

A MICROFINANCE INSTITUTION

FROM THE UNIVERSITY OF MARY WASHINGTON IN PARTNERSHIP WITH STUDENTS HELPING HONDURAS.

To our supporters, partners, and future friends of the La Ceiba family, in 2010 La Ceiba continues to support the business endeavors of the women of Villa Soleada, Las Brisas and Siete de Abril by providing microloans. We are excited to launch our Business Plan Competition this December which will extend our services to entrepreneurs in the El Progreso community at large. The students behind La Ceiba continue to have valuable and unique learning experiences while working to empower our clients. We are so glad to bring you the current goings-on at La Ceiba and hope that you continue or are inspired to have a share in our mission.

Affordable, Eco-Friendly Products: Esfuerzo de Amor



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Last year, we formed a partnership with the University of Mary Washington Bookstore to provide Honduran artisans access to a market in the United States. Esfuerzo de Amor is a line of clutches, earrings, and other products hand-crafted from 100% post-consumer snack chip bags and soda labels. Our goal is to have a positive effect on the environment while supporting an employment program. Furthermore, the income from selling these products allows the women to support their families by buying food, medicine, and education. **To support this initiative start shopping on-line now by visiting [UMW Bookstore Homepage](#) and to find out more about the program visit the [Esfuerzo de Amor homepage](#).**

Overview	Active	Total
Staff	15 student volunteers, 2 loan officers (U.S. and Honduras), Dr. Humphrey	31 students, Dr. Humphrey, Ana Lucia Galo (Honduran Loan Officer), Sarah Morin (U.S. Loan Officer)
Clients	22	34
Personal Loans	18	76
Amount Loaned	\$1,302.45	\$9,947.49
Average Loan Size	\$72.36	\$130.89
Recovery Rate	-	79.31%

What's New with La Ceiba?

- **La Ceiba Logo**, read inside to learn about the inspiration behind it.
- **Business Plan Competition** will launch in December!
- **Brand New Homepage!** <http://laceibamfi.org>
- **Earrings!** A new, Esfuerzo de Amor product is now available!

Programs of La Ceiba:

Personal Loan Program

Our Personal Loan program is designed to address problems with irregularity and unpredictability of our clients' income. Our objective is to supply flexible, convenient, and reliable access to micro-credit at a low cost. Toward that end, we do not require membership in a solidarity group or any other form of collateral. We do not set any expectations on the use towards which are clients dedicate their loans. Personal loans are just that personal.



Eligibility Requirements	Initial Maximum	Interest Rate	Loan Term
Women Only Approval by Loan Officer	L500.00 (\$25.00)	30% (flat)	Minimum of 1 month and Maximum of 12 months

Repayment Mode	Incremental Increase in Loan Size	Maximum Loan Size
Once a Week, Once every Two Weeks, or Once a Month	L500.00 (\$25) for each Loan Cycle	L3000.00 (\$150.00)

Business Plan Competition

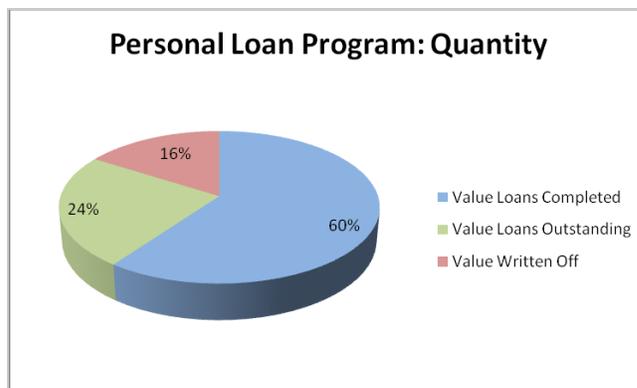
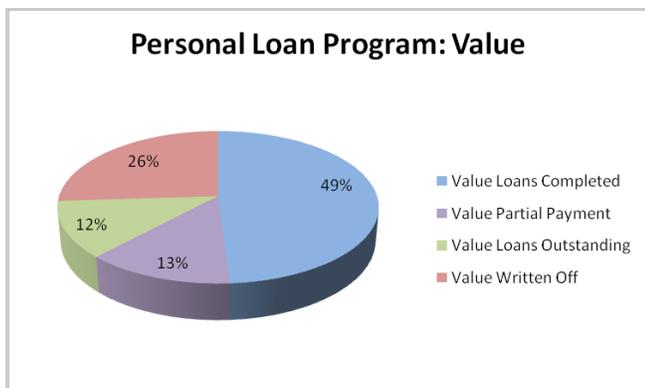
A central component of our work this semester will consist of preparation for our first ever Business Plan Competition (BPC), to be conducted this December. This fall, La Ceiba has been finalizing an application that invites interested members of the El Progreso community a means to submit their prospective business ideas to us. We have defined community-specific eligibility requirements to established entrepreneurs who will be eligible for a business grant. For more aspiring entrepreneurs, we will give them the opportunity to take part in financial literacy and business development courses to help them shape their ideas into viable business plans. We strongly believe in the opportunities that this competition will hold for the communities of El Progreso. We look forward to continuing the Business Plan Competitions for several more years, building lasting relationships and strong businesses with the people of Villa Soleada, Las Brisas and beyond.

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Performance

The Performance team has worked to compile historical data from the Personal Loan program and organize it into a spreadsheet for ease of analysis. La Ceiba's personal loan program requires no guarantee and has no involvement in how the clients use their borrowed finances; we just provide a loan and our clients promise to pay it back. Even with this minimal involvement, the data showed that over the lifetime of operations, 60% of our loans have been paid back and a further 16% are still in the process of being repaid.

The data shows that the Personal Loan program is working, because a majority of our loans, by both quantity and value are paid back or pending. The Loan Program is functioning, and the Performance team is dedicated to optimizing the loan program to fit La Ceiba's unique perspective and principles.



Logo of La Ceiba

We chose the Ceiba tree to represent our organization because it embodies our philosophy:

Its roots run deep into the community, its towering trunk represents our commitment to helping our clients reach their goals, and its broad, spreading canopy reaches for the sky while protecting the ground below. Our goal is to work with one community at a time to eradicate poverty, building vertically to develop services and innovative solutions for our customers, partners and friends. Our logo was designed by Liz Morin, a graphic designer and mother of our U.S. Loan Officer, Sarah Morin. She was kind enough to donate her time and effort, and we are grateful for all her hard work.

Honduran Loan Officer: Ana Lucia Galo Melgar

Ana Lucia Galo Melgar is La Ceiba's Honduran loan officer. Her responsibilities include gathering information and making suggestions for new loan recipients, managing our financial partnership with Banco Ficensa, and serving as the primary liaison between American staff and Honduran NGO partners. She was born and raised in El Progreso, where she has worked as the supervisor of a children's orphanage as well as a textile factory worker alongside several of our clients. She has always been committed to creating opportunities for those who do not have them, and loves working for La Ceiba because it allows her to share her experience combating poverty.



Facilitating Growth

By Thomas L. Tutor

La Ceiba is still a very young organization and has much room to grow. We are still in the process of establishing our roots and building our structure, while continuing to give out loans, diversify our programs, and improve our methods. Someday we will become a sustainable, student-run institution composed of many branches working together to expand opportunities for the people of Honduras and give them hope for the future. However, that growth and maturation from overwhelmed sapling to established tree takes time and energy and we must not rush the process.

Over the past few months, our members have formulated and revised, discussed and argued, accepted and rejected, dozens of thoughts, phrases, and sentences in our quest for a statement that defines us. What are we trying to do and why are we doing it in this way? Each member of La Ceiba has been forced to confront their own motivations for their work as well as their desires for what it will achieve. This process has shown us to be a diverse and driven group and it has been difficult for us to reach any sort of clear conclusion or consensus. While it has seemed inefficient, laborious, and frustrating for individuals, I believe this interchange of opinions and ideas has been extremely valuable. Not only have we grown to know and understand each other, but we have learned that this organization is ours to form. Through our deliberation we have found many things that we do not want to be and many things that we do want to do. This discourse has woven many concepts and objectives together to create a framework to direct La Ceiba's growth. So though we have not determined exactly what we are yet, we have created ideas for what we want to become and how we will do it.

By establishing this basis of client-centered, personal relationship driven, flexible and responsive programs, we have given La Ceiba the trunk from which future members can stem from to cultivate their own initiatives. Though our motives and methods may change to adapt to different constraints and scenarios we have developed the tenants from which all growth will be built on.



Get to Know Our Clients:

Suyapa Guerra Santamaría

Suyapa Santamaria lives in Villa Soleada with her husband and her 14 year old grandson. With the loans she has received from La Ceiba, Suyapa has successfully built up her *pulperia*, local store. She recently was able to buy a freezer for her *pulperia* which sustains her goods for a longer period of time. Suyapa hopes she can receive another loan at the end of December to help her buy a car. As of right now, in order to purchase goods she needs for her store, she has to walk a long way or take a taxi. She has found it is hard to transport goods via taxi. The purchase of a car would greatly continue to facilitate the growth of her *pulperia*.



Both Eyes Open

By Laura Dick

I've just joined La Ceiba this year, and the process of figuring out what we're doing and how everything works has left me alternating between exultation at the immense potential of an organization like ours and frustration at how little of that we've already accomplished. But that's why we're here: to help La Ceiba reach its fullest potential in helping our clients and alleviating poverty. And I truly believe that we're going about it in the right way: with both eyes open. A charge often leveled at student organizations is that they're naïve, and believe that one small action will solve all the world's problems. I think our constant awareness of that trap is one of our greatest strengths. That's why I think the Impact team is so important: we will provide evidence as to our effects, so that we know what kind of a difference we're making in our clients' lives. We know that we aren't solving all the world's problems, but we do have some positive benefit for our clients, and that makes all our work worthwhile.

Impact Team Rather than just telling you all the good we're doing, the Impact team is attempting to concretely demonstrate our effects. We are engaged in an intensive review of the literature on impact assessment in order to determine the best methods for La Ceiba to use, which includes creating a theory of change. Through our research, we will be able to compare our impacts to those of other microfinance institutions, lending credibility to our results. We're laying the foundations for eventually being able to really demonstrate the impacts of what La Ceiba does.



New to the Club

By Becca Presor

Growing up in a middle class family, I learned about poverty and the conditions that people live in around the world. However, there is a difference between knowing about something and truly experiencing what it is like to be impoverished. To me there has always been an intriguing mystery surrounding developmental issues. As a new member of the impact team, I am researching to set up and effectively plan a comprehensive impact analysis. Through this I am able to dive into the society and culture of our clients to get a better appreciation of their lives and the struggles they face. Having a better understanding will help me to conduct myself in a way that is good for the society. I will be able to use what I learn from my experience with La Ceiba to help promote development throughout the world.

Beyond getting a better understanding of the world outside of the US and middle class life, I hope to help progress La Ceiba and to continue the work being done in Honduras. Our MFI is not a project that is set up for a summer and then is gone. The organization is set up to last for a long time so that it will have a greater impact. By being in one place, we can learn the social norms and the culture so that we can work with the society to help the poor to grow economically. I have already learned so much from what others in this class have discovered. I will continue to apply this knowledge to the program so that it continues to be a success and a tool for poverty elimination.

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We're on the Web!

<http://laceibamfi.org/>

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