



Anita Clemons, Vice President of Investments, Presbyterian Foundation, accepts the Founding Member Award at the Oikocredit USA Summit 2013

Presbyterians Investing to Overcome Poverty



Oikocredit is a financial cooperative founded in 1975 and funded by social investments from around the world.

- Total portfolio: \$889 Million
- 28 million clients reached by Oikocredit microfinance partners
- 53,000 investors worldwide
- 81% of clients reached are women
- 34 regional & country offices; over 250 staff of 46 nationalities
- 805 partners in 63 countries

As of December 2014

INVESTMENT FOCUS

- Microfinance
- Cooperatives
- Sustainable
- Fair Trade
- Small & Medium Enterprise

KEY ACCOMPLISHMENTS

- **Largest** microfinance investment cooperative worldwide
- **First social investor** to support partners in poverty measurement
- Recognized by ImpactAssets as one of 50 top-tier impact investment funds in 2012-2014
- 62% of MFI partners report performance to MIX Market for transparency

IMPACT OF MICROFINANCE TO COMBAT MASS POVERTY

The Problem...

- 1.4 billion people live in extreme poverty (less than \$1.25 / day)
- Most of the world's poor have no access to financial services
- Lack of credit access reduces economic opportunities, creating a vicious cycle of poverty

...and a Solution

- Local microfinance institutions in very poor countries provide financial access designed to serve vulnerable communities
- Oikocredit funds organizations to increase financial access in the poorest regions of the world

PRESBYTERIAN TRADITION OF INVESTING IN OIKOCREDIT

"The human help or hurt, the witness accomplished through investment, is part of what Presbyterians get for their money." – PC(USA) Investment Policy 1976

- Presbyterians are the largest denominational investor in Oikocredit USA
- Presbyterian organizations, congregations & individuals hold over \$4 million in investments
- Median Presbyterian investment: \$2,900
- PCUSA'S Enough for Everyone ministry endorses Oikocredit as an organization that "turns investments into loans that bring hope."
- The Presbyterian Foundation, Presbyterian Women, Self-Development of People and the Presbyterian Hunger Program hold investments
- 173 Presbyterian congregations and organizations hold investments in Oikocredit USA; many Presbyterian individuals are investors as well

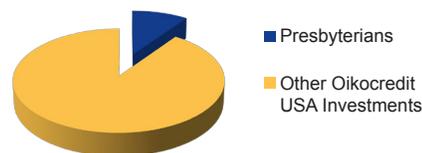
As of December 2014

Join the Movement!

Global Community Note

- \$250 minimum investment
- Earn up to 2% financial return per year
- Investments are redeemable at 1, 3, or 5 year terms
- Individuals or organizations may invest in Oikocredit USA

Investments from Presbyterian investors constitute 11% of Oikocredit USA's portfolio!



How U.S. Churches Invest

Typical source of funds for an Oikocredit USA investment:

- Program-related investments (PRI)
- Endowment capital
- Contingency funds
- Taking a collection

Churches have been investing with Oikocredit USA for years, and many are member-investors in the cooperative. As the tenure years of U.S. church & church related member-investors in the cooperative increase, often so do their investments:

Member Tenure Years	# of Members	Member Investments
1-10	4	\$82,000
11-37	40	\$5,408,000
Grand Total	44	\$5,490,000

As of June 2015

90% of these cooperative members have invested with us for more than 10 years!

Where do churches generally allocate their Oikocredit USA investments?

We find that most small church and church-related organizations use their PRI or contingency funds or take a collection, while large national offices and churches may use a portion of their endowment funds, especially if they have a social investment policy.

In the case of PRI funds, those monies are typically invested for a 5-year period and then re-evaluated at the end of the term. For contingency funds, church investors typically invest for a period of one year as the interest rate of 2% is considered high and competitive in the current market environment. Those investing endowment dollars vary the periods in which they hold assets.

Investments also come from specific social or cause groups within churches, such as a Women's Fund, Global Fund, Social Justice Fund, or Young Adult and Children's Funds. The committees managing these groups will either use existing funds or fundraise in order to make an investment in Oikocredit USA.

Swayamshree Micro Credit Services: Empowering Women in India

The non-profit microfinance institution Swayamshree Micro Credit Services (SMCS) was founded in 2003 and focuses on women in the state of Orissa, India who are socially disadvantaged and live on low incomes. Agriculture is the driver of Orissa's economy, providing employment to 70% of Orissa's workforce. As most people do not have access to banks, they often fall prey to local loan sharks charging exorbitant interest rates.

SMCS has been an Oikocredit partner since 2010, chosen due to its focus on women with disadvantaged positions in the community. SMCS strives to contribute to reduce gender discrimination by means of training women in entrepreneurial skills. It has adopted the client protection principles and shares information with other local providers and a credit bureau to prevent over-indebtedness among clients.

Many SMCS clients participate in self-help groups through which they form joint businesses, from spice and mushroom farms to spinning coconut fiber. Members of self-help groups hold each other financially accountable and build a strong, supportive community.



SMCS clients and members of the self-help group Ma Mangala are spinning coconut fiber in the fishing village of Jagulei Padar. The women spin the fiber into ropes which are either sold directly or dyed and woven into mats for added value. The women have taken a loan with SMCS to acquire a manual spinning machine and are contemplating buying an electric machine to boost productivity.

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Every Church Can Join the Movement!