



Microcredit in Italy

1. About us

Our mission



«We create **employment** and **social inclusion** through **professional disbursement of microcredits**, financial education and services for starting-up and supporting enterprises, with the aim of reaching the complete **sustainability** of our activity.

We address to professional people with a **good entrepreneurial idea** and to people with **primary financial needs** (home, health, education), who are **excluded from traditional credit channels** because of insufficient credit history or precarious working position. »



1. About us

Specialised in microcredit

Business microcredit

For people who want to start or develop a microbusiness activity and have a good business idea and technical and entrepreneurial skills.

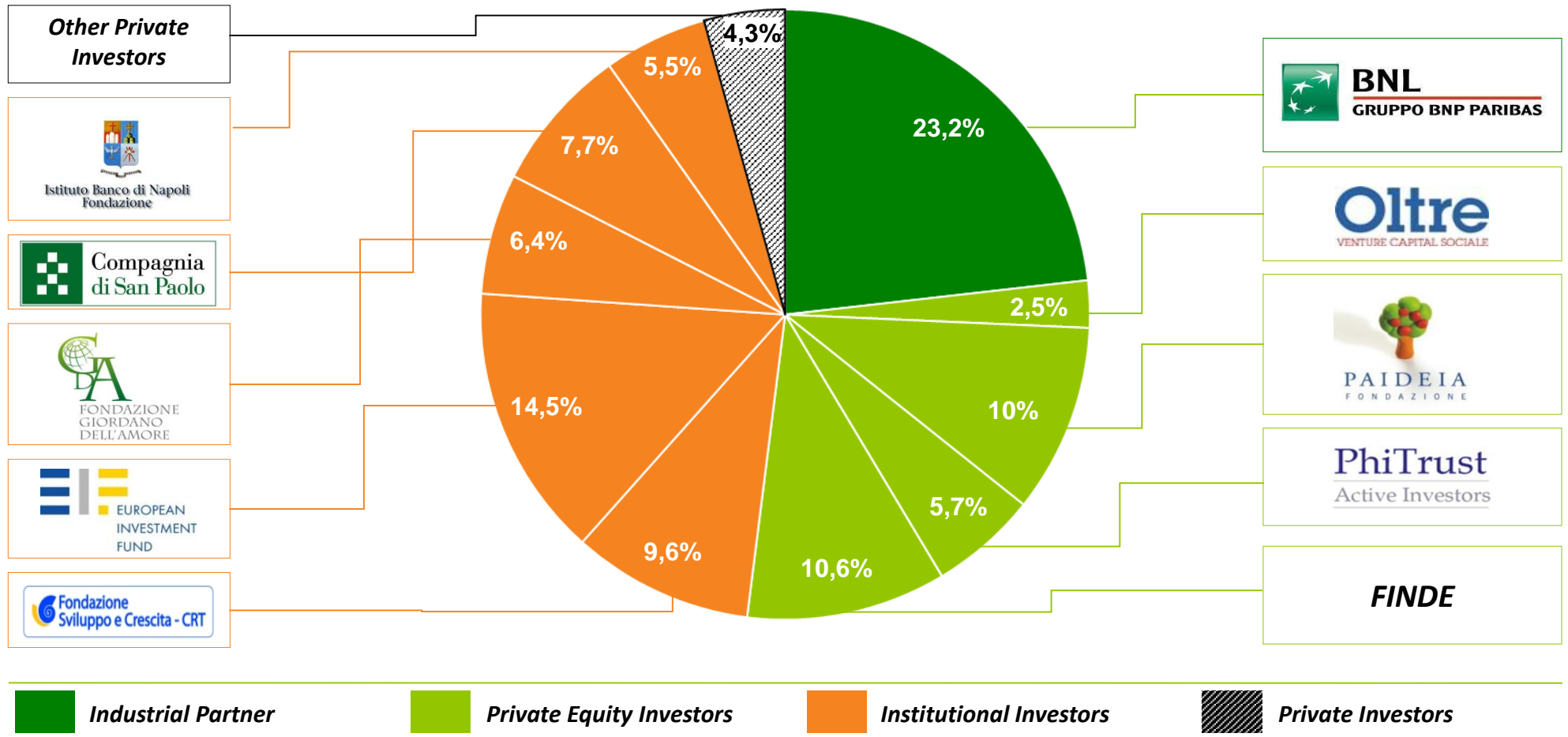


PerMicro is the first Italian institution in terms of number of granted microcredits and disbursed amount.

Until the present moment, it has disbursed **14.169 microcredits**, for a total amount of **95.843.990 euro** (2.232 business microcredits and 11.937 personal inclusion family credits).

1. About us

Our partners



Total raised funds: 9.008.675 €
Initial equity capital: 100.000 €
Current capital: 4.885.683 €

1. About us

New product 'Impresa EaSI'



PerMicro was chosen among the six best microcredit institutes in Europe to be part of the guarantee fund from **FEI** (European Investment Fund) financed by the European Community and signed on October 2015.



- Support in business plan drafting
- Check up of your business
- Loan up to 25.000 € to start-up or develop your project



The product Impresa EaSI benefits from a guarantee funded by the European Union under the Programme for Employment and Social Innovation (EaSI).

1. About us

Where we are

Our street branches make us closer to customers and allow us to better serve the local areas with whom we collaborate.

14 branches in **11** Italian regions



A successful business

PerMicro reached sustainability at the end of 2014 and it is considered a successful business model in Europe.

Also thanks to its **partnerships with the banking system**, PerMicro:



- disburses loans to "unbankable" people allowing them to become bankable;
- offers accessory services a part from credit (support, business planning, etc.);
- operates an excellent evaluation of credit risk which allows the possibility to obtain funding from the banking system.

2. Our model

Financial services and support

The business development services (BDS) must not interfere with the credit process.

Along with increasing professionalism and volumes, there is a growing opportunity of specializing the services to support new enterprises and offering credits at innovative and competitive standards.

Business Development Services, are an efficient tool for **enhancing self employment**. The experience of PerMicro:



✓ BDS also called **Mentoring, Coaching, Tutoring** - pre and post loan disbursement :

- business and family microcredit, education and training
- continuous support provided to microentrepreneurs

✓ Addressing unbankable people for generating **financial and social inclusion**

✓ Focus on microenterprises: structures and main sectors **comparing microcredit to other measures supporting business seeding**

2. Our model

Pre-loan services



- Moral guarantees check and interrogation of credit database
- Financial education and transparency
- Analysis of business idea and evaluation of business sustainability through business plan tools (balance sheets, cash flow, market analysis).

PerMicro business incubator and support to self-employment

PerMicro has offered its financial services (CREDIT) and its business development services (BDS).

2. Our model

Post loan services



→ **Continuous** support to micro-entrepreneurs, both in terms of monitoring and mentoring (monthly telephone calls, quarterly visits to the business activity); periodic review of business plan and evaluation of the development and trend of business activity.

→ **Quarterly** report with business plan analysis and review: comparison of balance sheet data with business plan, assessment of the development of the activity.
Opportunity to share ideas with experts in business creation and management. Micro-entrepreneurs take advantage from the support provided by the volunteer Mentor network of PerMicroLab Onlus, which works closely with PerMicro.

2. Our model

Social comparison – microcredits are more efficient !

Cost per borrower (BDS) in PerMicro

comm expenses

number of new borrowers



2.465 €

NB Average duration of the loan: about **3 years**

Cost per young unemployed person in Italy (per year)

cost of youth unemployment

number of young unemployed people

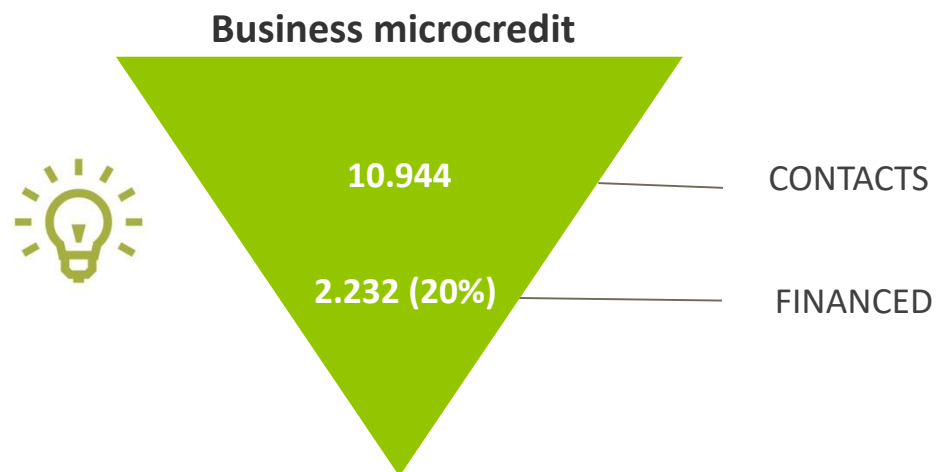




10.697 €

BDS are an efficient tool to enhance employment

3. Results

Synthesis



	TOTAL	2007-2010	2011	2012	2013	2014	2015	2016 (up to 31/10)
 Business MC	2.232	216	225	149	332	435	507	368
Disbursed	€ 32.328.249	€ 1.598.732	€ 1.452.219	€ 1.283.212	€ 4.450.954	€ 7.265.845	€ 9.186.188	€ 7.091.100
 Family MC	11.937	779	536	1.328	2.049	2.478	2.585	2.182
Disbursed	€ 63.515.741	€ 3.359.554	€ 2.673.765	€ 6.783.935	€ 10.349.748	€ 13.454.220	€ 14.139.748	€ 12.754.771
Total MC	14.169	995	761	1.477	2.381	2.913	3.092	2.550
Tot. Disbursed	€ 95.843.990	€ 4.958.286	€ 4.125.984	€ 8.067.147	€ 14.800.702	€ 20.720.065	€ 23.325.936	€ 19.845.871

3. Results

Social impact and financial inclusion

2.232 sustained enterprises



52% startups



46% young people
under 35



65% men

35% women

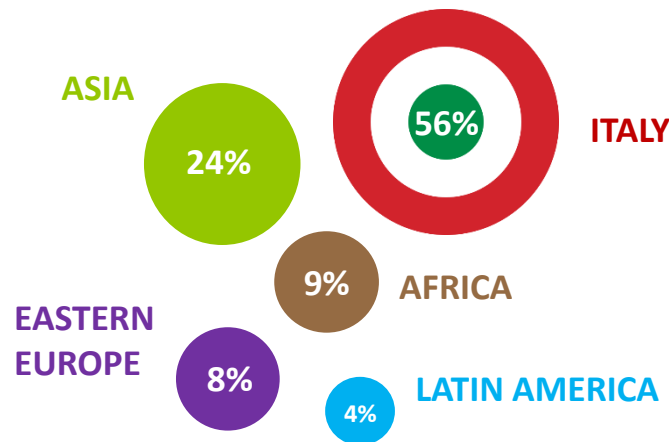


44% migrants



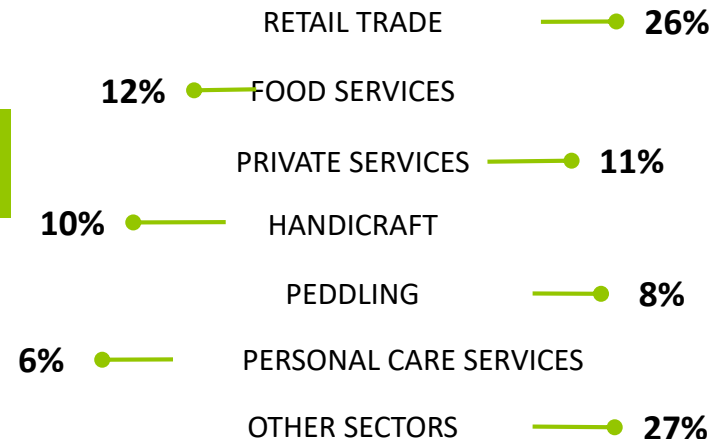
Business microcredit

NATIONALITY



4.464 created jobs

SECTORS



Data up to 31.10.2016

3. Results

Social impact and financial inclusion

- INCREASE OF STATE REVENUES:

12.437.260 €

- PUBLIC CONSUMPTION SAVINGS:

2.793.752 € (reduction of State subsidies)

+ 216.830 € (reduction of administrative costs)

= 3.010.582 €



- INCREASE OF SOCIAL WELFARE:

596 entrepreneurs declaring an increased welfare

- INCREASE OF FINANCIAL INCLUSION:

527 unbankable entrepreneurs who had access to traditional channels of credit after PerMicro

3. Results

Microcredit stories

«PITSHOP» APP- Bari

A digital and innovative startup, founded by four young people with a solid experience, created a project called "PitShop". It consists in a website connected to an application by using a typical e-commerce interface. You look for an item, you choose it, you indicate the maximum distance you can cover, by car or on foot. PitShop will give you a selection of shops corresponding to your research. This will help the stream of customers growing, moreover they will be able to buy reserved items only if they really "fit well".



«CORTECCIA» BOOKSHOP - Milan

Alice and Anita are two young women with a passion for humanities studies. They met as colleagues while working in the bookshop of a famous museum in Milan and they decided to open a bookshop together. Thanks to their very strong will, they managed to make their dream come true and opened a bookshop in a residential neighborhood in Milan. Inside "Corteccia" you can feel the smell of wood and the perception of being in a space which was built around children's needs. In addition to the sale of books for children and young people, Alice and Anita are considering to widen the sale with books for adults.

«OLDE BISCOTTI» Handmad

After having attended many pastry courses and after having worked for many years as an employee in pastry shops, Valeria managed to open her own handmade pastry shop where she produces biscuits, dry pastry and sweet pancakes prepared with local products. Thanks to PerMicro, Valeria was able to buy new equipment for her shop such as: oven, scales, kneader, extractor hood, tables and basins.



4. Memberships



PerMicro is founder member of RITMI, Rete Italiana della Microfinanza, whose main activity is the promotion of microfinance and microcredit in Italy. Its goal is reaching social inclusion for underserved and financial excluded people.



PerMicro is member of EMN, European Microfinance Network, which works for promoting microfinance tools against unemployment and social and financial exclusion.



PerMicro is member of YBI, Youth Business International, a global network which works for helping young people to start-up their business activities. The Italian initiative, Youth Business Italy, offers support and mentoring for business creation to young people in Italy.

PerMicro's business microcredit:



The financing is provided under the **EPPA Contribution Agreement** and the **European Progress Microfinance Facility** established by the European Union.

The product Impresa EaSI benefits from a guarantee funded by the European Union under the **Programme for Employment and Social Innovation (EaSI)**.



Funded by the **Council of Europe Development Bank**.

5. The association PerMicroLab Onlus

PerMicro collaborates with **PerMicroLab** to offer to its entrepreneurs important auxiliary services, such as mentorship and monitoring.

PerMicroLab is a **non-profit association** operating with the purpose of pursuing **social solidarity** aims and giving support to socially and economically disadvantaged people.



PerMicroLab's main aims:

- Enhancement, promotion and development of **microcredit** as a tool for **cohesion** and **social inclusion**.
- **assistance and support**, thanks to its volunteer Mentors network, for the start-up and development of microenterprises.
- **Prevention of usury**, implementing assistance and information activities.

PerMicroLab **Mentors** are people who care about entrepreneurship and ethical finance and who adapt to different business contexts, showing:

- experience in business planning and control;
- experience in business management and consulting;
- communicative and relational capacities;
- attitude for teaching and training;
- attitude in business activities evaluation.

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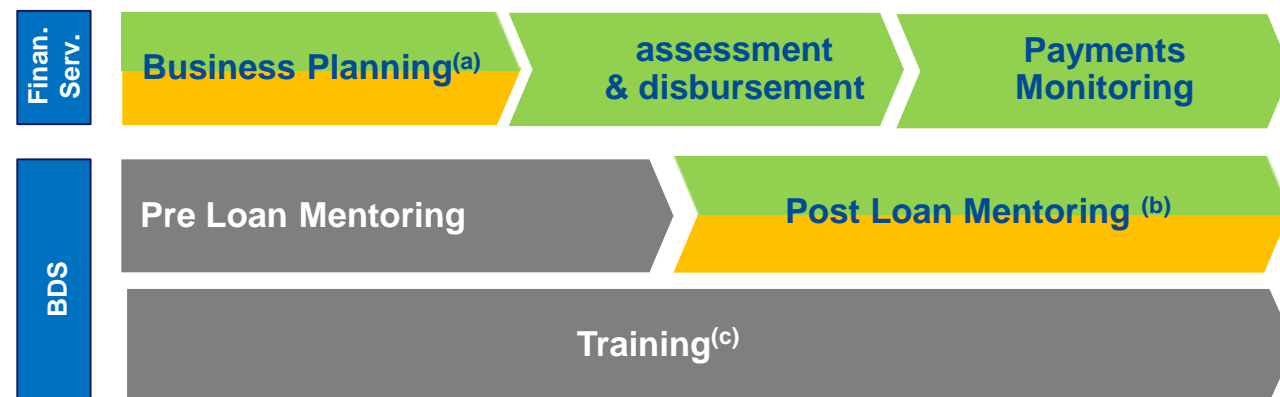
PerMicro and PerMicroLab Network

perXmicro

per
micro
Lab
onlus

name	Type of company	N° staff
PerMicro Spa	Ltd resp, Fin Interim.	50
PerMicroLab Onlus (PML)	ONG	32

- Volunteers work for PMLab, in cooperation with local branch of PerMicro and loan officers.).



- a) Coaches support loan officers with analysis and Bplan, overall responsibility is on LO ;
- b) follow up about business made by coaches, about payments problems made by LO
- c) Training not yet offered, work in progress with KPMG, Accenture, banks.

Legenda:

■ By PerMicro

■ By PerMicroLab

■ Work in progress

5.2 The association PerMicroLab Onlus



69 Mentors



149 mentored enterprises



Up to Youth is a free mentoring course for young people under 35 who wish to start their own business.

2014 Edition



105 men

85 women

2015 Edition



111 men

97 women

Contact us

www.permicro.it



info@permicro.it

800 135953