



# Microfinances for Start-ups and SMEs

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**4.981 M2 OF INCUBATION FACILITIES**  
**50 COMPANIES**

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**BURGOS**  
XXXXXXXXXXXX



# BACKGROUND



- **CREDIT CRUNCH 2008**
- **TRADITIONAL BANKING SYSTEM DIFFICULTIES**
- **START-UPS AND ENTREPRENEURS LACK OF CREDIT**





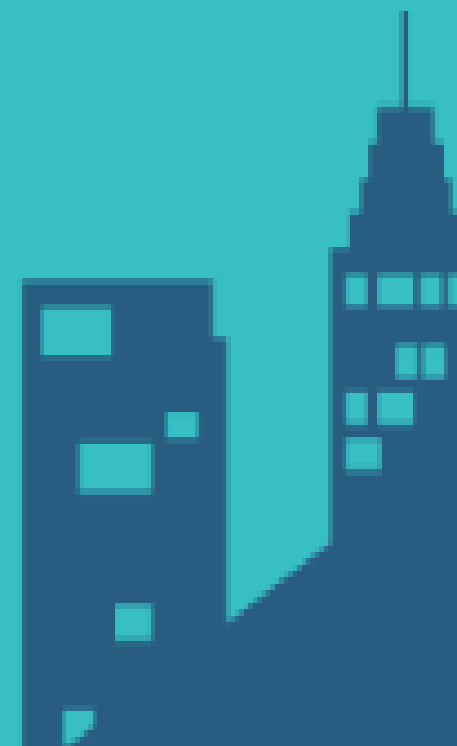
# FACILITY

- **PUBLIC – PRIVATE PARTNERSHIP**
- **AIMING AT START-UPS, SMEs AND ENTREPRENEURS**
- **FUND PROVIDED BY THE PROVINCIAL GOVERNMENT OF BURGOS (SPAIN) AND MANAGED BY CEEI-BURGOS**
- **TRANSFERABLE METHODOLOGY / MODEL**



# HOW DO WE MANAGE UNCERTAINTY?

ASSESSMENT OF FINANCIAL RISK IN  
UNCERTAINTY ENVIRONMENTS



# ESTIMATED RECOVERY PROBABILITY



Correct Index

Negative Credit Record

$$ERP = CI [ \alpha (RR) + \beta (SOA) + \gamma (COA) ] - [NCR]$$

The equation is annotated with blue and green circles and arrows. A blue circle around 'CI' has an upward arrow. A blue circle around 'NCR' has an upward arrow. Green circles around 'RR', 'SOA', and 'COA' have downward arrows. A blue horizontal line is drawn below the terms in the brackets.

$\alpha, \beta, \gamma =$   
Weighting level

Risk Ratio

Structural Operational Analysis

Credit Officer Assessment





# SOME INDICATORS OF PERFORMANCE I

**01/01/2013 – 23/10/2019**

**155 APPLICATIONS**

**87 GRANTED**

**3 IN STUDY**

**65 REJECTED**







# SOME INDICATORS OF PERFORMANCE II

**01/01/2013 – 23/10/2019**

<b>Total budget (Microfinance fund)</b>	
<b>1.125.000.-</b>	
<b>Total loans granted</b>	<b>1.677.636.-</b>
<b>Total leveraged investment (approved applications)</b>	
<b>5.226.149.-</b>	
<b>Fully repaid</b>	<b>1.117.104</b>
<b>Jobs created</b>	<b>94</b>
<b>NPL 30</b>	<b>3,04%</b>





# DEFAULT RATE COMPARATIVE

<b>SPAIN BANKING SYSTEM</b>	<b>5,8%</b>
<b>EU BANKING SYSTEM</b>	<b>3,7%</b>
<b>EU MICROFINANCE INSTITUTIONS</b>	<b>13,9%</b>
<b>CEEI-BURGOS MICROFINANCE FACILITY</b>	<b>3,04%</b>



**GRACIAS**  
**THANK**  
**YOU**

**DANKSCHEEN**  
**SHUKUR ATU**  
**BIYAN**  
**SHUKRIA**  
**TINGKI**  
**GRACIAS**  
**ARIGATO**  
**SHUKURIA**  
**GOZAIMASHITA**  
**EFCHARISTO**  
**JUSPAXAR**  
**KOMAPSUMNIDA**  
**MAAKE**  
**LAH**  
**GRAZIE**  
**MEHRBANI**  
**PALDIES**  
**BOLZİN**  
**MERCI**

SPASSIBO  
DANKSCHEEN  
SNACHALHUYA  
NUHUN  
CHALYU  
YAQHANYELAY  
YUSPAGARĀTAM  
WABEEJA  
MAITEKA  
HUI  
SUKSAMA  
EKHMET  
ATTO  
ANHA  
DHAHYABAAD  
MERGI  
SPASIBO  
DENKAUJA  
NENACHALHYA  
UNALCHEESH  
HATUR  
GUI  
EKOJU  
SIKOMO  
MAKETAI  
MINMONCHAR