

# RFI

## Bimonthly Bulletin



**USAID**  
FROM THE AMERICAN PEOPLE

JANUARY-FEBRUARY  
**2021**



¡Muy pronto  
la digitalización  
**LLEGARÁ  
A TODAS PARTES!**  
para hacer realidad los proyectos  
de muchos colombianos.

Cambiando Contigo

*Nubia accessed a digital loan to improve her house and buy farm animals*

### Banco de Bogotá Boosts Entrepreneurs with a New Online Loan

In February, Banco de Bogotá held an online press event to launch its new 100% digital loan for microbusiness owners and entrepreneurs. **100% digital** means that loan application, origination, and disbursements can be done electronically, improving accessibility and reducing transaction time and cost for bank and customer alike. The product is supported by **USAID** through **RFI** and seeks to serve small businesses by helping them access credit to improve their growth and evolution.

This new product has enabled the bank to reach customers in **360 Colombian municipalities**, with potential to expand nation-wide, and it allows customers to access micro-loans between **COP \$800,000 (US\$228)** and **COP \$35,000,000 (US\$10,000)**. The bank offers preferential interest rates for these loans, to encourage entrepreneurial activity. The lines of credit for this product include *Crediprogreso* for commercial, manufacturing and service sectors; *Creddiagro* for agricultural businesses; and sale of loan portfolio so customers can centralize their loans in one place. In addition, clients can access insurance products to protect them in the event of missing work due to illness.

Jennifer Tikka, USAID Colombia's director of economic development, highlighted the joint work of the bank and USAID: "We support the bank in their digitalization of this microfinance product to easily and quickly reach rural small entrepreneurs and meet their needs."

The product is available and one can access it on a cellphone just by submitting an identification document and a few requirements.

## Financial Education Changes Lives



Jesús Alberto Mosquera, a Venezuelan migrant living in Colombia, completed the RFI-designed Online Financial Education program.

The United States Agency for International Development (**USAID**), through its Rural Finance Initiative (**RFI**), and Cuso International celebrated the graduation of the first cohort of **26 entrepreneurs**, made up of Venezuelan migrants and Colombian returnees, who completed the RFI-designed Online Financial Education program. This is a first step for migrant population towards financial inclusion, since financial education allows people to make informed decisions, assess financial risk and opportunities, and participate in the economy to improve their livelihoods.

The program has six modules: savings, budget, credit, digital access, digital environment and the Colombian financial system. Each module uses videos and information to help participants solve finance-related inquiries and build knowledge. This is accompanied by a Whatsapp group with a live facilitator, in which participants can ask questions and expand on the topics they covered in class.

Participants received their diploma at their home address, and during the virtual graduation ceremony, they shared their stories and the benefits they have gained through the course. For instance, Javier Ávila, a Colombian returnee, said the program had helped him have greater control over his finances, understand how much he is earning and spending, and have better control over his business. Johana Tovar highlighted the fact that “loan sharks are not an option. When we know how to study our finances, we can make things work.”

# Expanding coverage and getting closer to customers to promote financial inclusion

**ALIADOS CREZCAMOS** (Crecamos Allies) are banking correspondents that enable Crecamos to reach territories where there are no branch offices and offer formal financial services to clients in those areas. Other than cash-in / cash-out operations, ALIADOS CREZCAMOS offer a loan for emergencies called **Chan con Chan**. This loan seeks to solve the financial emergencies of small business owners. To award the loan, the bank conducts risk analysis of the potential customer over the phone on the spot. This allows the person to resolve their emergency by going to an ALIADO CREZCAMOS located in local storefronts, which disburse the loan based on the bank's risk assessment. Some of the most prominent ALIADOS include correspondents in Valledupar, Bucaramanga and Floridablanca, which have served **155 clients served** with **71 disbursed**.

**52** Correspondents opened



18 RFI municipalities

Coverage

**18** municipalities

Pueblo Bello, Los Palmitos, La paz, Carmen de Bolívar, Ovejas, Manaure, San Jacinto, Chinu, Maria la Baja, San Onofre, Carmen de Bolívar, San Juan Nepomuceno, Valledupar, Santa Marta, Ciénaga Cartagena, Bucaramanga, Floridablanca

Customers served



**223**

120 of which are Venezuelan migrants

Disbursed **Chan con Chan** loans



**101**

22 for Venezuelan migrants

Disbursed amount through **Chan con Chan** loans



**\$24,795,000** (US\$7,084)

Limits for **Chan con Chan** loans



**\$100,000 - \$500,000**  
(US\$28.57 - 142.86)

Time limit to repay a **Chan con Chan** loan



**60 days**

Frequency to repay a **Chan con Chan** loan

**weekly  
biweekly  
monthly**

CREZCAMOS ALLIES

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