



## **MCPI Breakout Session : How to Prevent Fraud and Restore Clients' Trust**



## WHO WE ARE



- **Community Economic Ventures, Inc. (CEVI)**
- A **non-stock, non-profit**, Christian Microfinance NGO
- Founded in **1998**, Bohol, Philippines
- Integrates **values formation** with financial & technical support
- Serves micro-entrepreneurs in **trading, manufacturing, agriculture, and services**

### Our Vision

People Experiencing Fullness of Life.

### Our Mission

As a sustainable microfinance institution, we follow Jesus Christ in promoting transformation in the lives of poor families and communities through the provision of appropriate microfinance services with values formation, training and consultancy.

### Our Social Mission

Serve the economically active poor by providing appropriate & quality microfinance products & services to help their business.

*People Experiencing Fullness of Life*

# Current Statistics as of June 2025



Number of Clients  
111K



PORTFOLIO  
1B+



Number of Offices  
88



OPERATIONAL  
SELF-SUFFICIENCY  
Actual 130%



Number of Employees  
880



Portfolio at Risk  
2.3%

## Top Five Fraud Incident

### Fraud Issues Ranking Based on Occurrence (Overall)

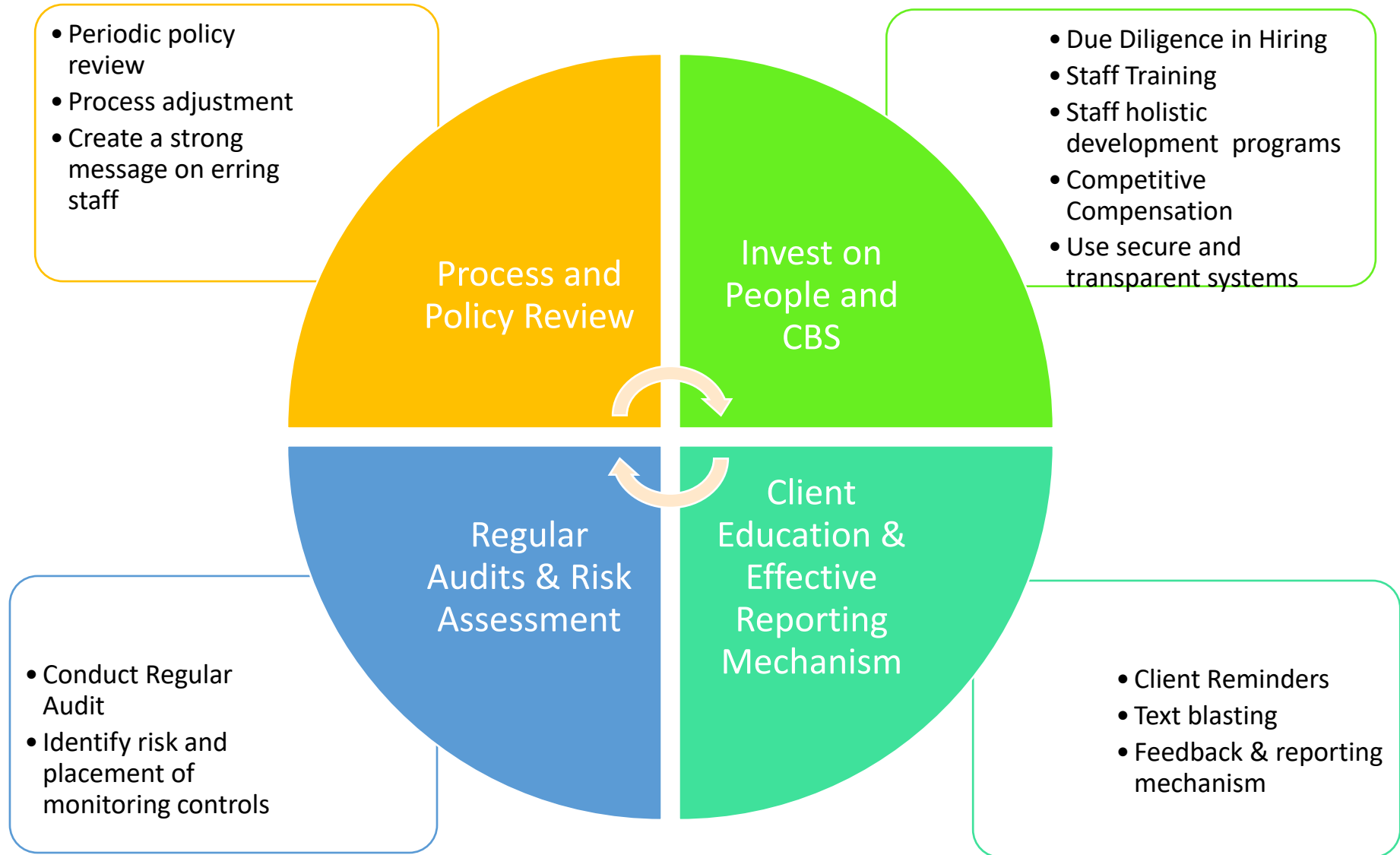
Findings	Occurrence Percentage	Rank
Unremitted Collection (Loan, CBU, Insurance) Non Issuance of Invoice	73.8%	1st
Late Remittance of Collection	66.2%	2nd
Unauthorized Acceptance of Client Payments through Personal Gcash Account	52.3%	3rd
Personal Borrowings from Client	38.5%	4th
Ride-On Loans/Access of Loan Using Clients Account	23.1%	5th

**Number of Fraud incidents: 11**

**Amount involved: 329K** *(as of June 2025)*



# Strategies to prevent Fraud



# How did CEVI manage clients' trust after facing incidents of fraud?

- Send strong message to the clients that fraud is not acceptable.
  - Staff immediate dismissal
  - Fraud investigation
- Reminding clients the reporting mechanism in-placed as their protection.
  - CEVI Complaint Hotline
- Continue to avail CEVI's product and services

# Challenges that CEVI continue to face in terms of fraud?

- Community problem on online gambling.



- Connivance of Loan Officer and Clients



## Lessons learned and next step

- **Prevention saves money, reputation, and legal trouble**
- **Be aware of the staff's lifestyle within and outside work**
- **Fraud prevention is a shared responsibility**
- **Encourage whistleblowing**





*“People Experiencing Fullness of Life”*