

**FEDECACES Corporation
EL Salvador Federation of Credit Union Associations**



Report

Aid to Credit Unions

Affected by Tropical Storm Ida

February 22, 2010

FEDECACES, LLC.
El Salvador, Central America
Report on Aid to Credit Unions Affected
by Tropical Storm Ida in November of 2009

Introduction

Once again our country, El Salvador, has been affected by a natural disaster. Just when we thought that winter (rainy season) had ended, unexpectedly strong storms lashed the entire country, with the greatest impacts felt in the east. The events took place during the week of November 2-7, 2009. Tropical storm "Ida" struck with the most intense rainfall on the night of Saturday, November 7, causing tremendous landslides to fall from the slopes of Chinchontepec Volcano, affecting nearly all of the towns and villages in the Department of San Vicente.

On Sunday, November 8, 2009, the Salvadorian people woke to tragic news of the damages caused by tropical storm Ida. While we were in our homes in the city dealing with the inconveniences caused by the storm, the news began showing the extent of the tragedy with scenes of seriously damaged areas rural families' homes, livestock and crops were destroyed in the areas affected, causing a significant loss of net worth for those families.

On Monday, November 9, 2009, government institutions and services carried out rescue operations throughout the affected areas.

Aid was utilized during the ***Emergency Phase*** and continued throughout the following ***Reconstruction Phase*** and ***Economic Recovery Phase***.

Role of FEDECACES and WOCCU

Employees and managers at FEDECACES formed a Solidarity Commission, which created initiatives to find aid for the credit unions affected. This began with an immediate call to deliver domestic aid during the ***Emergency Phase***. During this time, we became aware of the important work that WOCCU was promoting

internationally through its network of members in support of the people affected - specifically through donations from the Irish Credit Union League, San Mateo Credit Union, the Texas Credit Union League, FENACREP in Peru and the national federation in Poland, NCASCU. The domestic and international aid has been utilized in the *Reconstruction Phase* and the *Economic Recovery Phase*, both following the *Emergency Phase*.

The commission was organized in order to coordinate and monitor the most appropriate, fair and transparent identification of needs and delivery method for the aid received. The commission was formed voluntarily with the knowledge and consent of the FEDECACES board of directors. It was coordinated by corporate management which included the following members:

Héctor Córdova	-	CEO
Mirian Campos	-	Administration and Human Resources Manager
Guillermo Martínez	-	General Service Coordinator
Nery Zepeda	-	Legal Assistant
Fernando Rivera	-	Technical Coordinator of Credit Union Board
Luis A. Martínez	-	Accountant
Hugo Anaya	-	Loan Officer

Overall, a total of \$49,637.75 was received - 15% of which was donated locally and 85% was received from international credit union contributions.

Distribution of Aid

In summary, the aid received has been distributed in the following manner:

Emergency Phase: delivery of supplies worth \$2,701.53 which were received from FEDECACES Corporation staff, affiliated credit unions and Seguros Futuro.

Reconstruction Phase: Aid was utilized to rebuild homes for the 20 people affected by the disaster and who had not received any previous aid. They received purchase orders for construction materials including sheet metal, lumber, cement and bricks.

Economic Recovery Phase: \$46,936.22 was distributed in the form of purchase orders for seed and agricultural supplies in order to restore cultivation of 73 acres of corn and sorghum.

A total of \$49,637.75 was distributed.

Verification of Need

Two members from the commission personally traveled to the homes of the people affected by tropical storm Ida in order to confirm the damages to their homes and crops. Credit union leaders were present to witness the damages and everything was photo documented.

The following table displays the domestic and international contributions received as well as the way in which the aid was utilized by the population affected.

FEDECACES Corporation	
Summary of Contributions to the Solidarity Fund	
Contribution	Amount
FEDECACES Employees	\$ 1,124.00
Seguros Futuro Employees	\$ 350.00
Consultant Employees	\$ 205.00
Credit Unions: ACACEMIHA, ACACI, ACACCIBA, and ACACESPSA and Employees of ACODJAR	\$ 2,351.53
FEDECACES	\$ 2,248.00
Seguros Futuro	\$ 1,000.00
Others	\$ 10.00
Total of Funds Contributed Domestically	\$ 7,288.53
International Contribution from WOCCU Members	\$ 42,349.22
(Irish League, San Mateo Credit Union, Texas League, Peruvian Federation, Polish Association)	
Total Contributions	\$ 49,637.75

Summary of Contributions to the Solidarity Fund

Contribution	Amount	%
Contribution from FEDECACES	\$ 7,288.53	15%
Contribution from WOCCU Members	\$ 42,349.22	85%
Total Contribution	\$ 49,637.75	100%

As was previously noted, the aid was distributed in three phases. These are described below:

Amount Distributed by Phase

Phase	Amount
Emergency (distribution of supplies)	\$ 2,701.53
Reconstruction and Recovery (home construction materials and agricultural supplies for subsistence crops, corn and sorghum)	\$ 46,936.22
TOTAL	\$ 49,637.75

Aid Utilization

Emergency Phase

Distribution of supplies in the San Vicente area. This was carried out during the first few days following the storm and was performed by employees of the credit unions and Seguros Futuro in the areas affected.

Reconstruction Phase

Distribution of construction materials to rebuild the homes of 20 people affected by the storm and who had not previously received aid – of these beneficiaries, 10 are members of credit unions and 10 are members of agricultural cooperatives.

Recovery Phase

Distribution of agricultural supplies to cultivate 73 acres of corn and sorghum, benefitting 84 members of agricultural cooperatives.

The aid was distributed to the affected population through 11 cooperative organizations - both credit unions and agricultural cooperatives – thereby reaffirming the cooperative principles of social responsibility in providing aid directly to those affected by the storm.

The details of distribution by cooperative are noted below:

Details of Distribution by Cooperative

Members of the FEDECACES System of Financial Cooperatives			
Community	Credit Union	# beneficiaries	Total
Col. La Caridad, Barrio El Calvario, Colonia Puentes, Tepetitán - all in San Vicente	ACODJAR	7, housing and supplies	\$ 16,701.53
Canton El Mojón, San Martin; and Caserío San Felipe in San Pedro Masahuat	ACECENTA	2, housing	\$ 3,200.00
Aguilares	ACOPACC	1, housing	\$ 800.00
Total		10 beneficiaries, 10 housing	\$20,701.53
Rural Agricultural Cooperatives			
Community	Cooperative	# Beneficiaries	Total
San Pedro Masahuat, Cantón Las Hojas, Department of La Paz	Brisas Marinas Cooperative	36 beneficiaries, with 36 acres under cultivation	\$ 10,800.00
El Chingo, San Luis La Herradura, La Paz	El Chingo Cooperative	3 beneficiaries with 3 acres under cultivation	\$ 1,200.00
Sonsonate, San Pedro Perulapán	ACOPACION de R.L.	7 beneficiaries with 8 acres under cultivation	\$ 2,200.00
Sonsonate, Nahuizalco	ADESCO	11 beneficiaries with 8 acres and 2 homes	\$ 3,400.00
San Pedro Perulapán	AASPP de R.L.	11 beneficiaries with 7 acres and 2 homes	\$ 3,400.00
Cuscatlán	PERULAPANECA de R.L.	13 beneficiaries with 10 acres and 4 homes	\$ 4,800.00
Canton of Santa Isabel, Nahuizalco	GUACAMAYA de R.L.	2 beneficiaries with 1 acre and 1 home	\$ 700.00
San Marcos, Col. San Ignacio, S.S.	VIÑA REAL	1 beneficiary, 1 home	\$ 500.00
Total		84 beneficiaries with 73 acres and 10 homes	\$ 27,000.00
Solidarity Fund Contribution Total			\$ 49,637.75
Total Distributed in Areas Affected			\$ 47,701.53
Balance Pending for Distribution			\$ 1,936.22