

Bridge Book

EIP PROJECT STUDY TOUR PERU



World Council



WORLDWIDE FOUNDATION
for CREDIT UNIONS



TABLE OF CONTENTS

Our Journey	3
Peru background	4
Before you go,.....	5
• Travel information	
• Safety Plan	
Study Tour Agenda: Lima Peru	9
May 6th Virtual meeting: Peru Study Tour & Credit Union system overview	
May 16th Virtual meeting: EIP Project Overview	
Day 1: Wednesday June 5th	
• Financiera Confianza	
• Caja Arequipa	
• Union Venezonala	
• FENACREP	
Day 2: Thursday, June 6th	
• Banks Superintendency	
• Migrations Superintendency	
• Study Tour briefing.	
Day 3: Friday, June 7th	
• Lima, City Center	
• Huaca Pucllana – Lunch & Archeological Site	
Delegation	12
Peru Engagement Report	13

OUR JOURNEY



AT A GLANCE

348 Credit Unions

2,192,615 Members

9.8% Penetration Rate

\$3,366,860,301 in Assets (USD)

Credit Union System
Overview



SCAN ME

Country
Regulator



SCAN ME

Peruvian Federation
History



SCAN ME

Peru

Country Background

Peru is bounded by the Pacific Ocean to the west, Ecuador and Colombia to the north, Brazil and Bolivia to the east and Bolivia and Chile to the south. The country is divided into three main regions: the coastal region, the Highlands and the Amazonian jungle. The country is administratively divided into twenty-five departments. Major cities include the capital Lima, as well as Arequipa, Callao, Trujillo and Cusco.

Peru has sub-tropical type of climate. Summer is from December to April, when temperatures rise above 86°; Lima is sunny and it seldom rains. During the winter season, from May to November, Lima is cloudy. At its coldest, Lima's temperatures drop to 57° In other places, particularly in the Andean highlands (including Cusco and Arequipa), temperatures at night can drop below zero.

Ancient Peru was the seat of several prominent Andean civilizations, most notably that of the Incas whose empire was captured by Spanish conquistadors in 1533. Peru declared its independence from Spain in 1821 and remaining Spanish forces were defeated in 1824. After a dozen years of military rule, Peru returned to democratic leadership in 1980.

Country Government

Government type: Presidential Republic

President: President Dina Ercilia Boluarte Zegarra (since 7 December 2022); first and second vice presidents (vacant). The president is both chief of state and head of government.

Capital: Lima

Population

Population: 32,440,172 (2023 est)

Ethnic Groups: Mestizo (mixed Amerindian and White) 60.2%, Amerindian 25.8%, White 5.9%, African descent 3.6%, other (includes Chinese and Japanese descent) 1.2%, unspecified 3.3% (2017 est.)

Languages: Spanish (Castilian) 82.9%, Quechua 13.6% (official), Aymara 1.6% (official), Ashaninka 0.3%. other native languages (includes a large number of minor Amazonian languages) 0.8%, other (includes foreign languages and sign language) 0.2%, non 0.1%, unspecified 0.7% (2017 est.)

Literacy

• Literacy age 15 and over can read and write. • School expectancy 15 years. • Total population: 94.5% (male 97%, female 92%)

Economy

Upper middle-income South American economy; hit hard by political instability and COVID-19 but rebounding quickly; second-largest cocaine producer; current account balance improving' persistent income inequality' diversified exporter.

Currency: Nuevo Sol (PEN).

Natural resources: copper, silver, gold, petroleum, timber, fish, iron ore, coal, phosphate, potash, hydropower, and natural gas.

Agricultural Products: sugar cane, potatoes, rice, plantains, milk, poultry, maize, cassava, oil palm fruit, grapes.

Industries: mining and refining of minerals; steel, metal fabrication; petroleum extraction and refining, natural gas and natural gas liquefaction; fishing and fish processing, cement, glass, textiles, clothing, food processing, beer, soft drinks, rubber, machinery, electrical machinery, chemicals, furniture

Remittances: 1.61% GDP (2021 est.)

Exports:

- \$66.098 billion (2021 est.)
- Partners: China 29%, United States 12%, Canada 5%, South Korea 5%, Switzerland 5% (2019)
- Commodities: copper, gold, refined petroleum, zinc, fishmeal, tropical fruits, lead, iron, molybdenum (2019)

Imports:

- \$58.611 billion (2021 est.)
- Partners: China 24%, United States 22%, Brazil 6% (2019)
- Commodities: refined & crude petroleum, cars, broadcasting equipment, delivery trucks (2019).

TRAVEL INFORMATION

Entry Requirements

- Valid U.S. passport: Ensure your passport has at least six months of remaining validity.
- Blank passport pages: You'll need one page available for the entry stamp.
- Tourist visa: US citizens can obtain a free tourist visa upon arrival at the port of entry.
- Vaccinations:
 - COVID-19 vaccination required for all travelers; no other vaccinations are required for entry.
 - COVID-19 Test: currently there are not testing requirements to enter the country.
- **Other Requirements:**
 - You can bring up to \$30,000 USD into Peru. If you are carrying more than \$10,000 USD, declare it upon entry.

Scan here for the
Peru Embassy



For any further assistance, you can
contact the **U.S. Embassy in Lima:**

Address: Avenida La Encalada cdra. 17 s/n Surco, Lima 33, Peru

Telephone: +(51) (1) 618-2000

Emergency: +(51) (1) 618-2000

Email: LimaACS@state.gov

Hotel Info

Hotel Swissotel Lima

(5 nights from June 3-7th, checking out Saturday the 8th)

Ave. Santo Toribio 173,

Via Central 150, Centro Empresarial Real,

San Isidro, Lima 27, Perú

Tel +51 1 421 9888

Check in time is at 15:00 & check out at 12:00 hours.

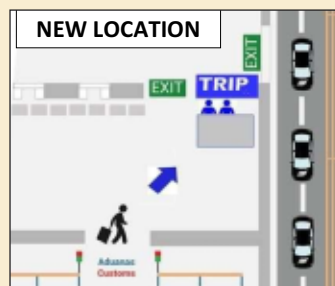
Breakfast (buffet style) included from 06:30-10:00 hours.

While the room is included in the Study Tour, we request that you leave a personal credit card for miscellaneous charges.

AIRPORT ARRIVAL & DEPARTURE

Airport Arrival Transportation: It is important to inform you that upon arrival, you **MUST APPROACH** our "TRIP" counter, located on the right side of the CUSTOMS exit. Our staff will be waiting for you to welcome you and guide you to your vehicle. **BELOW IS THE LOCATION OF OUR COUNTER:**

IMPORTANT: Due to Jorge Chavez International Airport policies, pallets and the publication of posters with the names of passengers and/or symbols inside the counter have been prohibited. Keep in mind that there will be no one with your name, so you should go directly to our counter.



- Cecilia Thoma, WOCCU/WFCU Engagement Director will meet you at the Swissotel at 8:00 on June 4th for breakfast at the lobby entrance.

Airport Departure Transportation: For Saturday, June 8th departures, the hotel will be providing transportation to the airport, leaving from the hotel lobby at 8:30 am.



SAFETY & PACKING PLAN

While we do not expect to have any issues, we want to be prepared in case the group experience any unexpected situations. We recommend you take the following steps to aid in this process:

- Obtain travel and medical insurance while traveling abroad,
- Enrolling in the STEP program from the Secretary of State department before leaving for Ecuador to receive safety and security information and receive assistance from the us in case of emergencies abroad.
- Purchase cellular coverage in Ecuador during the time of the Study Tour.
- Downloading a translation application if you do not speak the local language, some previously recommended; google translate.



Please find additional travel information to Peru in the following link:



WOCCU representative receive constant updates related to safety and security in Ecuador from the ISOS organization, which will assist WOCCU representatives in case of any emergencies while abroad. In addition, the group will be connected via a WhatsApp group including all participants to the Study Tour, and daily meeting locations will be provided in case the group gets separated.

Emergency Contacts

For any emergencies, please contact WOCCU representatives in the following order.

- Cecilia Thoma, at +1 919 475-9218 or cthoma@woccu.org,
- Oscar Guzman at +51 949 758-970
- Raul Mercado at +51 991 305-929

Local emergency numbers

Emergency: 011, 5114 or +51 1 618-2000

Ambulance: 131

National Police: 105

Red Cross: 115

Fire fighters: 116

Public Health Ministry known as ESSALUD: +51 958 466 954

American Embassy: +(51) (1) 618-2000

Hotel Evacuation Plans

See PDF's in your email package for evacuation details

Packing Considerations

We recommend business casual attire during our visit to the credit unions and other partners to the Economic Inclusion Project. In Peru business casual is means slacks and blazers but ties are not necessary. Take into consideration that average temperatures during this time of the year can drop to 57°, therefore it can get a bit cold.

A Packing List Traveling to Peru



Peru uses the same voltage as the US, but plug types A, and C, make sure you bring the appropriate adapter..

Temperatures: While average temperatures during this time of the year drop to 57°, the current forecast indicates a low of 64° with hot temperatures up to 79°.

Peruvian Cooperative Movement Background

It has been identified that the first Peruvian cooperatives emerged in the 19th century promoted by the labor movement, as well as artisan mutualism. The first cooperative demonstrations take place in the context of workers mutualist. The first cooperative demonstrations take place in the context of workers' mutualist and are influenced by Rochdali through Fernando Garrido. However, Cooperativism could not prosper due to the lack of capital, organization, union discipline and adequate political environment.

According to Confenacoop (National Confederation of Cooperatives of Peru), the first cooperative formed as such in Peru was a consumer cooperative, organized by the Confederacion de Artesanos Union Universal in 1866. The first cooperative proposal and manifestations that respond to European influence occurred in Peru from the second half of the last century, within the craft industry and the nascent labor movement, along with the mutual movement. These manifestations occurred isolation and without much significance until 1930. It was only in the 1930s that cooperativism was established in Peru with some effectiveness, under the influence of models from Europe and North America.

In later decades, from the year 1954, though the promotion of the Catholic Church, the true development of the Peruvian cooperative movement began, leading to an increase in the composition of first-degree cooperatives. In 1960, four types of cooperatives stood out: savings and credit, housing, consumption and agrarian in this order, the first one representing 50% of a total of 201 cooperatives.

Scan here for International Co-operative Alliance



In 1964, the General Law of Cooperatives (No. 15260) was issued, establishing a regulation that strengthened cooperatives' ability to conduct business and to formally associate. The Law established a tax protection regime and created the National Institute of Cooperatives (INCOOP), the only state entity in charge of the promotion and organization of cooperatives. Supervision of cooperatives transferred during 1978 to the Ministry of Labor, under the normative and executive functions of the General Directorate of Cooperatives, and the General Law of Cooperatives was modified in 1981.

In 1992 the Peruvian State dissolved the INCOOP and instructed that all supervision of Savings and Credit Cooperatives be transferred to the Superintendent of Banking and Insurance (SBS) via the Federation of Savings and Credit Cooperatives of Peru (FENACREP).

The control and supervision of other cooperatives was assigned to the National Supervisory Commission of Companies and Values (CONASEV), known today as the Superintendence of Market Values.

During 2018 as a result of the growing need for stricter supervision, Law No. 30822 modifies the General Law regarding financial and insurance systems, as well as the organic law of the Superintendent of Banking and Insurance (SBS), and other associated norms that governed the regulation and supervision of COPACs (Cooperativas de Ahorro y Credito/Savings and Credit Cooperative). Through authorizing a list of previously prohibited activities – such as the issuance of credit and debit cards – this new law seeks to guarantee proper supervision and ensure the solvency and sustainability of savings and credit cooperatives. Also transfers the supervision and regulation of COPACs to the newly created Deputy Superintendent of Cooperatives.

Cooperatives are important drivers of economic growth and employment in Peru, generating a good amount of new formal jobs (17,000 in 2016). Savings and credit cooperatives (known as COOPACs) have evolved separately from non-financial cooperatives. COOPACs are critical to supplying financial services, with the social mission of addressing the lack of financial tools for medium-and low-income households in urban and rural Peru, but with the majority of them present in urban areas. COOPACs account for 2.2% of the entire Peruvian financial system's direct lending as well as 20.2% of the credits of all non-banking institutions.

Scan here for Cooperative Context in Peru



The CONFENACCOOP was founded in 1973, by mandate of the Law 15260, General Law of Cooperatives. Currently CONFENACCOOP is formed by five apex organizations: FENACREP, SERVIPERU (Union of Cooperative Services), COCLA, FENACOFEM and CAJA Central. CONFENACCOOP has struggled to integrate the Peruvian cooperative movement, as result only 26% of cooperatives have association with one of the apex organizations.



FENACREP

On April 10, 1959, FENACREP (Federación Nacional de Cooperativas de Ahorro y Crédito) was founded by Father Daniel McLellan from the Maryknoll order in Canada, with thirteen (13) affiliated credit unions.

Currently there are 348 credit unions, known as COOPAC's), from which sixty-eight are affiliated to FENACREP. Its important to mentioned that the sixty-eight affiliated COOPAC's represent about 78% of the credit union system in Peru. The remaining 22% are independent credit unions, as there is not required to

do so. Few of the cooperatives focus in Rural Areas, making the need of financial inclusion more acute outside the cities.

Regarding the road to regulated credit unions have been long in Peru and FENACREP has been in the forefront of the fight to set up fair regulation for credit unions in the country, even after the supervision assigned to the SBS in 2018.

Scan here for FENACREP



Statistics



348
CREDIT UNIONS



2,192,615
MEMBERS



PENETRATION
Rate **9.8%**



Assets (USD)
\$3,366,860,301
MILLION



EIP Study Tour in Peru Agenda



Virtual Monday, May 6, 2024

ACTIVITY

Peru & Ecuador Credit Union System overview webinar.

THEME

Peruvian and Ecuadorian credit union sector and structure background.

GOAL

General information about the credit union system in those countries.

Virtual Thursday, May 16, 2024

ACTIVITY

EIP Project Overview

THEME

Program implemented routes:
Economic inclusion for youth, gender base violence, digital credit, financial education, and innovation.

GOAL

Give context to participants regarding the different routes implemented to integrate migrants to their host country.

Lima, Peru Wednesday, June 5, 2024

ACTIVITY 1

Visit to Financiera Confianza & field work.



THEME

Digitalization and innovation

GOAL

Learn about member service experience in caring for the migrant population and its digital transformation process.

ACTIVITY 2

Visit to Caja Arequipa



THEME

Digitalization – virtual wallet and service to the migrant population.

GOAL

Learn the digitalization process to serve the migrant population of Caja Arequipa..

Lima, Peru
Wednesday, June 5, 2024 cont.

ACTIVITY 3

Visit to Migratory Organizations, including Union Venezolana.



THEME

Scope of Membership, DEI

GOAL

Explore Peru's migration adaptation strategies, and the migrant characteristics.

ACTIVITY 1

FENACREP



THEME

Credit Unions history in Peru, Federation member services, as well as technical assistance and training programs.

GOAL

FENACREP federation.



Lima, Peru
Thursday, June 6, 2024

ACTIVITY 1

Visit to the Superintendence of Banking and Insurance and the Pension Fund Administration (AFP), as well as the Deputy superintendent of Cooperatives in Peru.



THEME

Financial Inclusion

GOAL

EIP work in collaboration with governmental entities to reduce financial inclusion gaps and regulation of credit unions, and understanding of the Deputy Superintendent strategy to strengthen COOPACs in Peru.

ACTIVITY 2

Superintendence of Migration



THEME

Scope of Membership - Country Update on Current Migration Situation and Challenges

GOAL

Show case EIP inter-institutional work with the Superintendence to reduce financial inclusion gaps.

DAILY ITINERARY

6:30-8:00	Restaurant Swissotel	Breakfast
8:00	Swissotel lobby	Departure from Hotel Lobby
09:00 - 10:30	Financial Center	Financiera Confianza meeting
10:30	Financial Center lobby	Departure to Caja Arequipa
11:30 - 13:00	Financial Center	Caja Arequipa meeting
13:00 - 15:00	Restaurant TBD	Lunch & transportation
15:00 - 17:00	Union Venezolana offices	Union Venezolana meeting
10:00-12:00	FENACREP Offices	FENACREP meeting

DAILY ITINERARY

6:30-8:00	Restaurant Swissotel	Breakfast
8:00	Lobby Swissotel	Departure from Hotel Lobby
09:00 - 11:30	Superintendencia de Banca offices	Superintendencia de Banca
12:00-14:00	Restaurant TBD	Lunch & transportation
14:30-15:00	WOCCU offices	Study Tour Briefing
15:00-17:00	WOCCU offices	Superintendencia de Migraciones



Lima, Peru
Friday, June 7, 2024

— Cultural Site Spotlights —

Lima City Center



Huaca Pucllana Restaurant with Archeologic Center



DAILY ITINERARY		
6:30-9:00	Restaurant Swissotel	Breakfast
9:00-10:00	Lobby Swissotel	Departure to city center
10:00-11:30	City center	City center tour
12:00-14:00	Huaca Pucllana	Lunch & archeologic site

Lima, Peru
Saturday, June 8, 2024

DAILY ITINERARY		
6:30-8:00	Restaurant Swissotel	Breakfast
9:30	Swissotel lobby	Departure to airport
12:15-14:35	Flight to Quito, Ecuador	
15:00	Airport	Departure to Sheraton, Quito



Delegation Roster



World Council



Cecilia Thoma
Engagement Director



Oscar Guzman
Chief of Party
WOCCU/USAID Economic
Inclusion Project



Jorge Herrera
Financial Inclusion Coordinator
EIP Project in Peru



Raul Mercado
Financial Inclusion Specialist
EIP Project in Peru



Rob Jones Jr
VACU Board Member



**Lic. Manuel Rabines
Ripalda**
President of FENACREP



Paulo Tarazona
Senior Consultant of
FENACREP

EIP FINANCIAL PARTNERS



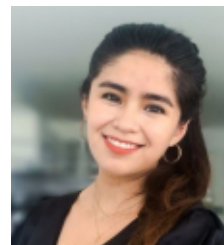
Claudia Sanchez
Chief Sustainability
Officer



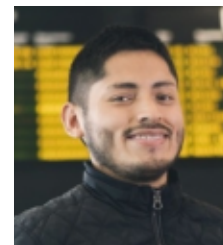
Gloria Paola
Sustainability Analyst



Yuri Dolorier



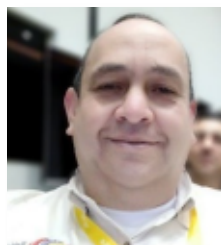
Alejandra Arenas
Head of Sustainability



Michael Calderon
Sustainability Analyst



Juan Carlos Chong
Head of the Financial
Education and Inclusion
Department



Oscar Perez
Director



Ligia Barreto
Livelihood Coordinator



Kathya Vega
Director of the Migration
Policy Office

Peru Engagement Report

STUDY TOUR GOAL

Studying the Economic Inclusion Project that provides financial inclusion and entrepreneurial training to Venezuelan refugees and low-income citizens in Peru & Ecuador.

- **Understand the International Credit Union Movement:** Introduce or further learn more about the global credit union movement to identify potential solutions to common challenges faced by credit unions.
- **Support Migrant Integration:** Develop strategies to assist migrants in integrating into new societies or countries.
- **Build Strategic Relationships:** Establish long-lasting relationships at a strategic level to collaborate and find support for implementing identified solutions.
- **Serve Migrant Population:** Learn and identify strategies to better serve the migrant populations in the US. This includes finding sources of information and programs that can be leveraged for implementation.
- **Share Knowledge and Experience:** Share the Management Development program with the broader credit union movement and share experiences in supporting international associations/credit unions for the expansion of financial inclusion.
- **Support International Associations/Credit Unions:** Identify opportunities to support international associations/credit unions in their efforts to expand financial inclusion.



Peru Engagement Report cont.

FINANCIERA CONFIANZA VISIT



Financiera Confianza presentation

Financiera Confianza Memoria

Financiera Confianza Video

Financial inclusion to Migrant Population through digitalization and customized services.

Financiera Confianza, a subsidiary of the BBVA Microfinance Foundation, operates in four Latin and Central American countries: Ecuador, Colombia, Panama, Chile, and the Dominican Republic. Their mission is to serve vulnerable populations, including women, Indigenous people, and rural residents. Their strategic approach encompasses advocacy, value offerings, process optimization, technology utilization, and human resources. In partnership with community organizations, they identify these vulnerable populations through the EIP program. This program provides assistance to help individuals overcome psychological barriers and prepare them for economic stability.”

Communication strategies

- Internet page
- Social media use
- Financiera APP Confianza
- Banners
- Printed flyers
- Digital and printed brochure

Training:

- Microfinance Training School
- Staff training including, inclusion of migrant population, unconscious bias.

Service to Migrants

- Business, housing and education loans
- Checking and saving accounts
- Insurance
- Access through ATM, application, internet banking, remote agents.

Challenges:

1. Understanding client needs
 - a. Migrant identification: implement a system that aids in identifying the migrant population and provides information about their credit history. This is being developed in collaboration with RENEC.
 - b. Intersectional Identification: Identify “intersectional” individuals, i.e., those who have multiple types of vulnerabilities, such being both a women and migrant.
 - c. IT training: increase IT training for vulnerable populations to enable them to take advantage of the digital service channels.
2. Provide support to members to support the needs of their families and businesses,
3. Monitoring for the social impact or the credit union
4. Alliances – create alliances to leverage their impact.

Our strategy:

- Technology
- Communication
- Sensibilization of bias
- Increase non-financial services.
- Monitoring



Peru Engagement Report cont.

CAJA AREQUIPA VISIT



Caja Arequipa presentation

Caja Arequipa video

Financial inclusion through "Cajas Municipales" & Digitalization

Caja Arequipa, established in 1986 as a Municipal Fund, has been a key player in financial inclusion through its focus on micro-entrepreneurs. It boasts an sA rating in Microfinance, an A- in financial strength from Pacific Credit Rating (PCR), a B+ for associate support, and a gold level for customer protection management by MicroFinanza Rating.

The primary distinction between a municipal fund like Caja Arequipa and a credit cooperative lies in their origins. "Cajas Municipales" start with a modest public capital specifically designed to finance micro-entrepreneurs.

Caja Arequipa's mission is to spearhead sustainable financial inclusion for individuals and entrepreneurs throughout their life cycle. They aim to provide a comprehensive, agile, and personalized experience. Currently, they are aligned with the Sustainable Development Goals (SDGs) and have made significant strides in various areas:

- They have been recognized by MINAM for reducing their carbon footprint.

- They operate 24 branches that utilize clean and renewable energy.
- They have contributed to the protection of 37 forests in the Amazon region and have planted 1,100 trees.
- They provide financial education for vulnerable populations.
- They have made strides in inclusivity by offering customer service in Quechua and sign language over the internet.

In collaboration with EIP, Caja Arequipa is working to digitize their credit processes and establish connections with community institutions that support vulnerable individuals.

Their digital channels include online banking, the Caja Arequipa APP, ChatBotEVA for customer service, the Misti commercial team, ChatBot Cosmo for commercial customer service, and APP360 for their collaborators. This digital transformation is a testament to their commitment to accessibility and convenience for their customers.

Currently, their network consists of 214 offices, 2,553 service points comprised of ATMs or correspondent agents, 17,097 associated service points, and 23,180 payment points.



Peru Engagement Report cont.

FENACREP VISIT



FENACREP presentation

Financial Inclusion through strengthening credit unions capacity.

FENACREP, the National Federation of Savings and Credit Cooperatives, was established in 1959. It currently oversees 348 affiliated COPACS, accounting for 78% of all credit unions, with the remaining 22% operating independently. Notably, only a small number of these cooperatives serve rural areas.

Until 2018, FENACREP served as the supervisory body for credit unions. Today, it offers a range of services including:

1. **Seminars and specializations** to enhance the financial management of cooperatives (these are delivered both in-person and through virtual classrooms), such as:
 - Fundamentals of Cooperativism and Management
 - Strategic Management for Managers and Delegates
2. **Informational seminars** providing updates on new resolutions, laws, and more.
3. **Digital Services** for its members, including:
 - FENASIS – a Comprehensive Customer Service System offering virtual consultations, a financial monitor, a calendar of regulatory obligations, and a personal COOPAC portal.
 - TALENTORED – an employability platform.

FENACREP also collaborates on several international programs:

1. The USAID/WOCCU Economic Inclusion Program (EIP) – aimed at the financial inclusion and economic development of vulnerable populations.
2. The DGRV (German Confederation of Cooperatives) Comprehensive Risk Management (GIR) program – implementing a comprehensive management model covering credit, liquidity, and operational risk, along with a methodology for good cooperative governance.
3. The Water.org Water Credit initiative – enabling cooperative members to access water services.
4. The European Union's Proyecto Ventana Adelante – a green micro-entrepreneurship initiative that trains rural micro-entrepreneurs and provides them with credit management advice that is environmentally friendly.

Peru Engagement Report cont.

BANKS SUPERINTENDENCY VISIT



Superintendencia de Banca, Seguros y AFP presentation

SBS video

Financial Inclusion through advocacy, financial education, and digitalization.

The SBS, or Superintendencia de Banca, Seguros y Administradoras Privadas de Fondos de Pensiones, is a public institution in Peru. Its functional autonomy is recognized by the Political Constitution of Peru. The SBS is responsible for regulating all financial institutions, including commercial banks and investment banks, insurance companies, and pension fund administrators in Peru.

The Economic Inclusion Program (EIP) works with the Superintendence of Banking, Insurance, and AFPs (SBS), the Ministry of Education (MINEDI), the Stock Exchange Organization (MIDAGRI), and financial institutions to promote economic inclusion. This is achieved by reducing legal and regulatory gaps, providing economic resources, training entrepreneurs, strengthening digital services, linking citizen ID numbers, and rehabilitating credit programs.

In 1992, the Peruvian State dissolved the INCOOP and transferred all supervision of Savings and Credit Cooperatives to the SBS. However, the supervision lacked data, sanctioning power, and adequate member deposit funding.

In 2018, Law No. 30822 was enacted to enhance the supervision of Cooperatives of Savings and Credit (COPACs). The law's key aspects include:

1. Subjecting all COPACs to SBS supervision.
2. Creating the Deputy Superintendence of Cooperatives (SACOOP).
3. Mandating SBS registration.
4. Implementing a modular supervision scheme proportional to the credit union.
5. Establishing a Cooperative Deposit Insurance Fund.
 1. Funded by premiums paid by entities,
 2. Coverage based on the size of the COOPAC.
 3. Coverage calculated to cover 90% of savers.

Currently, there are 261 COPACs, holding an estimated \$346,813,000 (\$13,116,801,996 soles). These are grouped into four levels based on compliance monitoring, prudential supervision, and integrity. The SBS imposes actions based on an alert system that identifies potential problems, leading to restrictions and intensive supervision.

The future vision includes establishing cooperative principles as development rules, creating a single brand, supporting regional development, strengthening guilds, developing common services, and transferring FSDC to a private fund under risk-based management.



Peru Engagement Report cont.

MIGRATION SUPERINTENDENCY MEETING



Migration Superintendency presentation
Financial Inclusion Guide for Migrant Populations

FINANCIAL INCLUSION THROUGH ADVOCACY.

The “Superintendencia Nacional de Migraciones” is a public institution in Peru. It is attached to the Ministry of Interior and is responsible for the migration control of both national and foreign citizens. The study tour meeting with them discussed various aspects of migrant integration and protection. They referred to the 2017 decrees (01 and 02) that enhance the online consultation system and verify data duplication.

The national migration policy, consisting of five decrees, ensures human rights and promotes the integration of foreigners, including the procedures related to their assimilation into the country.

The migrant population, totaling 1,770,513, primarily consists of Venezuelans (80%), followed by Ecuadorians and Colombians. The demographic breakdown shows 52.8% men and 47.2% women, with a significant portion aged between 25 and 49 years. Notably, 56.3% of Venezuelans settle in Lima or Callao, and 33% have at least a university education.

Migrants can access the Banco de Crédito del Peru (BCP) application, Yape, which offers functionalities like money transfer, balance top-up, microcredit application, and cash withdrawal. Currently, this access is manual from credit union offices, with a digitization system for mass consultations under development.

The Economic Inclusion Program (EIP) collaborates on several initiatives:

- Financial Inclusion: Providing financial guidance to help financial institutions recognize and validate migrants’ identity documents. An update to the financial guidance is needed to continue providing access to migrants.
- Financial Inclusion Advisory Committee: An advisory committee addressing migrant issues, supported by migration authorities, but initiated by oversight.

- Employment: An employability guide linked to the financial guide facilitates migrant integration into the labor market. It informs companies about migrant workers, provides technical assistance, and helps employers identify documents and access information. The guide promotes good practices in business and gender inclusion.
- Data Validation Service: Supporting digital implementation as the superintendence prioritizes paperwork services and the validation of migrant information, concluding that migration authorities must validate the information.

Migrants contribute to the economy by increasing labor productivity, contributing \$139 million soles in taxes during 2020, and as consumers and taxpayers. Rapid migrant integration could increase the gross product by up to 4.5 points by 2030.

The challenges to be addressed include implementing appropriate and coordinated policies that mitigate negative effects and leverage opportunities and capitalizing on human capital and its contribution to the economy as consumers and workers.



Peru Engagement Report cont.

UNION VENEZOLANA VISIT



Union Venezolana YouTube in Spanish

Financial inclusion through collaboration with community institutions.

EIP helps financial partners to implement various methodologies, including financial education, financial Union Venezolana in Peru is a non-profit organization that aims to generate opportunities for the Venezuelan migrant population in Peru and lower income population in Peru. They implement programs and activities aimed at promoting the integration and inclusion of people. Their work includes:

- Providing financial education, employment, and entrepreneurial webinars, programs, and workshops,
- Assisting individuals in acquiring legal professional registration,
- Providing psychological support to migrants that subjects to gender violence.
- Advocacy

They are committed to turning difficulties into opportunities and making a difference in the lives of migrants.

The USAID/WOCCU Economic Inclusion Program (EIP) maintains a close collaboration with Union Venezolana. This partnership not only supports the expansion of their communication channels but also facilitates the transfer of methodologies related to employment, gender violence, entrepreneurship, and financial education. This collaborative effort is designed to benefit those who seek the support of the organization.

During our visit to Union Venezolana, we had the opportunity to tour their facilities and observe a team of dedicated professionals, including psychologists, warmly welcoming migrants seeking information. During their initial interview with Union Venezolana's staff, migrants are swiftly directed to the appropriate assistance that can cater to their individual needs.

We also had the chance to explore their communication strategies aimed at reaching out to Venezuelans migrating into the country. These strategies encompass various channels, including television, radio, and their website.

Finally, we had the enriching experience of meeting and hearing the testimonies of various professionals, including a doctor and an accountant. These individuals are beneficiaries who are now gainfully employed in their respective professions here in Peru. Additionally, we visited a showroom displaying a variety of products sold by Venezuelan businesses established as a result of these programs. The showcased products ranged from baked goods from local bakeries, crochet items, perfumes, hot/cold muscle relief bags, to services offered by makeup artists. It was truly inspiring to see the tangible results of these initiatives.



Participants Outcome Analysis cont.:

COLLATERAL AND TOOL DEVELOPED:



Presentations: English/Spanish



Additional Social Media videos and Interviews

FINAL OUTCOMES:

- 1. Credit History Establishment Support:** Participants of the Study Tour proposed the formation of a collateral fund to assist entrepreneurs lacking a credit history. This fund, continually replenished through capital investment, can be used as collateral for loans and as a safety net in case of loan defaults.
- 2. Financial Education for Spanish Speakers:** Three out of five credit unions expressed interest in implementing the Spanish financial education application, Yo Decido, in the US.
- 3. Fostering Connections:** The organization of networking events is proposed to facilitate ongoing discussions among Study Tour participants and hosts.
- 4. Process Sharing to Address Common Challenges:**
 - a. PEARLS Financial Monitoring and Planning Guide,
 - b. Financial Inclusion Guide for Migrant Population,
 - c. VyStar's Talent Management Development Program,
 - d. Informal contributions from US credit unions to enhance processes in Ecuador.





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