



ACAF-Association for Self-funded Communities (SFCs)

Category of good practice: Community Saving, Community Microcredit.

Good Practice's title:

Winkomun: Microfinance goes social! A web-platform supporting the SFC's methodology.

Main objective:

1. Scaling-up and replicating the financing model (self-funded communities) with increased efficiency through an appropriate and personalized technology that will be an easy, useful and standardized tool.
2. Adopting an open-source philosophy for an informal model of SFCs targeting low and middle-income people who belong to a small community/network.
3. 2015-2017 European & US/Canada world expansion through open source.
4. Recruiting strategic partners both locally and globally to fund a unique and multicultural brand and create compelling conversations regarding the SFC model.

Key words:

E-learning application (APP), digital finance, NGO, community saving, self-funded communities

Type of organization	NGO
Country	Spain
Year of inception	2004
Services and products provided	Community Saving, Community Microcredit
Portfolio (€)	2.080.000, 00 €
Avg loan size (€)	400, 00 €
# of clients	1615 direct beneficiaries, 5.653 indirect beneficiaries.

www.winkomun.org

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**Institutional profile:**

Associació CAF, Comunitats Autofinançades (**ACAF**) is a non-profit organization founded in 2004, based in Barcelona, Spain. The organization fosters the creation and development of self-funded communities (SFCs). SFCs are based on an innovative group methodology born in Latin America in which the members are also stakeholders and beneficiaries of a fair return for their savings and investments. These self-sustainable local communities are led by the SCF owners and an elected Board of Directors. SCFs represent an innovative solution to satisfy economic, social and psychological needs in the context of the current European economic downturn.

Mission:

ACAF's mission is to promote the creation of self-funded communities (Comunidades Autofinanciadas). The simple methodology of SFCs has shown that communities of low-income people can finance themselves and create access to credit without any external help. **ACAF's** top priority is to expand this proven and efficient methodology throughout Spain and other European countries.

In 2013, **ACAF** launched www.winkomun.org, a free online platform meant to give anyone across the world access to **ACAF's** methodology. **Winkomun's** main purpose is to create a worldwide network of self-funded communities and give them the necessary support, including tools such as online tutorials, downloadable content and tools to manage group meetings. Moreover, **Winkomun** aims to create and strengthen relationships and support between the group promoters through online forums, blogs and messages posted on the platform.

Governance structure:

The organizational structure of **ACAF** includes a Board of Directors comprised of 5 members: President, Vice-President, Secretary, Treasurer and Vocal.

Good Practice

The Winkomun platform consists of an application (APP) of e-learning and e-finance, coupled with a technology platform designed to expand the SFC methodology to Europe, the United States and Canada.

The platform is explained on the website in four languages (English, Spanish, French and Catalan) <http://www.winkomun.org/en> enriched with videos, interviews, graphs and concise information. The material is available online to help visitors understand SFCs and encourage them to create their own SFC.

Users may have two different profiles:

1. **Starters:** these are people who want to create their own SFC. Starters must first register to access the 'social network' by using a free tool. Next, Starters create their profile in order to run their personal blog, share experiences and access information from other members of the Starters' network. They can also upload documents to the wiki-library and access the **Winkomun** reports and statistics which provide updated figures and information on the members of their SFC (e.g. internal rules, number of shares, meeting dates, activities, benefits, active loans, pending payments, balance, etc.).



2. Administrators: administrators are **ACAF** members and can access the information from each SFC registered on the platform. This feature allows **ACAF** to update indicators regarding the groups' functioning, which greatly facilitates **ACAF**'s follow-up and impact research.

Target group and accessibility:

ACAF's target segment consists of low-income people, both from migrant and non-migrant communities. The **Winkomun** platform is easily accessible: everything that individual starters or organizations need is available online, and social networks provide a forum where questions, problems or experiences can be shared with other starters and the **ACAF** team.

Innovativeness:

The **Winkomun** platform innovates by:

- Promoting the use of community (or internal) funds in order to provide services to the community, unlike most financing models for poorer communities that use external funds.
- Allowing low income – and even middle income – people to save or invest, and access small credits and small insurance policies, while also building stronger communities and generating revenue through the interest on the loans.
- Stimulating savings to a great extent: the first year, capital grew at an average of 350%.
- Measuring impact, through the analysis of tangible indicators (social capital, number of loans, amount, benefits, savings, etc.) and intangible indicators (questionnaires, interviews, surveys, etc.).

Relevance given the context:

ACAF is based in Barcelona (Spain). The SFCs and the methodology put forward by **ACAF** are highly relevant given the current socio-economic context of today: Spain is still struggling with the aftermath of the 2008-2009 financial crisis, as are other European and non-European countries.

Adaptability to other contexts:

ACAF works towards the expansion of the SFC methodology in other Spanish cities, countries throughout Europe and across the world. Since **ACAF**'s inception, 61 SFCs have been created in Europe. **SFCs** are present in 9 cities in Spain including Barcelona, Lleida, Girona, Santander, Valencia, Madrid, Zaragoza, Burgos and Las Palmas de Gran Canarias.

In Europe, **SFCs** can be found in Italy (3), Belgium (3), Portugal (3, since 2010), Hungary (2 since 2011) and the Netherlands (1 since 2011).

Globally, 50 countries are using a similar platform, totalling of 300,000 groups and 6,000,000 members.

Efficiency:

The **Winkomun** platform delivers the SFC methodology for free as an open source model. Therefore, fundraising from the users is not planned in the strategy. However, the website and the hosted platform are designed to become monetized in the future. Website monetization is the process of



converting the existing traffic on a particular site into revenue. **ACAF** is currently working on a business plan to achieve this goal.

The most popular ways of monetizing a website are done by implementing Pay per Click (PPC) and Cost per Impression (CPI/CPM) advertising. Another option is to become part of the peer programs and select the products and business types that better match the mission, interests and needs of the **SFC**'s members and starters. A third alternative is to explore other options such as the provision of paying services, e.g. specialized training, webinars, consultancy, etc.

Outcomes:

Officially launched in January 2013, the **Winkomun** platform is currently used by 52 groups (pre-existing and new ones), representing 550 members from 14 countries. Users are also very active on blogs and forums, exchanging ideas and sharing experiences as starters. **Winkomun** is also being adopted by other organizations working with **SFCs** or SFC-like methodologies, thereby contributing to the growth of the philosophy. The Community Enterprise Solutions (Guatemala and Haiti), ADRA, Réseau Financement Alternatif (Belgium), ACAF Italia, ACAF Portugal, ACAF Belgium, FACREVAS (Colombia) and AFEDES (Guatemala) are among these adopters. Some of these organizations are still pilot-testing the tool with a reduced number of groups while others are already rolling the methodology out at scale.

Sustainability:

SFCs are self-sustainable from the outset since they don't rely on external funds, charge only a few costs and offer high returns to their members.

Considering the monetization of **Winkomun**, **ACAF** needs to further develop the business plan, along with the communication and marketing strategy in order to raise the maximum amount of awareness about **SFCs** within their target market.

In practice:

Winkomun helps people to build local savings communities. People who, for several reasons, are interested in the methodology can decide to apply it to their surrounding communities. A good example is the case of Arianne (Spain): after several years working with microcredit, she discovered **Winkomun**. During the last three years, she has created 16 communities in Haiti, the Dominican Republic and Indonesia, where she currently lives. Another example is Abdoulaye Fall (Senegal): after working with the 'tontines' system in the Senegalese community of Barcelona, he got acquainted with **Winkomun** and created his own group in 2006. Since then, his interest for the **SFC** methodology hasn't stopped growing. He's become one of the most engaged starters, and extensively contributes to the replication of the methodology.

Further readings

<http://www.winkomun.org/>

<http://comunidadescaf.wordpress.com/2013/04/09/analisis-de-winkomun-el-futuro-de-las-caf/>

<http://www.emnconference.org/archives/conference/data/file/conference2012/ACAF.pdf>

<http://www.elblogsalmon.com/sectores/entidades-financieras-eticas-xi-caf-comunidades-autofinanciadas>