

# SEED

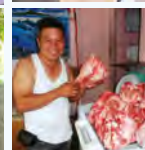
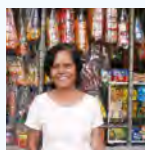
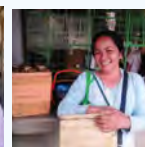
The MFI\* successfully initiates its redeployment to the poorest



**PHILIPPINES**  
Cavite & Baras



SEED CENTER PHIL. INC  
Social Enhancement for Entrepreneurial Development



**ENTREPRENEURS du Monde**



To enhance its activities, SEED needs a further €30,000 in operational budget and €40,000 in loan capital

## COUNTRY FACTS

- 105.7 million inhabitants
- 116/187 in the HDI\*\*
- 33% of the population lives on less than \$1 per day
- 37% of the population of Greater Manila, that is 4 million people, lives in slums and substandard housing



## 2013 KEYS FIGURES

- 5,443 beneficiaries
- Average loan: €182

## MISSION

### A very social local NGO

SEED was created in Cavite province, south of Manila, in 2005. Since then, it has been working with vulnerable communities to enhance the knowledge and skills of beneficiaries, supporting them in the development of their income-generating activities and helping them access health, education and social support services. SEED can draw on an in-depth knowledge of the areas of operation, local networks and other local stakeholders.

### Entrepreneurs du Monde's Support

Entrepreneurs du Monde has closely supported SEED since its creation to strengthen its social mission: together, they are developing the MFI's\* products and services, its social performance and financial management and its information and management systems. Entrepreneurs du Monde also provides financial support to SEED for the development of its activities and the cover of its costs until it becomes sustainable.



## 2013 SIGNIFICANT DEVELOPMENTS

### Partnership with Handicap International

In September 2013, SEED opened a rural branch in the municipality of Baras, 45 km east of Manila, to serve the 200 beneficiaries of Handicap International's REBUILD programme: elderly or handicapped people and single-parent families. To assist them, SEED has created two new products: a free-interest bearing Kick Start loan and a fixed-term loan tailored to agricultural and livestock businesses. A village savings plan is also on offer. Finally, SEED has developed an individual business coaching programme for the entrepreneurs with the weakest skills. Some of these services are already being disseminated to other SEED branches.



### A pilot branch in the south of Manila

In April 2013, SEED opened a branch in Pasay-Parañaque, south of Manila, to pilot the methodology developed in 2012: stricter rules for the groups of beneficiaries, saving prior to borrowing, etc.

The recruitment of a new team and a strong respect of policies and procedures helped them achieve their first successes. Indeed, after ten months of operation, the branch has demonstrated the efficiency and suitability of the methodology: none of its 310 active borrowers is in arrears and discipline is being maintained.



### LEAH, A DETERMINED AND PERSEVERANT DRESSMAKER

Thanks to 5 loans ranging from €82 to €263, I was able to buy a sewing machine which makes nice and solid borders and the fabric for a first big sub-contract order of 150 shirts. This order has enabled me to double my monthly income and I would like to take on more. But I understand that I couldn't bear such a burden on my own every month. Therefore, I would like to recruit and train two apprentices and buy a third sewing machine. I also want to continue taking part in SEED's training programme.

\* MicroFinance Institution - \*\* Human Development Index

## FOCUS

## STRENGTHENING THE SOCIAL MISSION



To better meet the diverse needs of the beneficiaries, SEED has decided to diversify its services and has recruited a head of socio-economic services. His first job was to amend and modernise the financial education and social awareness modules, with the support of the Entrepreneurs du Monde's Training Manager. SEED beneficiaries can now work in small groups on cash management, separation of household and business budgets, domestic violence or education of teenagers.

The team has also completely revamped the social support service provided to its most deprived beneficiaries. Likewise, in partnership with Handicap International, it has developed intensive coaching for the least experienced micro-entrepreneurs in Baras.



## Textile cooperatives initiatives

Finally, SEED, with the support of the Department of Trade and Industry, has launched four textile-manufacturing associations in the slums in the south of Greater Manila.

There, women have access to quality sewing machines and all the equipment they need for their sewing businesses.

They also benefit from:

- Loans to finance the purchase of raw materials;
- Technical and financial training;
- Experience-sharing workshops.

Therefore, they pool their production and their skills to find better outlets and improve their income.

## INDICATORS

	Number of beneficiaries	Number of loans granted <sup>1</sup>	Average loan amount <sup>1</sup>	Outstanding loans <sup>2</sup>	PAR at 30 days <sup>3</sup>	Total savings <sup>2</sup>	Average amount of savings	Number of training attendances
2011	7,556	7,516	€98	€216,638	20.5 %	€98,311	€10	N.D
2012	5,443	3,397	€162	€117,026	33.9 %	€68,608	€10	3,950
2013	2,671	2,102	€182€	€96,297	13.8 %	€48,908	€11	5,257

<sup>1</sup>Over one year – <sup>2</sup>As at 31/12/13 – <sup>3</sup>Portion share of the total outstanding loans in arrears by at least 30 days.

## 2013 OBJECTIVES

## Optimisation and consolidation of financial services

SEED's priority is to achieve a substantial improvement in its financial performance indicators. The MFI is aiming for a Portfolio-at-Risk less than 5% by the end of 2014 and an outstanding loan portfolio in excess of PHP 15 million (€260,000).

To meet this objective, the methodology tested in its pilot branch will be adopted by all branches. It will also increase its profitability by stepping up its activities in the areas around its existing branches.

The deployment of new branches will resume in 2015.



## Strengthening Human Resources

In 2014, the focus will be on increasing the team's skills, particularly for the middle-management. A training needs assessment will be carried out in order to set up an annual training plan, with fortnightly evaluations and individual coaching.

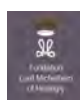


## FUNDING NEEDS

SEED is expecting to cover 55% of its operational expenditure by the end of 2014 by stepping up its activities, keeping its expenses down and reducing its portfolio at risk. To achieve a significant increase in the number of loans disbursed in 2014 and reach its goal of 4,200 active borrowers by the end of 2014, SEED still needs to find an

additional €40,000 in loan capital and €30,000 for its operational budget. In 2013, it benefited from the valuable renewed support of several donors and from the contribution of new donors. Today, it is widening its search for funds to Filipino funders and to innovative funding sources such as the online Xetic and Kiva platforms.

## PARTNERS



## SEED

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## CONTACTS