

AGRICULTURAL EVANGELISM

"Blessed is he that considereth the poor"



Special Edition

Bangladesh • Guatemala • Haiti • India • Moldova • Nepal • Niger • Philippines • Rwanda • Senegal • Thailand • Vietnam

Dear Mission Supporter,

FARMS is a revolutionary and effective approach to supporting indigenous missions! Jesus said, "For ye have the poor with you always, and whensoever ye will ye may do them good..." But, how do we "do them good", without robbing them of their dignity and causing dependency on the West? In this publication, we will give you an overview of how FARMS uses small entrepreneurial loans to fulfill its vision to empower the poor and their churches to carry out the great commission.

A Unique Biblical Approach that Works!

The church is growing the fastest among the poor of this world! Consequently, the mission community faces the dilemma of how to establish strong churches in areas of poverty. Traditionally, churches, missionaries and their agencies provided the funds for pastors' support, church buildings, evangelistic outreaches, etc. However, an honest analysis reveals that this conventional approach creates weak churches because of an unhealthy dependency on foreign support!

Ours is a biblical approach to poverty alleviation. By combining individual stewardship with self-help, we effectively promote true indigenous outreach and mission. **If you are concerned about the impact of your mission giving, I think you will find our practical approach very refreshing and cost effective.**

Unique Features of FARMS:

- ◆ **Grassroots** - indigenously overseen by dedicated volunteers
- ◆ **Church endorsed** - the local church endorses the loan recipients

The church is growing the fastest among the poor of this world!

- ◆ **Family empowering** - the entire family is helped, preserving the biblical order in the home
- ◆ **Revolving loan fund** - loans are recycled so multiple families are helped with the same investment, a powerful way to use and preserve mission resources
- ◆ **Discipleship** - families are disciplined in stewardship principles that are life changing
- ◆ **Church empowering** - each loan recipient agrees to tithe to his church, enabling self-support, evangelism, and missions
- ◆ **Breaks dependency** - churches learn to depend on God for finances, not the West
- ◆ **Leadership opportunities** - committee members receive valuable training and ministry opportunities (committee leaders are instrumental in training new committees)
- ◆ **Universal application** - works well in restricted and limited access situations
- ◆ **Real partnership** - connects us with our poor brethren in a biblical and healthy way



Chittagong Hill tribe congregation

Good Questions:

Why do we only work with Christians?

Our scriptural mandate comes from Galatians 6:10. It tells us to "...do good unto all men, especially unto them who are of the household of faith." We believe it is our responsibility to help those of God's kingdom first, so that the church can be a blessing to others in their community. **Our bottom line is to strengthen the local church to do evangelism as well as mercy ministries.** FARMS never uses its program as an inducement to convert to Christianity.

Why do we work with families?

God created the family as the foundation for society. The family also has the vested interest to work hard to succeed. Our projects are designed to bring the whole family out of poverty; we call this family development. We also feel that it is imperative to keep biblical order in the home; therefore, husbands head most of our projects. We also count it a great privilege to work with many widows and single people.

Why don't we charge interest?

The poor instinctively hate interest because of the trap of compounding interest. Our bottom line is increased evangelism through increased tithing; not a profitable portfolio! The only cost to the loan recipient is a small service fee to cover administration costs. In contrast, most "micro-credit" programs follow a "for profit" model and generally loan at 36% interest or higher! These high rates make it difficult for the poor to come out of poverty and limits their ability to tithe.

Do we give "micro-loans"?

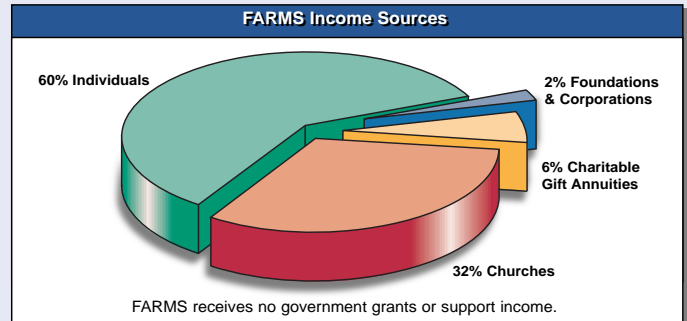
Strictly speaking, no! Micro-loans are usually very small loans, of \$25 to \$100. We have found that loans of this size are inadequate to lift a family out of poverty. In most cases, micro-loan programs charge high interest and rely on return clients to make their operation profitable. Our committees give entrepreneurial loans of \$250 to \$600 that enable the project holder to make enough profit to ensure ongoing reinvestment. In some cases, a second loan may be deemed necessary to establish a business that can sustain itself.

Do we seek government funding?

No! While many micro-loan programs actively seek government grants, we do not. Government funds come with many restrictions; we want to have the freedom to share the gospel and to work with the whole Christian community.

Where does FARMS International get its funding?

FARMS is a faith ministry. We have no guaranteed sources of income. Nevertheless, we have a very faithful family of committed Christian supporters.



Are all our projects agricultural?

No! About 50% of our projects are businesses. We work with the dreams and talents of the urban as well as the rural poor. The variety of projects is amazing.

Are the families we help really poor?

Yes! On average, the family cash income is usually below \$2.00 USD per day. About 2 billion people live at this level of poverty.

Does FARMS help the persecuted church?

Yes! Many of our programs are in places where the Christians face physical as well as economic persecution. In many cases, becoming a Christian in a hostile culture decreases your economic options. We stand with those that face this type of persecution. We also partner with **Voice of the Martyrs-Canada**, specifically to help persecuted believers.

Where does FARMS International have programs?

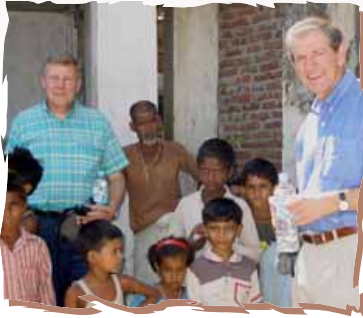
We have 24 active loan committees serving in 13 countries: Bangladesh, Haiti, India, Nagaland-India, Guatemala, Moldova, Nepal, Niger, Philippines, Rwanda, Senegal, Thailand, and Vietnam.



How Do You Do It?

The "Nuts and Bolts"!

1 Our programs start through a request from a resident missionary or at times from an indigenous mission agency. These referrals come from our network of missionaries and mission agencies that share a common goal of creating strong indigenous churches through self-help.



**VESSELS OF MERCY
MINISTRIES**



3 The missionary or agency selects the initial members for the all-volunteer committee. These men and women are chosen from a group of churches, because of their proven servant heart and integrity, as well as their gifts and business skills.

FARMS International Program Pre-Application

This application is designed to help you think about several important questions when considering a FARMS program. The information is helpful to FARMS for determining the potential of a program and its cultural needs.

Name of Applicant: Ghisghil Caccos
Address: At 11 Sakwemo 101 11
City: IKAI
Country: ROMANIA
Phone: 01 140 240 000

Name of Applicant: Evangelical Friends Church Romania
Address: BP 1483
City: Iqalil
Country: Rwanda
Phone: 251 542006

What is the proposed location of the program, Capital city of Iqalil, Rwanda.

LOCAL CHURCH

How many Christian live in the proposed program area? We have 4 churches in the city, with about 800 Christians in our 6 churches.

How many Christian Churches the program will serve? Just the ones in our denomination for now (we have 64 churches country wide).

How many Christian families does the program propose to serve in any one area? We need to start with about 20 families and see how that goes before...

2 A pre-application questionnaire is filled out to determine if a program is viable.

4 The committee studies the materials provided by FARMS International on policy and program management



How Do It?



9 Initial loans are given to 10 to 15 families, who were endorsed by their pastors. These loans are between \$250 to \$500 initially, but loans up to \$2,500 are given in special situations, e.g., job creation.



8 Initial funding is usually from \$4,000 to \$8,000. These funds are a gift to the committee to fund the revolving loans. The administration costs are covered by the committee charging a one time "service fee", of 5 to 15% of the loan amount.




7 FARMS's staff visits and trains the committee. Biblical as well as operational principles are taught.



5 Each committee writes its own program policy to reflect cultural nuances. This exercise creates true program ownership.

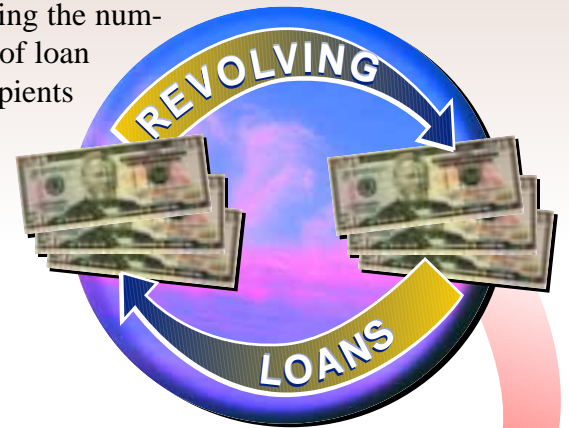
6 The program policy is reviewed by our staff and given final approval.





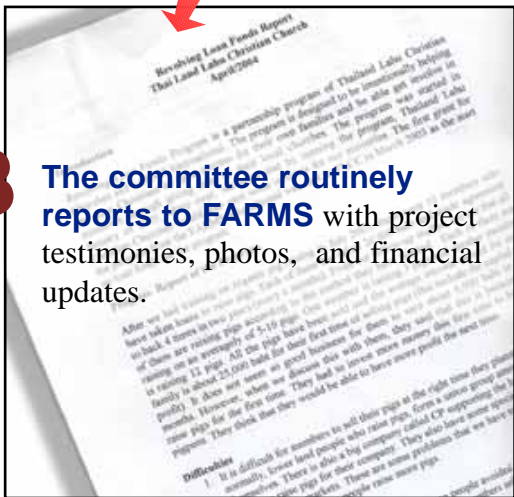
10 **Tithing from project holders** dramatically increases church income!

11 **New loans are made** as soon as repayments begin to come in, maximizing the number of loan recipients



12 **Additional funding of the revolving loan fund** is made yearly based on performance and need. Our goal is to see each committee helping at least 100 families on a revolving basis (\$30,000 to \$40,000 in revolving fund). Local churches are encouraged to contribute to the revolving fund also. **The financial impact of this program is tremendous and benefits the whole community!**

13 **The committee routinely reports to FARMS** with project testimonies, photos, and financial updates.



14 **Our staff and board members make periodic visits** to the program sites to encourage and provide further training.



The process of program initiation and actual funding, usually takes about 18 months. Prayer and careful forethought are essential to creating a successful foundation for each program.



FARMS International, Inc.
P.O. Box 270
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*Doing good
that is good!*

How You Can Help

There are many unique ways to help FARMS grow. Following are some examples our supporters have used to help us expand to new areas of this world.

FARMS Monthly Partner Program:

A large percentage of supporters use this service to have their monthly donation deducted securely and automatically from their credit card, checking, or savings account.

FARMS Charitable Gift Annuities:

You make an irrevocable gift-generally using cash, maturing CDs, or securities-in-exchange for lifetime guaranteed payments, the amount of which is based on the value of your gift and the age(s) of the payment recipients. In addition, the donor receives an immediate income tax deduction as well as a portion of each payment is income tax-free!

Donation of Stocks & Mutual Funds:

Donating appreciated assets held for more than twelve months provides benefits to the donor as well as FARMS. You avoid paying capital gains tax on the appreciation and you can deduct the full fair market value as a donation.

Real Estate Donation: A real estate donation entitles you to a significant current tax deduction and may reduce or eliminate estate taxes in the future.

Wills & Trust Bequests: A bequest through a will or trust is the most popular form of planned giving. By remembering FARMS in a will or trust, you are looking past your own lifetime to further the work of the kingdom through FARMS. These gifts ensure that FARMS will always be ready to reach out to those Christians in need around the world.

Church Involvement & Program Sponsorship:

Many friends have introduced FARMS to their churches. Some churches help through their regular mission budgets; others have adopted and sponsored whole or partial program startups and operation. We are a faith based mission and appreciate every opportunity to share our vision to help poor Christians. Please contact us if you would like us to make a presentation to your Bible study group, mission committee, Sunday school, or church.

As always please check with your financial advisor before making any decision regarding tax deductibility and financial planning. Please contact Nathan McLaughlin at 218-756-2124 with any questions or email him at nathan@hcctel.net

Moving or a change of address?

Please send us your new address. If you want to be removed from our mailing list, please let us know.



*A higher standard.
A higher purpose.*

AERD Members
**Association of Evangelical Relief
and Development Organizations**
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Washington D.C. 20002

FARMS is able to accept credit card donations on our web site or by telephone. We trust this new service is of help to you.

NEW!