

# IMPACT REPORT

# AgroInvest Serbia

2017



# Agenda

- Best Practices/Lessons Learned
- Social Performance AIS
- Client Success Stories
- Awards/Recognition/Certification
- Ongoing Projects

# Best Practices/Lessons Learned

## Client Education

Over the last three years, AgroInvest has participated in the Wise Borrowing campaign which is organized by the MFC (Microfinance Centre). Via this campaign, we have had an opportunity to offer our customers additional education, enhancing our long term cooperation with them. The goals are to assure that our clients are fully satisfied and that the company is recognized on the market as a financial institution that truly cares about its clients.

Some of the most valuable impact of the campaign is the following:

- Responsible lending – making sure that our clients are borrowing wisely
- Providing financial education to our clients
- Positioning ourselves differently from other financial services



VODIČ ZA RAZUMNU POZAJMICU



Deo međunarodne obrazovne



# Best Practices/Lessons Learned

- ❖ **All social data clearly defined and monitored**
  - the same data can be found in the operations, finance and marketing departments.

OUTREACH, IMPACT & RATIOS REPORT		Current Month Actual	YTD Actual
C	IMPACT INFORMATION		
R5	EMPLOYMENT AND CHILDREN		
R5.1	Employment		
R5.1.1	# of full-time equivalent jobs created	490	4284
R5.1.2	# of full-time equivalent jobs created (women)	219	1839
R5.1.3	# of full-time equivalent jobs sustained (including owner)	16668	41795
R5.1.4	# of full-time equivalent jobs sustained (women)	7388	19906
R5.2	Children		
R5.2.1	# of children impacted on active loans (children of employees+owner)	12938	131140
R5.2.2	# of children per family	0.794	0.7997
R5.2.3	# of children impacted on disbursed loans (children of employees+owner)	892	7256

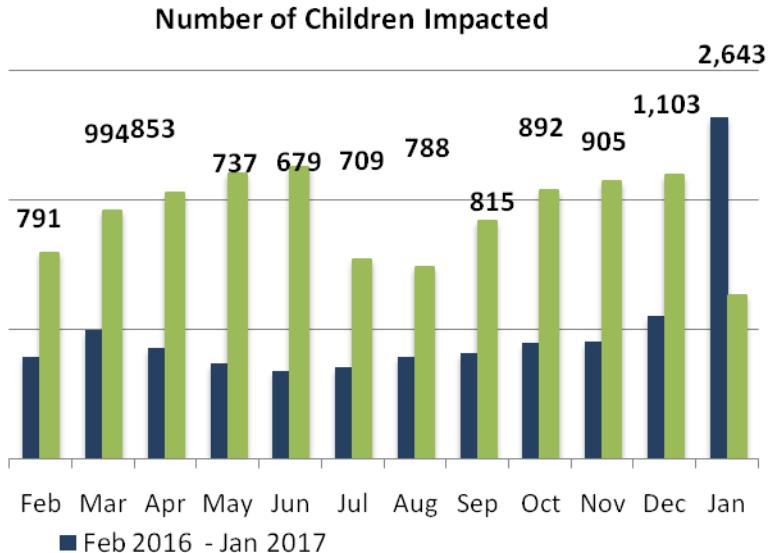


# Best Practices/Lessons Learned

- ❖ Implementation of PAT tools in AgroInvest Serbia since 2011 focused on the following objectives:
  1. *Assessing the poverty level of AgroInvest Serbia clients*
  2. *Checking Socioeconomic profile of Agroinvest clients and ensuring it is on track with the mission*
- ❖ The methodology is designed by USAID
- ❖ The general conclusion is that the average amount of income per household member is 207 euros, which is half of the average salary in Serbia (51,485 dinars or approximately 417 euros).
- ❖ ***Lessons learned: We have introduced tailor made indicators that show if we are reaching our target group and proved that we are targeting rural entrepreneurs who make most of their income from agriculture and not from salaries or pensions.***

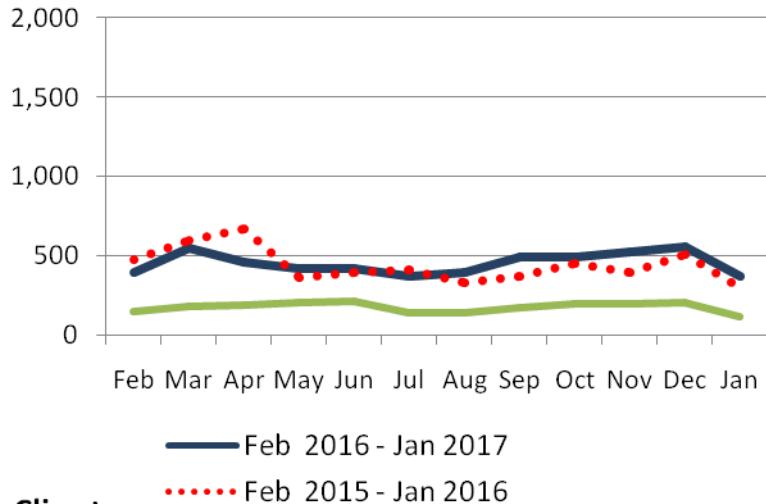
KEY POVERTY DRIVERS	
Socioeconomic parameters	Education level of heads of households
	Number of household members with "no school"
	Age of heads of household
	Number of people living in the households
Household's asset	Size of the houses
	Sewer system
	Heating system
	Usage of solid fuel as a source of heating
Household appliance	Fixed telephone
	Air Conditioner
	Dishwasher
	Vacuum Cleaner
	Stereo or CD/DVD player
	Radio
	PC / Laptop
	Car

# Social performance AIS

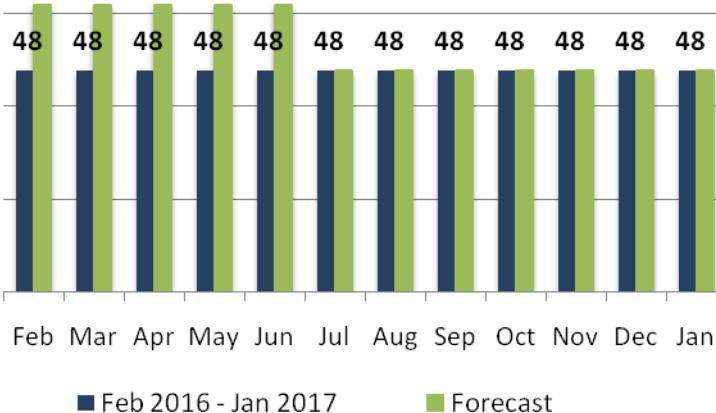


Most of our clients use agricultural loans to create new jobs for their family members. More than half of our clients remain with us during several loan cycles as their businesses become sustainable. The main part of our portfolio is used for agriculture, but it also includes other types of small businesses.

**Number of Jobs Created**



**Percentage Women Clients**



Over 45% of all our clients are women. Women, as the primary caregivers in the family, are more prone to use the increased income for the benefit of their children. Retention rate of our clients is increasing on a regular basis and stands currently at 74%.

# Client Success Stories

## Slobodanka and Milomir Stajkić, AgroInvest clients

Slobodanka Stajkić from the village Bigrenica, municipality of Ćuprija is one of AgroInvest's most loyal clients, who is truly aware of the impact our loans have made on her life.

In 2002, both, Slobodanka and her husband, Milomir, stayed without jobs right after they started a family. They tried finding new jobs, applied in several enterprises, but failed to find. After they almost lost all the hopes that they can have a decent living, they heard of AgroInvest loans through a neighbor. One of AgroInvest loan officers explained them that they can take funds to start their small business. After reviewing all the conditions, Vladinka decided to take the first loan, under her name, in order to buy a few pigs. Today, they are on their third loan cycle, breeding different cattle and making a descent living of husbandry. AgroInvest loans enabled them to start and to expand the small farm that is the fundamental so



# Awards/Recognition/Certification

## Client protection and financial ethics

We are proud that AgroInvest has been officially certified in client protection by the rating agency and the SMART campaign. Certification is valid for two years. According to the rating agency: "The certification is a recognition of the alignment of AgroInvest's management systems, policies and processes with the Client Protection Principles, as well as the management team's strong commitment to promoting growth and institutional development within a client protection framework."

AgroInvest as a only one MFI in Serbia fulfills its social mission in terms of enabling people with limited access to financial services to enhance and improve their lives, the future of their children and their communities by providing financial services and education. This certification was official confirmation that AgroInvest treated its clients with maximum respect and creates additional value for its loans.



# On-going Integrated Projects

## *Introduction of new product for very poor clients*

According to the Serbian National Poverty Line, we have designed a product for very poor clients which are usually a vulnerable target audience. The product is intended for poor clients in rural areas whose income does not exceed 100 Euros per household, which is below the poverty line level.

Clients must be exclusively active in agriculture and resources should be used for the maintenance or expansion of agricultural households and similar activities (fixed and current assets), as well as for payments of agricultural services.

## *Insurance product for clients*

AgroInvest is in the process of introducing an insurance product within its current loan offer in order to provide additional value for clients, protect them and their families in case of death of the client who took the loan. in cooperation with the Insurance company , will cover the outstanding amount of the loan.

