

EXECUTIVE SUMMARY

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Highlights:

- During travels through SE Asia, Fiona met local people who had specific plans to go into business with what they were already good at and were only limited by lack of small amounts of capital. That led to her interest in micro-finance.
- Founders of Kiva found that discussing business with micro-entrepreneurs in developing areas built a personal bridge that got past other issues of poverty, politics, culture, etc.
- Micro-loans provide a way for these entrepreneurs to build a business to take care of themselves – and a chance for the lender to ‘sponsor a business’
- Kiva launched a beta site in 2005 starting with 7 entrepreneurs in Africa, and the idea started to spread virally among others who wanted to give
- Crowning achievement – Just recently launched a pilot micro-loan program in the U.S., was already operating in 44 developing countries
- Donations to Kiva are different, in that they’re repaid and recycled to help others
- “Character lending” looks at more factors than just numbers on a loan application
- Banks often won’t lend less than say \$50,000, so it’s hard for micro-entrepreneurs to get the smaller loans they need
- Culture at Kiva – a strong combination of belief in micro-finance + what technology means to people today. There’s a focus on trying new ideas and making them work, innovation, and using technology to be most efficient.
- Obstacles –
 - Lots of press opportunities has led to fast growth and inquiries, challenge to stay focused on priorities and handle the growth, hiring the right people
 - Keeping enough entrepreneurs pre-qualified & listed on the site (choosing a specific entrepreneur is the only way for a lender to make a loan)
- Kiva has grown exclusively through grass roots marketing and word of mouth, including getting connected to the Clinton Global Initiative & other major connections.
- Future vision – People respond to being connected, as well as alleviating poverty. Other possible ideas: Direct product purchases from the entrepreneurs, educational loans, medical loans, housing improvement loans. It will depend on what the community wants. Also reaching new countries & new partnerships with microfinance institutions.

Top 3 Takeaways:

- ALEX:**
1. Kiva is like an eBay for micro-finance.
 2. Smart Start Giving donors have funded 702 entrepreneurs in 16 months.

3. Paying back micro loans helps build good patterns in the borrowers
- FIONA:**
1. Business is like an international language that helps bridge cultural gaps.
 2. Innovative ideas can take some time for other people to grasp what you're trying to do.
 3. Kiva's long-term goal is that people all over the world can connect with each other to provide loans