BUILDING BUSINESSES AND LIVELIHOODS THROUGH SUSTAINABLE TRADE FINANCE

FAST ONLINE FINANCIAL ACCESS PLATFORM

February 2016
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Presentation of FAST
Finance Alliance for Sustainable Trade (1)

- **FAST**: is an internationally focused, member driven, non-profit association with 152 members in more than 30 countries.

- **Objective**: promote sustainable economic development by improving efficiency and transparency in financial markets for sustainable SMEs in emerging economies.

- **Membership**: Financial Service Providers (FSPs) - Small and Medium Enterprises (SMEs) - Impact Investors - Standard Bodies - Technical Assistance providers - Value chain stakeholders.

- **Products & Services**:
  a) **Analytics**: Impact indicators (agr./forestry) - Market studies
  b) **Training**: for SMEs - for Financial Advisor - for FSPs
  c) **Matchmaking**: FAST Financial Fair - Online matchmaking.
Finance Alliance for Sustainable Trade (2)

- **11 FFFs**: conducted in 7 countries (Kenya, Tanzania, Honduras, Nicaragua, Costa Rica, Peru and Bolivia)
- About **40 million USD** facilitated through FFFs
- At least **160 SMEs** connected to FSPs
- Over **100** Consultants trained in 7 countries
- **Financial Literacy Toolbox** available in Arabic, English, Spanish and Swahili with region and sector specific examples
- Development of **investment guides** to new sectors such as sustainable forestry in Peru, Bolivia, Mexico, Guatemala
- **Market reports** for Sustainable Investment (i.e. cocoa, forestry)
General presentation of the platform
Online Financial Access Platform

• The platform will constitute a portal, in which collection, aggregation and analysis of FSPs and SMEs data can be gathered.

• The platform will concentrate FAST main products and services in order to facilitate access to finance within the agriculture and forestry sectors by:
  
  • creating linkages between SMEs and impact investors,
  • developing additional impact metrics,
  • elaborating more industry reporting.
# Investment opportunity hub

An online tool that enables matchmaking between impact investors and sustainable SMEs

| Providing a global aggregation point | Improving the quality of data | Increasing efficiency and lowering costs |
SME-FSP online linkage process

1. **SMEs**
   - Business Profile & Financial Needs

2. **Online Financial Access Platform**
   - Local Financial Advisors: Crosschecking, Improve Profiles, Monitor, Report

3. **FSPs**
   - Profile Financial Offer & Requirements

4. Matches Identified
Platform’s features
Key features

• Secure and user-friendly Content Management System

• Diverse profiles: Admin, SME, FSP

• Online payment system with different rates to ensure financial self-sustainability

• Registration form that fit user’s status

• System to manage credentials and profiles

• Blind information of the platform’s users

• Filtering mechanism to specify user’s financial requirement

• List of Financial products from FSPs and Financial requests from SMEs for matching mechanism

• Multilingual: English – Spanish
SME user interface

• Page to manage credentials and profile

• Page to create financial request

• Page to access list of Financial products from FSPs with filter

• “Apply button” to submit matched request directly to FAST

• Form to complete online for ongoing business negotiation
FSP user interface

- Page to manage credentials and profile
- Page to create financial product and service
- Page to access list of Financial requests from SMEs with filter
- “To Finance button” to submit matched request directly to FAST
- Form to complete online for ongoing business negotiation
SME information sheet  \textit{(registration profile)}

- Information about the SME
  - Legal status / Products / Impact Indicators (employment, certification, gender) / technical assistance

- Information about the SME’s \textbf{financing needs}
  - Requested credit / Collateral / Credit history / Market / Financial statements (\textit{audited}) / Financial projections

- Information on the requested credit \textbf{social and environmental impacts}
  - Details on credit request impacts both at SME and community levels
FSP profile sheet (registration profile)

• Information about the **Financial Service Provider**
  • Legal status / SME or Agr.-For. Dpt. / Main clientele / Portfolio

• Main **debt financing** products
  • Type of financing / Range of credit / Interest rates / Required guarantees

• Main products *from Investment fund companies*
  • Specific products of equity financing

• **Due diligence** procedure
  • Supporting documents / Processing required time

• Additional information
  • **Services** for SMEs
Building Livelihoods Through Sustainable Trade Finance

Opportunities & Development phases
Opportunities for SMEs

The Online Financial Access Platform will provide opportunity to:

a) register profiles showcasing its business,

b) submit financial requests,

c) be matched with FSPs based on minimum requirements for investment and focused on SMEs’ needs,

d) access an initial investment portfolio of 30 million USD for working capital and fixed assets.

Bonus: SMEs will be supported through FAST International Network of Local Financial Advisors.
Opportunities for FSPs

The Online Financial Access Platform will provide opportunity to:

a) **upload financial products** and services,

b) **search for potential clients** based on pre-selection criteria,

c) **be matched with SME** investment opportunities that match their requirements,

d) access an initial investment need of 6.3 million USD,

e) receive key financial reports and investment trends.
Opportunities for industry stakeholders

The Online Financial Access Platform will provide opportunity to:

a) **support SME partners and clients** upload their financial and business profiles to link with FSPs at low transaction cost,

b) receive key financial reports and investment trends,

c) participate in the process of supporting impact investing within the SME and community levels,

 d) get a registration profile in a second phase of the platform development.
# Development phases of the platform

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<td>Set up the Advisory and Technical Committees</td>
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<td>Phase 2:</td>
<td>Development of the technical structure of the platform <em>by an IT company</em></td>
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<td>Phase 3:</td>
<td>Reaching out to SMEs, FSPs, industry stakeholders for their participation</td>
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<td>Phase 4:</td>
<td>Pilot testing of the platform <em>(for its investment opportunity hub)</em></td>
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<td>Phase 5:</td>
<td>Official launch of the platform</td>
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<td>Phase 6:</td>
<td>Continuous usage and promotion of the platform</td>
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Timeline
# Timeline

## DELIVERABLES

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<td>a) presentation of platform webinars: <strong>February 17th, 18th, 19th</strong> for Industry stakeholders, FSPs and SMEs respectively</td>
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<td>b) signature of a Memorandum of Understanding with industry stakeholders: <strong>March 2016</strong></td>
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<td>c) submission of SMEs through <em>FAST SME Checklist</em>: <strong>March/April 2016</strong></td>
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<td>d) pilot testing the platform: end of <strong>March 2016</strong>: test 1 / end of <strong>April 2016</strong>: test 2</td>
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<td>e) early registration on the platform for SMEs and FSPs: <strong>May 2016</strong></td>
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<td>f) <em>launch</em> of the platform: <strong>June 2016</strong></td>
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<td>g) analysis of initial key financial reports and investment trends: <strong>August 2016</strong></td>
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Thank You!