



PARTNERING FOR ECONOMIC EMPOWERMENT AND RENEWAL – TRANSFORMING LIVES



## Quarterly News

First Quarter 2019

YOUR IMPACT

# Record Investment in the Poor

The generosity of our donors allowed us to do something in 2018 that we have never been able to do before – make grants of over \$360,000 to empower the materially poor! We are SO grateful to you and the entire global PEER Servants community for the role you played in this. It was a great year for allowing many more of the materially poor to experience the kingdom “on earth as it is in heaven.”

### \$260k+ in Base Grants

The majority of the grants we make to our ten global partners are Base Grants – funds that go to help the organization have greater impact in fulfilling their mission. Most of our global partners cover their own operating costs through their operating revenue (the interest and fees they charge on the micro-loans), so very little of our microfinance program grants go to cover their daily running costs. Our grants go in large part to loan capital to allow the partners to reach more clients, capital expenditures to allow them to operate more efficiently, networking costs to allow them to learn from each other, and staff training costs to enable the staff to have greater impact.

PEER Servants grants are not limited to just microfinance programs – our global partners are involved in education and youth empowerment programs as well. The South Sudanese women pictured above were able to get vocational training in 2018 as a result of the Base Grant made to Joint Effort for Development, our South Sudanese partner. Tribal children in the Philippines were able to receive a topnotch Christ-centered, culturally-based education through our partnership with The Center for

Community Transformation. Potter’s House, our Guatemalan partner, was able to start a Business School for Youth. Young people in Uganda, Zambia, and Burundi who are promising servant leaders received scholarships to attend university that their parents could otherwise not afford. Every effort was made to invest these grants in programs that will have attractive kingdom returns in the years ahead.

### \$100k in Special Project Grants

In addition to the Base Grants, PEER Servants made \$100,000 in Special Project Grants to a select group of our global partners. These grants go to specific projects that will allow our partners to expand their reach for the kingdom.

Our 2018 Special Project Grants allowed our Indian partner to extend their microfinance services to another station on the Indian Railway, enabled our Peruvian partner to expand their savings program to more indigenous women in the Andes, and launched a client lead generation program to support our Ugandan partner’s expansion. The Grants also allowed our Burundian partner to purchase (rather than rent) a new branch office, our Moldovan partner to get a much-needed new management information system, and young people from around the world to receive scholarships to attend AKT 2, the second global gathering of PEER Teens held in northern Uganda.

**Thank you so much for your generosity that helped make these 2018 Base and Special Project Grants possible.** Please join us in praying that God will multiply them many times over to allow as many people as possible to experience more of His kingdom in the year to come.

### Celebrating 25+ Years of Partnership!

**How we thank God for 25+ amazing years of extending more of the kingdom of heaven to earth!** Through your prayers and financial support, God is at work enabling tens of thousands of the materially poor and non-poor to experience economic, social, and spiritual transformation. Thank you!

If you would like to send a tax-deductible donation to PEER Servants, you can direct 100% of your gift to any of our Microfinance Partner Funds. See the back side of the newsletter for contact info. Thank you for your generosity. **God bless you!**

Todd G. Engelsen  
President



### March 16: Free Concert/Reception

Please join us for a fantastic (free!) evening of global music, inspiring stories, delicious desserts, and an opportunity to learn more about PEER Servants. Saturday, March 16, 6:30-8:30 pm at Grace Chapel in Wilmington (128 West Street).

## WHAT TRANSFORMATION LOOKS LIKE

**Guatemalan Business School**

There are many young people around the world who either cannot complete their education or cannot find good jobs once they do complete their education. Potter's House, PEER Servants' Guatemalan partner, saw this. They started a Business School for Youth in Chiquimula. Young people are learning to create jobs by starting and growing their own successful businesses.

**20 Years of Partnership in Moldova**

We celebrated 20 years of partnership with Invest Credit, our Moldovan partner, at the end of 2018. Invest Credit is PEER Servants' longest existing partner. God has used them to be a great blessing to the Moldovan people, preventing parents from feeling they have to leave the country to be able to support their families. Invest Credit has invested over \$20 million in the Moldovan materially poor and witnessed exciting economic, social, and spiritual transformation in their country.

## THE VALUE OF VOLUNTEERS



PEER Servants volunteer Nancy Paredes married into a Peruvian family. Her love for the Peruvian people didn't stop there. She is working with the poor indigenous women served by Kallarischichis, our Peruvian partner, to teach them card quilling. The cards they make are stunningly beautiful. Nancy distributes them to Boston-area stores for the women to increase their incomes.

## FOR MORE INFORMATION

**We'd love to hear from you!**

Web: <https://www.peerservants.org>

E-Mail: [info@peerservants.org](mailto:info@peerservants.org)

Mail: PO Box 258, Woburn, MA 01801

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*This mosquito "curtain" could be a lifesaver in West Bengal, India given the very high incidence of dengue fever. The Christian Service Society, PEER Servants' Indian partner, distributed these curtains throughout the area. Read below to find out where they got the funding.*

## From Beneficiary to Client to Partner

Microfinance offers the potential for significant transformation in the lives of the materially poor. The transformation starts with the dream of the micro-entrepreneur – often an aspiration they have had for many years but they just haven't had the means to pursue and achieve it. The transformation can ultimately result in the micro-entrepreneur not only fulfilling their own dream, but partnering with our global partner to help fulfill the dreams of others.

**Starting Point: Beneficiary**

The relationship of the micro-entrepreneur to PEER Servants' global partner starts with what may best be described as a "beneficiary". The initial size of the micro-loan may be \$100 or less, and the interest and fees on such a small micro-loan may not offset the expenses of the global partner in serving that micro-entrepreneur. The global partner offers additional training and encouragement to these micro-entrepreneurs so that they can increase their debt capacity, qualify for larger loans, grow their businesses, and provide for their families.

**Mid Point: Client**

As the global partner invests more and more in the transformation of the micro-entrepreneur, the relationship transitions from being a "beneficiary" to being a "client". As a client, the micro-entrepreneur is eventually able to qualify for larger micro-loans and pay interest and fees that more than cover the expenses of the global partner in serving them. It is vital that the global partner serves them well, because now they are paying a premium for the service they are receiving. The transformation of the micro-entrepreneur and the sustainability of the global partner go hand-in-hand. Eventually, the local micro-entrepreneurs become the largest revenue source for the global partner.

**End Point: Partner**

Eventually, many entrepreneurs resonate with the mission of PEER Servants' global partner and join them as a "partner" in helping fulfill their mission. We see this in our trips to our global partners, and this contributes to community transformation.

One example – dengue fever is endemic in West Bengal, India (see picture above). People die from it. Our Indian partner, Christian Service Society (CSS) didn't turn to a foreign donor to respond – they turned to their clients. Because CSS operated very efficiently, the interest income from the clients more than covered CSS's operating expenses. That provided CSS a surplus which CSS used to purchase the mosquito curtains that they distributed to the communities. Who helped stop the detrimental impact of dengue fever? The CSS micro-entrepreneurs, who started as beneficiaries, soon became clients, and eventually became partners.

Virtually every PEER Servants global partner has witnessed similar transformation. CCT in the Philippines started as a microfinance organization but now has over fifteen different programs extending the kingdom to the poorest of the poor with much of the funding coming from their local micro-entrepreneur "partners" whom CCT has served for years. Hope Fund Burundi (HFB) serves many micro-entrepreneurs who started as beneficiaries saving a dollar or two each week, eventually became clients using micro-loans to build their businesses, and are now HFB shareholders and "partners" providing capital that is allowing the organization to serve more people in one of the world's materially poorest countries.

Beneficiary to client to partner. It's a powerful transformation model. It's extending more of the kingdom "on earth as it is in heaven."