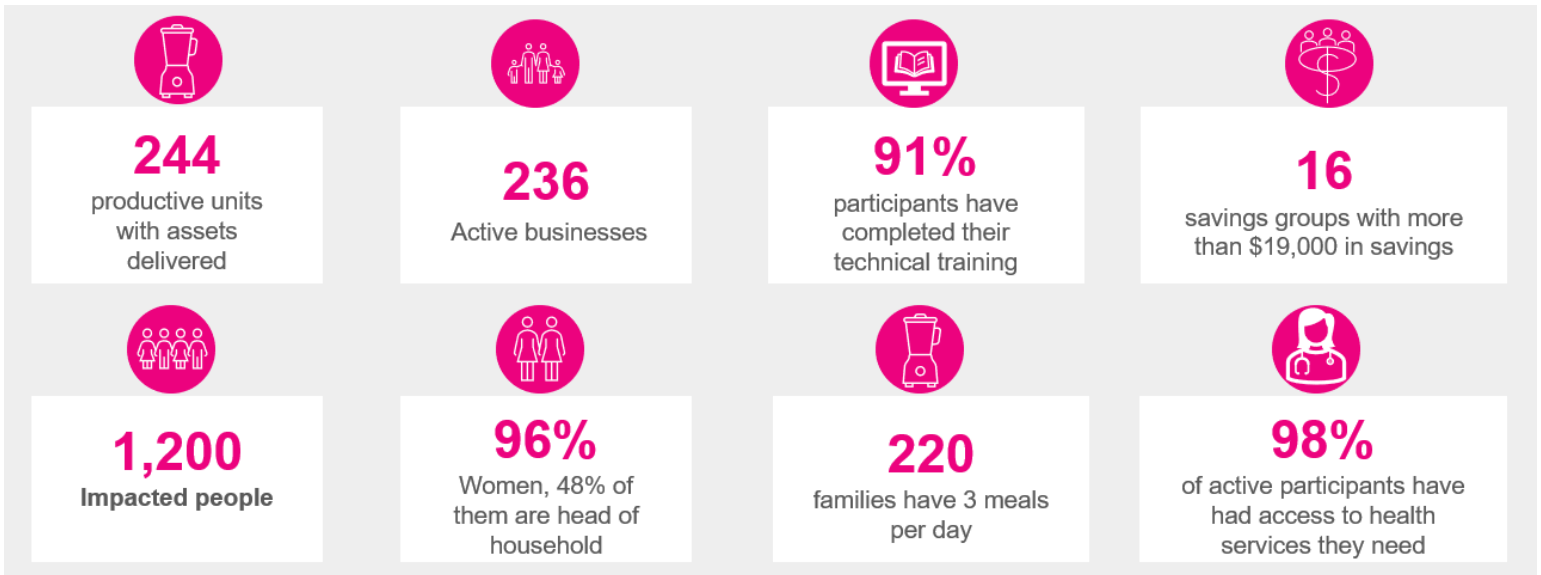
In August 2024, we celebrated the conclusion of this Graduation cohort which had a graduation success rate of **86.4%** of active clients. To graduate successfully, participants had to demonstrate significant improvements in their initial conditions and meet the criteria in four areas: **food security, economic resilience, basic rights/services, and community connections**.

Thanks to the faithful focus of families participating in this program and the unflagging support of Opportunity's team of experts, we are grateful to share that more than 200 families have "graduated" from the lowest level of poverty:

- **91% of graduates started the program living on 83 cents a day—less than half of Cartagena's extreme poverty line.**
- **At "Graduation," those families are living on \$2.53 a day—emerging from the deepest poverty on the road to sustainable livelihoods.**

One hundred percent of participants began the program in strata one—the lowest income communities in the country. To graduate, participants must complete the rigorous program which includes job training, financial literacy, family wellbeing, and community/social connections. Participants chose from carefully-selected income-generating options and participated in skills training in that field.

Opportunity staff who have and will continue to support participants throughout the program note the significance of the program not just in quantitative impact: “People are different; they look, talk, and act differently”—they have more confidence and deeper connections to their families and their communities.



Thank you for your generous support of Opportunity International’s work in Colombia. We hope you are as inspired as we are, by the dedication and faith of families working their way out of poverty to sustainable livelihoods.