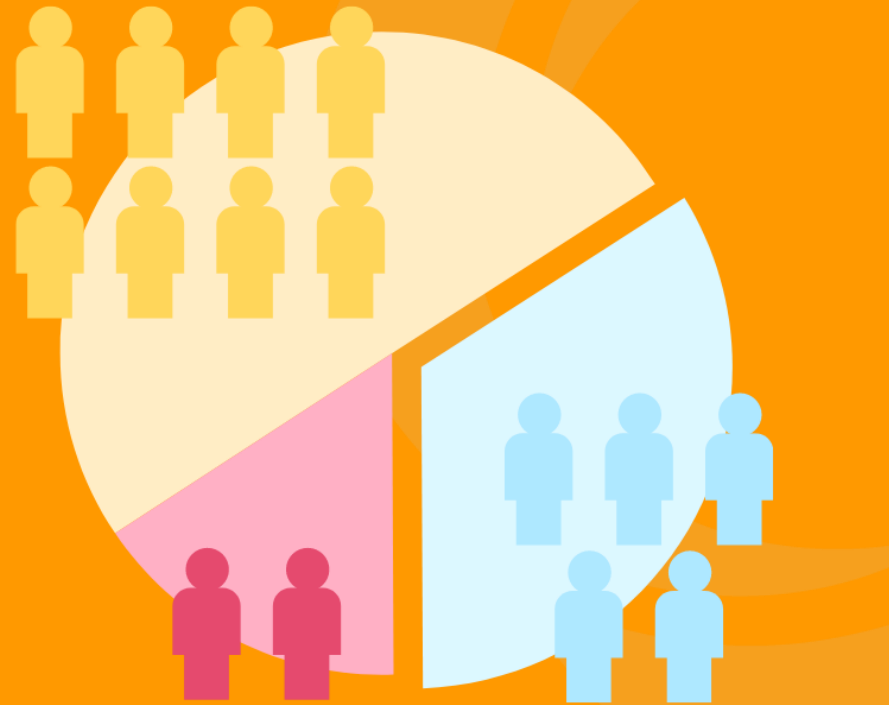


Small Business Corporation

Presentation Outline:

1. SBCorp Focus Segments
2. Key SBCorp Contributions to Financial Inclusion
3. Perspective on responsible financial inclusion;
4. Role of SBCorp in responsible and inclusive finance;
5. Products and services;
6. Stakeholders; and
7. Challenges

SBCorp Focus Segments for **Financial Inclusion**





Key SBCorp Contributions to Financial Inclusion

All 85 Provinces

SBCorp reach in the country

399,301
Total new borrowers

PhP19.16 billion
Cumulative Releases

400
Partner Financing Institutions (PFI)

270
PFI with active credit line

Data as of June 2024

- SBCorp provides for **innovative financing alternatives** to both wholesale and retail or direct lending;
- **Trailblazing programs and financing options** that are proven effective and can be “mainstreamed” by other financing institutions;
- We ensure that **NO MSME GETS LEFT BEHIND**. The unbanked, underserved, or the unserved are provided with their needed financing; and
- We continue to **innovate loan programs** that are considered most competitive in the market and at the same time most accommodating to the needs of the MSMEs. This is done by imposing the least interest rates in the market and requiring reasonable and lenient documentary requirements.

Role of SBCorp in responsible and inclusive finance



- **2017** – launch of the Pondo para sa Pag-asenso at Pagbabago;
- **2020** – through the Bayanihan Act, SBCorp offered the Bayanihan CARES which is an interest-free loan with up to 24 months of grace period;
- **New normal** - the corporation aggressively pivoted to its fintech journey and has been using a machine learning system for small loan amounts. Through this machine learning, we are using a set of algorithm which intends to “predict” the paying capacity of the borrowers.

Products and Services



- **Bayanihan CARES** (2020) is an interest-free and collateral-free loan with grace period of up to 12 months (or half of the loan term).
- The program created to address the needs of the MSMEs during the pandemic, it has been the most competitive business loan program in the market designed to help MSMEs cope with the economic challenges brought by the restrictions;



- **CARES for TRAVEL/RISE UP Turismo** loan program is in partnership with the Department of Tourism which caters to all tourism-related enterprises.
- Anchored on peculiar needs of this sector, it provided for broader payment allowance to tourism MSMEs such as grace period of up to 24 months;



HEROES

Helping the Economy Recover thru
OFW Enterprise Start-ups Program

- **HEROES Program** is a loan program designed to help repatriated OFWs. It includes capacitating the aspiring entrepreneurs in partnership with the private sector and the PTTC and providing needed loans in accordance with well-prepared business plans as final output of the of the capacity building training;



RISE UP
MULTI-PURPOSE

- **RISE UP Multi-Purpose Loan** is a multipurpose and multi-sectoral loan program designed to sustain the MSMEs in the post-pandemic environment.
- Still with concessional features i.e. less than 1%/month interest rates (diminishing balance), discounted further for repeat or “suki” borrowers, as well as longer payment terms.



- **STAPLES/RISE UP Tindahan** is a special loan program designed to help the enterprises within the network of fast-moving consumer goods (FMCG) companies sustain their businesses.
- Being the primary source of basic essentials of the public, SBCorp intended to ensure the economic stability of these retailers.

Purchase Order (PO) Financing

Provides credit access for franchise capital investments of franchisors and franchisees in the Philippines.

To be used for, but not limited to, working capital, training, marketing, and licensing expenses, including the renewal of fees, royalties, and other related costs for franchise operations.

Accounts Receivables Factoring Facility/ Check Discounting

Offers enterprises with a buffer fund, to augment cash flow challenges to meet the immediate requirements of their business operations.

This facility will provide financing utilizing customers' receivables e.g. post-dated checks (PDCs)

Franchising Facility

Provides credit access for franchise capital investments of franchisors and franchisees in the Philippines.

To be used for, but not limited to, working capital, training, marketing, and licensing expenses, including the renewal of fees, royalties, and other related costs for franchise operation.

Stakeholder PARTNERSHIPS



- Business chambers;
- Private sector organizations;
- National government agencies; and
- Local government units

Challenges



- Limited Corporate Capital and Lending Resources vis a vis MSME Financing Gap
- Restrictive regulations;
- Digital Transformation; and
- Organizational Size and Outreach



Thank you.

