

**“ESTRELLAS DE PANCA”**  
**Barrio san Antonio Pancá, Sololá**  
**June 2010**



Friendship Bridge is a non-profit, non-governmental organization whose mission is to provide microcredit and education to help women and their families create their own solutions to poverty. The organization began its operations in Guatemala in 1998 in the rural areas of Sololá, It expanded into Quiché, Quetzaltenango (Xela), Suchitepequez, Chimaltenango and Escuintla.

Friendship Bridge provides small, renewable loans to groups of between 7 and 35 women, who form a Trust Bank. These groups are responsible for making a payment each month, which creates a self-regulated network of support and provides a form of social collateral. Each member must qualify for a loan by having an existing business and/or a business plan. The loans enable women to start or enhance their own small businesses, positively affecting the quality of life of their entire family through increased income. These loans are available in two, four, six and nine month periods and can range in size from \$75 to \$1,125, with an average loan size of \$180. Each trust bank establishes a monthly repayment meeting time and location and elects its own officers, who are responsible for the management and leadership of the larger group. Each group is assigned an individual loan

officer, *facilitador*, although the group itself, not the officer, is responsible for collecting payments. At each monthly meeting, Friendship Bridge's facilitator facilitates a non-formal education curriculum on topics such as health, business, finances, self-esteem, women's rights and the importance of children's education. Once an initial loan is complete, Trust Banks may reapply for a new loan, and, as loans are repaid, they are then re-loaned. This system multiplies the impact of each dollar.

As success stories from current clients spread, new groups form in various places. This is the case in the town of Sololá, where a newly formed group has begun the loan experience with Friendship Bridge. This new group is called "**Estrellas de Panca.**" It is comprised of seven enthusiastic women who have the desire to learn and support their families through developing successful businesses. Their businesses include selling vegetables in the local market, operating a small grocery store ("tiendita") and weaving. The average loan in this group is US\$220.00 which will be invested by the women to buy more products and raw materials.

The loan was disbursed on Thursday, June 17, 2010. The meeting began with the presentation of the Board of Directors, previously elected by the group. The women then took the oath in which they committed themselves to adhere to the requirements of Friendship Bridge. After that, the Friendship Bridge facilitator, Olga Acetún, read the contract in which she highlighted the responsibilities of each person so that the group could be successful. The facilitator also asked if the women really understood the meaning of the concept "solidarity." The President of the group, Doña Juana Cosigua, answered: "It means that we all are going to support each other by paying our loan on time, or giving advice to someone who is not able to pay. We need to remember this is a big responsibility." The next step was to give each one of the women a Payment Control Card that they were to bring with them to all of the meetings.

The most exciting time was when they signed the contract and got their checks. "My hope is to increase my business revenues and keep my children in school. At the present time, they are small but I want them to go as far as they can with their education. I will need more money to support them so they can become good professionals." After the disbursement process, the facilitator congratulated them and encouraged them to make the most of their loan.

Next, Doña Ricarda Sicajau shared her story with us. She is a 38-year-old married woman who has four children. She attended school until the 2<sup>nd</sup> grade. Along with her four sisters, she helped her father, who was a farmer, tend the crops. "I grew up in a farmer family with very few opportunities because we all were girls, but now I want a different life for my children by sending them to school." The size of Ricarda's loan is US\$200.00.

Then, Juana Cosigua, mother of five children, shared that she also sells vegetables in the market. In her generation, it was often impossible for indigenous girls to attend school. It was more common for indigenous boys to go although even that was rare. She explains, "I have many expectations for this loan. I want to have more variety in my business, sell more and have more revenues. I heard that we are going to have training in some educational topics and that will make a difference in our knowledge." Juana's loan is US\$230.00