

2011 01 Levantando Chile Fund Update

The aftermath of the earthquake and tsunami in Chile had a tremendous impact on the quality of life of many Chileans who lost their income sources, particularly low-income farmers, fishermen and micro-entrepreneurs in the most affected areas. For them, the recovery of their workshops, stores and tools was vital.

Support received through the Levantando Chile Fund has allowed NESsT to partner with Red SURES (Southern Fair Trade Network) and to work with Relmu Witral in Tirúa and Trabajo para un Hermano in Concepción to support beneficiaries of these organizations resume their productive activities.



Support to Relmu Witral

Relmu Witral (“Rainbow Loom”) is a nonprofit organization which works closely with 150 local indigenous Lafkenche women, training them in preserving their ancestral skills as textile weavers and providing them with support in producing and commercializing their hand-woven products. After the earthquake, NESsT staff met with Relmu Witral to identify the organization’s needs for immediate and long-term recovery. Following is a list of needs identified and the support provided to date:

Needs Identified	Progress to Date
<p>Repair of the Relmu Witral Headquarters in downtown Tirúa:</p> <ul style="list-style-type: none"> Sales outlet for all weavers, and for most of them their main source of income. 	<ul style="list-style-type: none"> Relmu Witral headquarters in Tirúa repaired. Store sign installed, increasing the store’s visibility.
<p>Psychological support:</p> <ul style="list-style-type: none"> Shock from the earthquake and tsunami affected and discouraged women from resuming production activities. 	<ul style="list-style-type: none"> Visit to 18 groups of weavers that are part of Relmu Witral to provide emotional support. 150 women participated in five workshops led by DOMOS, a nonprofit organization specializing in gender and domestic violence contracted by NESsT to deliver the support. Women resumed production activities after participating in the workshops. Follow-up visit by DOMOS to evaluate workshops and to provide one-on-one support to women that had requested it.

<p>Business Support:</p> <ul style="list-style-type: none"> • Identify other fair trade sales outlets and promote the organization outside the region to maintain and increase monthly income. • Evaluate current business strategy. 	<ul style="list-style-type: none"> • Helped develop new cost and opportunity-cost structure and revised financial projections to strengthen business. • Established new contacts with fair trade stores and evaluated current channels to improve sales volume in relationship to new goals in financial projections. • Provided technical assistance on cost analysis and product profitability. • Provided financial support to develop website (to be launched in early 2011).
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Support to Trabajo para un Hermano

Trabajo Para un Hermano provides training and support for micro-entrepreneurs out of its office in Concepción, and also runs a fair trade store, Manos del Bio Bio, which sells products made by more than 50 artisans in this group. After the earthquake, NESsT staff met with Trabajo para un Hermano to identify the organization's needs for immediate and long-term recovery. Following is a list of needs identified and support provided to date:

Needs Identified	Progress to Date
<p>Workshop Repair and Raw Material Recovery</p> <ul style="list-style-type: none"> • Approximately 30% of workshops were damaged. Damage ranged from moderate to severe (total loss). • Tools were lost (chisels, saws, lathes, drills, sanders, jigs, etc.). 	<ul style="list-style-type: none"> • More than 50 artisans received financial support to replace or recover their workshops and equipment (each artisan received a grant of approximately USD\$500). • 100% of workshops recovered and activities resumed.
<p>Strengthen the Manos del Bio Bio commercial platform:</p> <ul style="list-style-type: none"> • Increase monthly average sales from USD\$3,000 to USD\$4200 in order to stabilize and maintain fixed costs. • Products ready to be sold were lost. Sales stopped for a month, which made it difficult to have funds to purchase raw materials to resume production. 	<ul style="list-style-type: none"> • Capital support to Manos de Bio Bio, which allowed them to duplicate their sales in May and June. • Design training for 8 artisan women, members of Manos del Bio Bio, to develop new products.

Additional Support

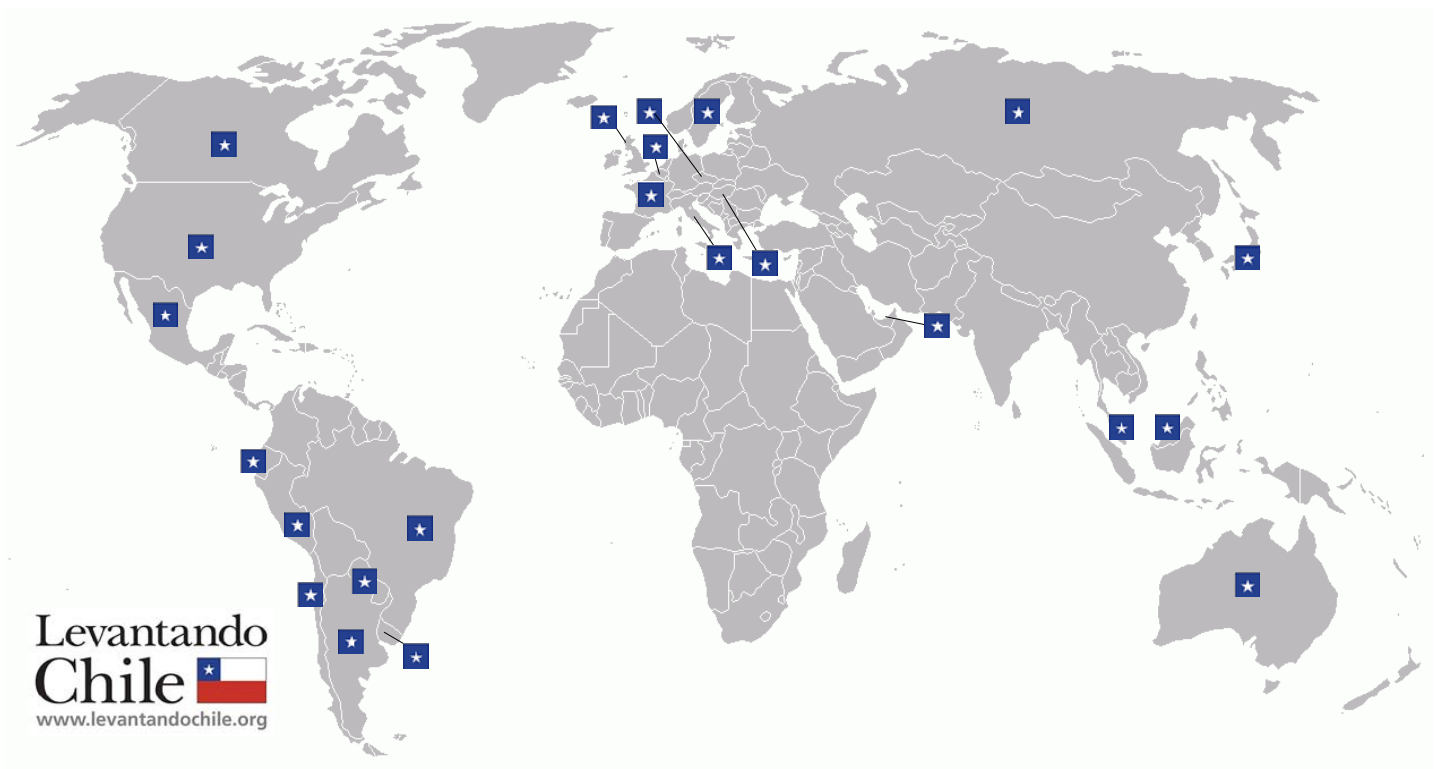
<p>Support to Red SURES and its member organizations:</p>	<ul style="list-style-type: none"> • Financial support to Red SURES for the design of a mini-catalog and web portal to showcase products from member organizations. • Training in basic concepts of pre-feasibility studies: including breakeven point and market analysis to 16 people from 5 member organizations of Red SURES, including, Cooperativa Ngen, Fundación Chol-Chol, Asociación Indígena Ñimi Kafe Pu Domo, Trabajo para un Hermano and Relmu Witrál.
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Through the Levantando Chile Fund, NESsT plans to continue providing support to civil society organizations (CSOs) to develop social enterprises to increase their capacity and impact. To achieve this, NESsT will provide CSOs with organizational capacity training and support as well as business training and financial support to help diversify their income sources and allow them to maximize their social impact.

In addition, NESsT has identified the following milestones to further monitor long-term success of this initiative:

- Leverage additional funding from donors and the private sector (approximately US\$250.000).
- Recover 60% of micro-entrepreneur incomes after two years of support.
- Ensure that 50% of micro-entrepreneurs maintain their income generating activities and increase their income by at least 20% after five years of support.
- Ensure that nonprofit organizations successfully implement their social enterprises that generate income for local producers.
- Demonstrate and disseminate NESsT's long-term intervention strategy model.

Map:



Supporters from the following countries have contributed to the Levantando Chile Fund: Argentina, Australia, Belgium, Brazil, Canada, Chile, Czech Republic, Ecuador, France, Hungary, Italy, Japan, Malaysia, Mexico, Paraguay, Peru, Russia, Sweden, United Arab Emirates, United Kingdom, United States, and Uruguay.