

INVESTMENT OPPORTUNITY

CUBA: VAN WILL SERVE THE COMMUNITY AND GENERATE INCOME

12-seat Vehicle, Providing Transportation for Visitors and Serving as a Taxi, Could Bring in \$6,300 a Year



Farmers in Cuba work the farm owned by the Reformed Episcopal Diocese of Cuba, which provides income to the local congregation. The new van will be used to help transport the crops to the market.

PROJECT OVERVIEW

CONTEXT: With a population of 11 million, Cuba is the largest island in the Caribbean. The Catholic Church and the Protestant church have played a big part of life on the island nation for hundreds of years. In the last 20 years, the churches' opportunities to interact with the government have improved considerably, bringing unprecedented growth in Christianity. Growth of the Protestant church has tripled over the last decade.

NEED: The Diocese of Western Canada, within the Reformed Episcopal Church, has 16 parishes that partner with individual parishes in Cuba to supply two thirds of their operating funds. While the Cuban church is growing, its needs outweigh the ability of its members to support it. (The average church member makes \$22 per month, and not all members are employed.) As a result, Cuban churches continue to look for ways to become financially sustainable.

Two years ago, the Diocese of Western Canada purchased a farm in Cuba that has begun to provide a small amount of income for the Diocese of Cuba. With many Canadian visitors coming each year to support the Cuban churches, the diocese spends a great deal of money renting vans to transport its visitors.

SOLUTION: The Reformed Episcopal Diocese of Cuba will purchase a used 12-seat passenger van for transportation. It is expected to pay for itself and also create additional income for the growing diocese. The van will transport members and visitors to and from church services, guests around the diocese, produce from the farm to markets and the bishop as he travels throughout the country. Plans also call for the van to be used as a commercial taxi from Moa to the Frank País Airport in Holguin, Cuba.

LIFE IMPACT

Benefits 1,090 people:

- 440 community members and visitors will receive encouragement and learn more about Scripture as they ride in the taxi, as evidenced by transport records and the number of tracts distributed during van rides
- 650 Cuban church members will benefit from the diocese's improved financial sustainability, as evidenced by the taxi's income reports and the diocese's increased ministry opportunities

PROJECT PROFILE

ID: ARDF-0416-Cuba

Lead Ministry

**REFORMED EPISCOPAL
DIOCESE OF CUBA**



LIVES IMPACTED 1,090

SECTOR INCOME GENERATION

AMOUNT REQUESTED \$46,000

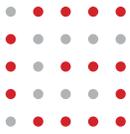
COST PER BENEFICIARY \$42.20

TIMELINE 1 YEAR

IN THEIR OWN WORDS

"We didn't have a way to store fresh water for the church members and the pastoral family, and the diocese provided us with the funds to acquire a big water tank and also supplied us a LifeStraw water filter. This has allowed us to have water available to cover both the church and the pastoral family needs. The diocese also supplied us with the funds to [extend the roof over the back porch of the church] to protect the children [from] excessive sunlight and rain when they have their Sunday school class there."

— The Rev. Pablo Ulloa Caballero of the San Lucas Parish of the Reformed Episcopal Church in the Municipality of Venezuela, Ciego de Ávila Province, Cuba



WHAT IT'S LIKE NOW



“Private transport is another solution born during the Special Period [the time period after the collapse of

the Soviet Union and Cuba’s economic hardship]. Viazul is the premiere example. The company was started in 1996 to mitigate the problem of overcrowded buses by enticing tourists with a higher degree of comfort. But as tourism surged — visits by Americans have increased 36 percent already this year — so did prices. A round trip ticket from Havana to Camaguey, an important city 330 miles away, costs \$66 — more than three times the average Cuban monthly salary of \$22.”

— <https://news.vice.com/article/why-hitchhiking-is-huge-in-cuba-the-transportation-system-is-screwed>, July 2015

“Violations of religious freedom are increasing in Cuba, according to a new report released by Christian Solidarity Worldwide today. The number of recorded violations has risen year on year. There were 220 recorded [incidents] in 2014, up from 180 the previous year, 120 in 2012, and 40 in 2011. The incidences have also become more violent, with cases of Protestant pastors being arbitrarily detained or beaten and churches being demolished.”

— www.christiantoday.com/article/religious.freedom.worsening.in.cuba.there.is.a.crackdown.happening/46769.htm, Jan. 2015

PROJECT DESIGN

The Reformed Episcopal Diocese of Cuba will purchase a used 12-passenger van from a foreign embassy. The van will be owned and used by the diocese to aid its ministry, connect with the community and provide financial support to the diocese. The bishop’s son, Arnel Mendez Acosta, is a qualified mechanic so he will maintain the vehicle and be one of the drivers.

The van will be used an average of 20 days per month, 11 months a year. It can service eight passengers with each return trip from Moa to Holguin, for a total of 16 passengers per day and 320 per month. The diocese estimates that each passenger will pay \$4 each way. Considering the cost of the driver (\$12 per day) and fuel (\$12 per day), as well as estimated annual operating costs of \$2,250, the van has the potential to earn approximately \$6,350 per year.

The van may also be used to transport the bishop to neighboring parishes and to transport locals to and from church. The van will be stocked with Christian tracts for passengers to read and a lay reader who be aboard each trip. If there is time and capacity, the van will also be used to transport the produce grown on the diocesan farm to local markets.

Measuring impact. Records of van ridership, the impact on van riders, as well as the financial benefit to the diocese will be tracked by the van’s driver and the bishop. The bishop will report results to the Anglican Relief and Development Fund (ARDF) for assessment.

TRACK RECORD

Since its founding in Moa city in 2003, the Reformed Episcopal Diocese of Cuba has grown from one location and eight members to 32 locations with more than 650 members and 1,250 weekly attendees.

The diocese has some experience running sustainable businesses, such as the local farm, which has shown some success despite a recent drought. Nevertheless, the diocese does not have direct experience running a taxi service, so this is considered a pilot project.

PROJECT BUDGET

ITEM
Used 12-seat van
Research and evaluation
TOTAL

SOURCES OF FUNDS

BUDGETED	LOCAL/OTHER
\$40,000	
\$6,000	
\$46,000	

HOW YOU CAN CONTRIBUTE

For \$2,250, you can cover the operating expenses of the van for one year.

For \$2,640, you can cover the salary of the van driver for the 11 months the van will be used, each year.

For \$3,333, you buy the equivalent of one seat in the 12-seat van.

IMPLEMENTER FINANCIALS*

This project adheres to some or all of this sector's established best practices

INCOME	2012	%	2014	%	2015	%
Tithes and offerings	2,622	45	1,748	100	3,365	35
Other	3,261	55			6,323	65
TOTAL	5,883		1,748		9,688	
EXPENDITURES	2012	%	2014	%	2015	%
Program and designated projects	3,362	100	1,748	100	8,263	100
Personnel						
Office administration						
TOTAL	3,362		1,748		8,263	
SURPLUS / (DEFICIT)	2,521		0		1,425	

NOTES:

*Income and expenditures reported in U.S. dollars

The Reformed Episcopal Diocese of Cuba operates under very challenging circumstances and it is not possible to have externally audited accounts.

INCOME: The figures for 2014 are based on the 2014-2015 budget, while those of 2012 and 2015 are the actual numbers reported. From 2012 to 2015, overall income rose 65 percent. Tithes and offering made up 45 percent of income in 2012 and 65 percent in 2015. Other sources of income accounted for 55 percent of total income in 2012 and 65 percent in 2015.

EXPENSES: Total expenses increased by 146 percent from 2012 to 2015. Most costs appear to be related to programs as no personnel costs were identified.

RISK ANALYSIS



Low: 1, Low/Medium: 2, Medium: 3, Medium/High: 4, High: 5 

CONCEPT: 1

This program addresses the need for financial sustainability by meeting a practical need for local Cubans and tourists. The solution is appropriate for the current changes in Cuba and decreases reliance on third parties for parish guests and the bishop's travel. It also offers an income stream for the diocese.

PROGRAM DESIGN & EXPERIENCE: 3

While the diocese has learned something about sustainable income through the local farm, the parishes do not have experience running a taxi service or maintaining a large vehicle for public transportation. There may be some delay as the diocese awaits the availability of a used van from the embassy. Further, there may be difficulty in obtaining monitoring and evaluation reports as the parish is currently greatly helped by the Diocese of Western Canada, but will be responsible for its own reporting with this project. Also, the diocese is relying on one individual to drive and maintain the van. If he is unable to fulfill his duty, there will likely be delays in recruiting a new staff member. Further, the diocese does not have experience serving such a large area with a paid service like this one.

LEADERSHIP: 3

The Reformed Episcopal Diocese of Cuba has stable management and secure financial transfer methods, but its financials are not externally audited. It lacks an independent board, as all the diocesan synod members belong to the Anglican Church.

FINANCIAL CONTROL: 3

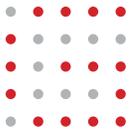
Considering the size of the diocese, the budget for the van is large. The cost-per-benefit ratio may be difficult to measure given the short duration of service to each passenger. While the diocese receives a lot of support from the Diocese of Western Canada, this project will be funded by ARDF and ARDF Canada.

SUSTAINABILITY: 3

Additional donor funds may not be available for van repairs or unforeseen expenses. There is, however, a growing self-sustainability process that should slowly benefit the parish each year, for several years to come. As the diocese seeks to grow, it wants to become more financially stable and, with the help of the Diocese of Western Canada, has developed a five-year plan for self-sustainability. As a result, the diocese is incorporating ministry opportunities with services that will provide sustainable income for its local churches.

EXTERNAL: 5

There are many changes occurring with Cuba's government and its citizens. The chance for unexpected regulation or charges for a private taxi like this one are real. The government may decide to regulate airport transportation more closely and could decide to allow only government vehicles again. Also, persecution of Christians in the area has been on the rise. If the churches minister to taxi riders and hand out tracts, they may be accused of proselytizing. Finally, in this low-income area, there is a real threat of vandalism or theft to the van.



LEADERSHIP PROFILES

Bishop William Suarez was consecrated in 2014. He was ordained as a minister in 2001 and subsequently served as rector of Iglesia San Marcos in Moa. He is president of Eastern Cuba Fellowship of Ministers.

The Rev. Walter Gonzales serves as secretary of the Mission Diocese. He is the rector of Iglesia San Pablo in the City of Holguin, Cuba, and a qualified teacher.

REFERENCES

“The diocese already has a farm in Moa, which was their first project ... Had there not been a drought for the last 27 months, the farm would not only have been self-sufficient by now, it would have been producing food and income for the diocese to care for its needs and the needs of its families. We have been using another Havana church’s van and driver for years and paying them thousands of pesos for the service. We have spoken with their driver about his job and he has spoken of the project’s success in not only providing him a steady job, but also significant income for his church. So, this is a proven business that has the potential of providing substantial income for the diocese.”

– **Barclay Mayo, Anglican Church in North America, serving the Canadian Diocese and working with Cuban missions**

“Over the years I have witnessed the integrity and financial accountability of the Cuban Diocese. We have absolute trust in the treasurer and executive committee. We have found the stewardship of resources and trustworthiness of leaders to be a refreshing change from deception and greed that happens all too often in other countries.”

– **The Rt. Rev. Dr. Trevor H. Walters, Western Region Suffragan Bishop Anglican Network in Canada**

BEST PRACTICES

This project adheres to the following best practices:

- engage community members in projects held in familiar community settings, staffed by local community members and accessible to families
- provide structured, established, community-based organizations that establish a holistic skills training program

RESEARCHER’S STATEMENT



Nicole Burke
Sr. Research Analyst
April 2016

This is an exciting time for the Church of Cuba, with opportunities that have not been possible for decades. Donors have an opportunity to help the church in Cuba in ways that were previously not possible. The Diocese of Cuba has experienced the vibrancy of Cuba’s faith and is eager to support local members and citizens with an organization that is financially sustainable.

This is a noble goal and is a great model for other churches in developing ways to serve their community and become financially stable. While the taxi service brings new risks to the diocese regarding capacity and management, it will provide opportunities that were previously considered impossible.

IMPLEMENTER’S INSPIRATION

“The Sovereign Lord has filled me with his Spirit. He has chosen me and sent me to bring good news to the poor, to heal the broken-hearted, to announce release to captives and freedom to those in prison.”

– Isaiah 61.1, GNT

HOW TO FUND THIS PROJECT

Write to
The Anglican Relief and Development Fund Canada
Box 1013
Burlington, ON L7R 4L8
Canada

Or log onto: www.ardfc.ca

PROJECT RECAP

ID - ARDF-0416-Cuba
Timeline - 1 year
Requested - \$46,000
Modified - 062416



The Anglican Relief
and Development Fund
Canada

