



Financial Cooperatives: Driving Economic Revitalization through Financial Inclusion and Climate Resiliency in Puerto Rico

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We believe that true financial inclusion and empowerment is a fundamental right. We dedicate ourselves to closing the gaps and removing barriers in financial opportunities for distressed and underserved communities by providing capital, making connections and building capacity, developing innovative products and services for CDCUs and working to transform local progress into lasting change at the national level.

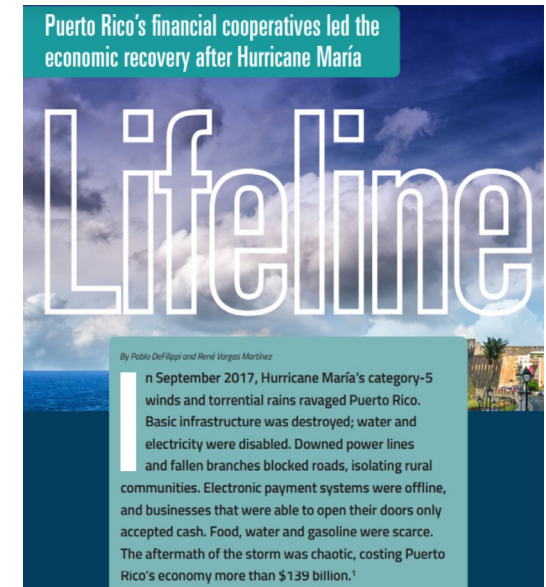
- As a national CDFI intermediary, Inclusiv has deployed \$180 million in investments into underserved communities since 1974.
 - Inclusiv members serve over ten million residents of low-income urban, rural and reservation-based communities across the US and hold over \$112 billion in community-controlled assets.
 - Founded in 1974, Inclusiv is headquartered in New York, NY, with offices in Madison, WI and Atlanta, GA.
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The need: Low-income and rural communities face tremendous barriers to access banking services and safe and affordable credit.

The solution: Financial cooperatives promote financial inclusion through affordable banking services and access to credit in underserved communities.

- Puerto Rico's financial cooperative system is comprised of 113 cooperatives with **\$8.7B** in community controlled assets, **1 million member owners** and a **\$5.1B** loan portfolio.
- In the aftermath of Hurricane María, financial cooperatives were up and running just 48 hours after the storm, serving as the sole financial institutions for 17 of 78 municipalities in the island.
- Financial coops are vital engines of economic growth. In 2018, they distributed **\$73** million in dividends to their member-owners and invested **\$2.5M** in education for their communities.

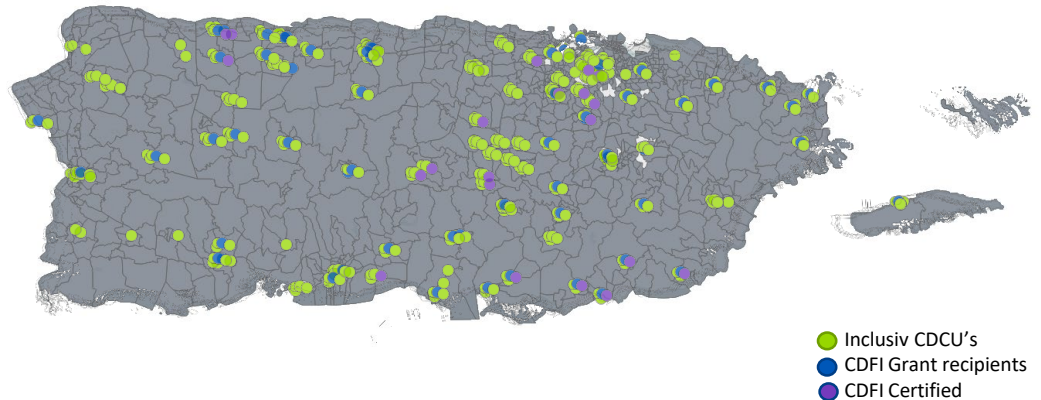


/ inclusiv / Puerto Rico CDFI Initiative

For the last two years, Inclusiv has worked to strengthen Puerto Rico's network of financial cooperatives to support the economic revitalization of vulnerable communities and help them prepare for future disasters.

Our Impact to date:

- 8 CDFI certified financial cooperatives
- 22 CDFI awards
- 3.6 Million in CDFI Grants



Presence:

- 3 On the ground CDFI convenings
- 5 Capacity building webinars
- 18 National and local partners

Our Network:

- 39 Financial cooperatives
- 632,0000 members
- \$5.3 Billion in combined assets



With your support, Inclusiv expects the CDFI Initiative to achieve the following outcomes in 2020 and beyond:

Outcomes

Impact



20

Cooperatives prepare high impact CDFI grant applications



3.5M

In CDFI grant awards to implement training, emergency contingency plans, and technology upgrades



10

Financial cooperatives launch Pathways to Financial Empowerment financial counseling



1,000

Improve the financial health of up to 1,000 low-income people annually



5M

First ever fund to promote high impact lending through financial coops



50M

New high impact resiliency lending through financial coops



The ask: Inclusiv requests a \$750,000 grant and is seeking to create a \$5 million Fund to:



Provide training and technical support for up to 20 financial cooperativas to submit technical assistance applications to the CDFI Fund. This could result in a potential investment of **\$2.5 million** in the cooperative system and the communities it serves.



Expand financial counseling to low income communities - Establish an integrated financial counseling model by bringing the Pathways to Financial Empowerment program to the island and training 10 cooperatives serving roughly 90,000 people.



Create the Puerto Rico Opportunity and Resiliency Fund - Explore feasibility and design of an off-balance sheet conduit to connect financial cooperativas to capital to catalyze their community impact and growth. We initially expect to channel \$5 million in investments which could be leveraged 10 to 1 to for \$50 million in affordable lending to underserved communities.
