

Executive Summary

Fundo de Crédito Comunitário (“FCC”, “we” and the “institution”) has put this document together to provide insight into its current funding status. We hope that this document will provide a starting point for focused, regular dialogue between FCC, WR Moz, and WR HQ as FCC strives to manage the rapid growth of the institution.

- ◆ FCC is growing
 - (51% increase)
 - This growth in portfolio has been driven by the increase in the number of active clients over the same period from 7,196 to 9,428 (31% increase)
 - operational sustainability above 50% (figure will become clearer as financial statements are firmed up)

- ◆ Funds from primary donors is coming to an end
 - USAID funding comes to an end in September 2003
 - The last funds from UNCDF were provided in December 2001

- ◆ FCC is actively pursuing additional donor funding
 - Future multi - lateral and bi - lateral donor funding is becoming very difficult to obtain
 - Attempts to attain additional funds this fiscal year have proved unfruitful
 - Although nothing is guaranteed, there are many opportunities in the pipeline which will hopefully begin to provide funding by the beginning of the next fiscal year
 - FCC is actively pursuing loan funds (both grants and loans) with a focus being placed on local sources of funds

- ◆ Until FCC is able to tap into additional funding sources, FCC will need to use cash from client savings to maintain the continued growth of its operations