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ATM for SMEs
Interreg Europe

Innovative rural microfinance

Fejér Enterprise Agency

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The project is implemented through the Interreg Europe programme co-financed by ERDF.



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Social Outreach Plan

- ▶ *“The mission of the Foundation is to provide high level, easy accessible financial and educational services, consultancy to the micro and small enterprises operating in the region, in order to enable them to improve their own living conditions, social and economical status.”*



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The target groups of FEA:

- ▶ Women
- ▶ Career starters, young entrepreneurs (below the age of 30)
- ▶ Entrepreneurs living in small settlements

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The specific goals of FEA in the field of social outreach:

- ▶ Contribution to the sustainable development of the client enterprises, of the entrepreneurs, their families and communities (development regarding their economic status and competencies)
- ▶ Promotion of gender equality
- ▶ Fostering entrepreneurship among career starters
- ▶ Thorough mapping of the clients needs and capacities in order to promote their well-being
- ▶ Providing high-quality financial services

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Methodology of the survey conducted

- ▶ The survey was a **self-administered survey analysis (credinfo)**
- ▶ The questionnaire was divided into three modules:
 - A – the current situation of the enterprise, its plans and expectations
 - B – the personal circumstances of the entrepreneur
 - C – his or her relationship with FEA

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Results

- ▶ 316 entrepreneurs from 12 Hungarian counties
- ▶ majority of clients (60.4%) are men, older generation
- ▶ 36.4% of them are over 51 years of age
- ▶ 34.2% of them are between 41 and 50 years of age.
- ▶ the “typical” micro credit client is a man over 51 years of age with a degree.

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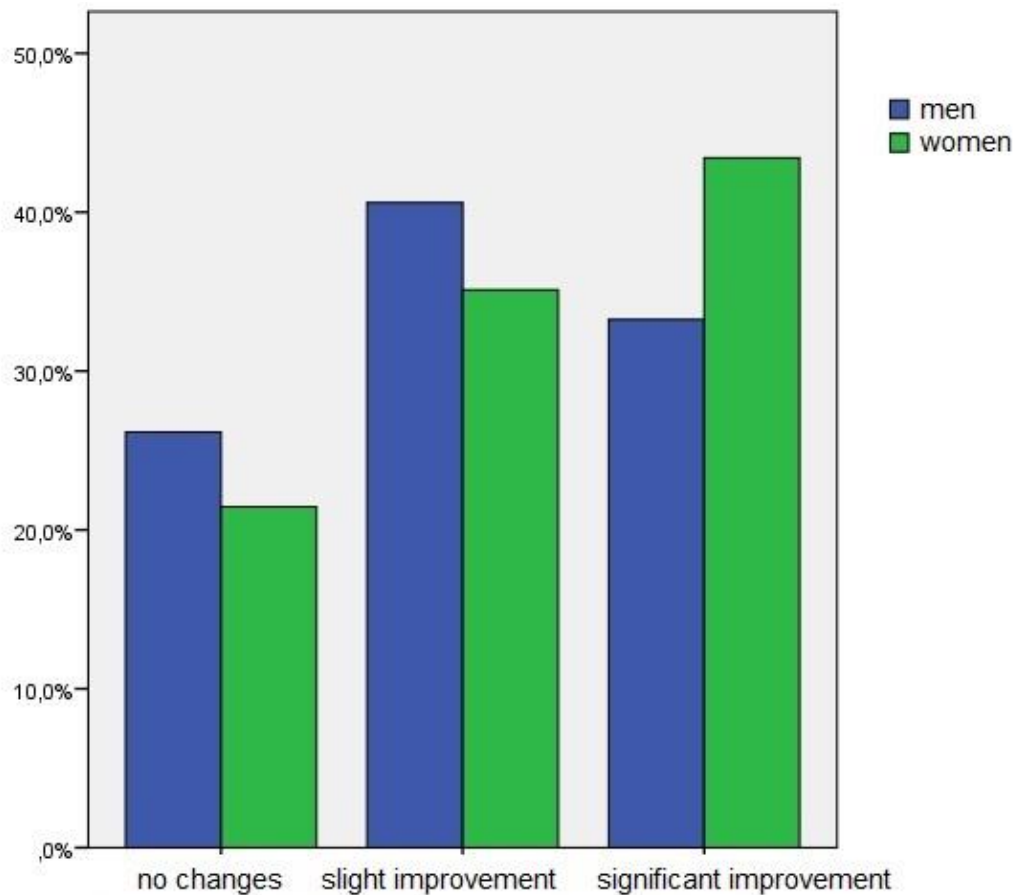


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Analyzations of the target groups



**Improvement of the living conditions of the entrepreneur
due to the credit scheme of the LEA**

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- ▶ The proportion of women was 39,6%. – smaller than men
- ▶ The average number of employees of female entrepreneurs is 3,38. < the average number of employees of male entrepreneurs is 4,32
- ▶ Women viewed the assistance provided by the LEA more positively
- ▶ Greatest part of men (40.3%) thought that the credit scheme of the LEA only improved their living conditions slightly, 43,2% of women stated that it greatly improved their living conditions.

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- ▶ Female clients thought that micro credit had an effect on employment (35% as opposed to the 27,3% of male clients, however, this difference is not significant).
- ▶ Comparison with the findings of the 2014 survey = the ration of female clients increased by 4,1%



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One of the target groups is the rural population

- ▶ Agricultural activities
- ▶ Solution had to be developed to reach rural clients
- ▶ the CREDINFO[®] system was developed, allowing rural clients to submit a loan application online.

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Credinfo

- ▶ The online system available from FEA webpage
- ▶ The final version of the application is generated and recorded in the system with the push of a button
- ▶ Enable the evaluation of loan applications
- ▶ Submit their loan applications online
- ▶ Help also online

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The Rural Microfinance Fund

- ▶ Training on entrepreneurial skill
- ▶ Coaching and consultancy;
- ▶ Help in communication and promotion activities.

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Outcomes

- ▶ Proportion of rural enterprises in the clientship of FEA: 28%
- ▶ No. of clients participating in the rural financing programme: 132
- ▶ Average size of enterprise (in terms of employee no.): 1.8

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