

# MABS Approach to Microenterprise Lending

September 6 - 9, October 4 - 7 and November 8 -11, 2010 | Manila

As of October 2009, 91 rural banks have implemented the MABS Approach to Microenterprise Lending. The MABS participating banks have a combined number of 650,000 borrowers, 2 million loans and a total loan portfolio of Php25 billion.

**Learn how to design an effective microenterprise loan product from one of the chief architects and pioneer trainers of the MABS Approach to Microenterprise Lending.**

The training will cover three modules:

- (1) Market Research -- September 6-9, 2010
- (2) Product Development -- October 4-7, 2010
- (3) Loan Administration and Management -- November 8-11, 2010

**Training Investment: Php250,000 per rural bank**

**Discounted Training Investment:  
Php140,000 per rural bank\***

\*Covers the registration, meals during the training (lunch and snacks), accommodation for 12 nights and training materials of up to four (4) participants per rural bank. Additional participants need to pay Php11,700.

**Note: Limited slots available. We can only accommodate up to eight (8) rural banks.**

MICRA Philippines reserves the right to reschedule or cancel the training due to unforeseen circumstances.

For more information, please contact Khristine Dizon at (02) 893-8363 local 212 or [kdizon@micra-phil.org](mailto:kdizon@micra-phil.org).

**ABOUT MABS | [www.rbapmabs.org](http://www.rbapmabs.org)**

The Microenterprise Access to Banking Services or MABS Program provides technical assistance and training to rural banks in microfinance best practices. For more information, visit [rbapmabs.org](http://rbapmabs.org).

**ABOUT MICRA | [www.micra-phil.org](http://www.micra-phil.org)**

Microfinance Innovation Center for Resources and Alternatives or MICRA is a consulting and advisory firm dedicated to strengthening microfinance in the Philippines.

**ABOUT THE TRAINERS**

**Ernesto "Ernie" V. Gementera**

Ernie Gementera is MICRA Philippines' Executive Director.

He has over 35 years experience in banking and microfinance. In addition to core banking operations, Ernie developed particular skill as a turnaround artist for troubled banks, restoring them to capital adequacy and soundness. He was responsible for rehabilitating failing banks in markets in the Mindanao region, recovering tens of millions of pesos worth of delinquent accounts in the process.

Prior to MICRA Philippines, Ernie was a Regional Manager for the MABS Program where he provided training and technical assistance on the MABS Approach to rural banks in the conflict areas in Mindanao.

**Raika Quinones**

Raika is MICRA Philippines' Training and Technical Assistance Manager. He has 30 years experience in microfinance with special focus on rural credit and agricultural lending. Prior to MICRA, he worked as PlaNet Finance's Senior Microcredit Expert in a commercial bank downscaling project in China.

Raika has extensive experience in developing and delivering training and technical assistance programs including the MABS training and technical assistance approach. He also developed the cash flow analysis procedure used by MFIs in the Philippines and other countries in assessing the repayment capacity of microfinance clients.

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## 1

### MODULE 1: MARKET RESEARCH

**Lecture: September 6-7, 2010 (Monday-Tuesday) | Field work: September 8-9, 2010 (Wednesday-Thursday)**

Knowledge of the market is necessary for the successful design of a microfinance product. Through market research, rural banks will be able to identify potential risks and the opportunities – nature of the demand for microfinance services, the size of the market, and the demographics of the target clients. After the three-day lecture, the participants will return to their respective provinces and will conduct a market research at their target area of operation.

#### OUTLINE

1. What is Market Research
2. Determining the Size of Your Target Microfinance Market
3. Secondary Data Gathering and Area Mapping
4. Market Survey
5. Data Processing and Analysis
6. Focus Group Discussion Session

## 2

### MODULE 2: PRODUCT DEVELOPMENT

**Lecture: October 4-7, 2010 (Monday-Thursday)**

After conducting market research, participants should now be ready to design their respective loan products. In the Product Development Module, participants will be provided with the necessary knowledge and skills to design a product prototype, develop a product manual, determine if any necessary adjustments in their MIS are needed, and prepare financial projections.

#### OUTLINE

1. Module Overview
2. Product Development Process
3. Determining Loan Product Features
4. Effective Interest Rate
5. Product Validation Tool: Focus Group Discussion
6. Lending Procedures And Internal Control
7. Microfinance Unit Organization and Management
8. Zero Tolerance: The Nature and Costs of Loan Delinquency
9. MIS Gap Analysis MIS Gap Analysis Presentation
10. MIS Reports MIS Reports Presentation
11. Financial Projections

## 3

### MODULE 3: LOAN ADMINISTRATION AND MANAGEMENT

**Lecture: November 8-10, 2010 (Monday-Wednesday) | Field work: November 11, 2010 (Thursday)**

Loan administration and management is critical in the MABS Approach to microfinance. Two of the critical components are the assessment of credit worthiness and capacity to pay of borrowers. The information provided by these is vital and considered to be valuable in microfinance operation.

#### OUTLINE

1. Credit Investigation/ Background Investigation
2. Preparing the Credit Investigation/ Background Investigation Report
3. Practical Tips in Doing Credit Investigation/ Background Investigation
4. Cash Flow Based Lending
5. Preparing the Client's Cash flow
6. Reviewing a Client's Cash flow
7. Performance Monitoring
8. Measuring Client Drop-out, Client Retention and Client Desertion
9. Staff Evaluation Microfinance Staff Performance Evaluation



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REGISTRATION FORM	
NAME OF RURAL BANK	
ADDRESS	
TELEPHONE NUMBER	FAX NUMBER
PRIMARY CONTACT PERSON	
PARTICIPANT NUMBER 1	
Full Name _____	
Nickname (to appear in name badge) _____	
Position _____	
PARTICIPANT NUMBER 2	
Full Name _____	
Nickname (to appear in name badge) _____	
Position _____	
PARTICIPANT NUMBER 3	
Full Name _____	
Nickname (to appear in name badge) _____	
Position _____	
PARTICIPANT NUMBER 4	
Full Name _____	
Nickname (to appear in name badge) _____	
Position _____	
SIGNATURE	DATE

## TRAINING INVESTMENT: Php140,000 per rural bank\*

\*Covers the registration, meals during the training (lunch and snacks), accommodation for 12 nights and training materials of up to four (4) participants per rural bank. Additional participants need to pay Php11,700.

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## PAYMENT SCHEDULE

Deadline	Amount
August 20, Friday	Php 49,000
September 24, Friday	Php 49,000
October 29, Friday	Php 52,000

## PAYMENT OPTIONS

**For bank transfers:** Account name: MICRA Philippines Foundation, Inc. Bank Name & Branch: Union Bank Ayala Branch. Bank Account Number 002080003167.

**For check payments:** Please make check payable to MICRA Philippines Foundation, Inc. to Unit 603 Vicente Madrigal Building Ayala Avenue, Makati City, Philippines.

## REGISTRATION PROCEDURE

To confirm your participation, please fax this registration form to (02) 893 7507 and address it to Khristine Dizon. If you opted to pay through bank transfer, please fax a copy of your deposit number to (02) 893 7507.

## INQUIRIES

For more information, please contact Khristine Dizon at (02) 893 8363 local 212 or [kdizon@micra-phil.org](mailto:kdizon@micra-phil.org)



MICROENTERPRISE ACCESS TO BANKING SERVICES

MICRA Philippines is an accredited MABS  
Training and Technical Service Provider.