



ETNA Microcredit Loan in groups

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NGO ETNA Estonia...

- ... was founded in 2003 by the entrepreneurship support persons' initiative.
- Our aim is to improve the image and vitality of rural life, and also to balance development between urban and rural areas and to promote gender equality in society.



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Women Resource Centres

- » WINNET Europe, the European Association of Women Resource Centres, (ETNA is a member)
- » WINNET Baltic Sea Region, (ETNA is a partner in project)
Winnet Centre of Excellence (WCE)

WRC-s in Estonia

- » PAIK NET 2011, Partner is LAG
- » JÄRVA NET, Partner is private company
- » RAK NET, partner is Lääne-Viru College

The ETNA microcredit...

... financial mechanism comprises of:

- The Preparatory phase – mentor groups;
- The Transitional phase – loan groups;
- Trainings – basics of entrepreneurship, compilation of a business plan, counting, sales, marketing;
- A Financial instrument – microcredit;

Added values – joint marketing, the skilled use of social media, activation of the community

The purpose of the Financial Mechanism

- ... was/is alleviation from the effects of economic crisis (reduced or lost income, unemployment, etc.) in rural areas through creation or development of business opportunities for women, and to offer support.
- Increasing rural residents' self-confidence and entrepreneurial thinking.
- Contribution to reducing poverty and unemployment in rural areas.
- Reducing families' migration from the countryside to cities or abroad, to promote the? densely populated rural areas.

Mentors



MTÜ ETNA Eestimaal

Process Leaders



MTÜ ETNA Eestimaal

What are the conditions for applying a loan?

- Terms and the documentation is approved by the Board of ETNA.
- Loan resources can be used for starting or developing a business (deposit or other guarantees won't be required).
- For the Group allocated loan facility is EUR 9,586 (one group member has the maximum loan amount of up to EUR 2,000).
- The repayment period is up to three years and has an interest rate of 5% per annum.

If Member has a problem with repaying the loan?

- Loan Group member is immediately required to inform the members of their group and the Loan Resource Manager about possible payment difficulties.
- Other Loan Group members can not apply for a loan until the payment difficulties are eradicated.
- In case of payment difficulties, the Loan Group is obliged to draw up a joint action plan for the eradication.

2016 in figures

- 12 Loan Group with 75 Members
- On the basis of the Loan Groups' annual reports 2016 Group members owned 65 legal business entities, which had annual turnover 1 530 176 €.
- in 2016 were established 8 new legal entities.

Activity areas?

- The so-called soft feminine activities make up the majority (consultations, organising events, workshops, crafts, sewing, design, ceramics, various beauty treatments, etc.).
- The so-called male-specific activities are also represented (selling industrial equipment, car-repair, beekeeping, wood processing, etc).

The use of loan resources from the beginning (from 2013)?

- signed loan contracts - 71
- used loan resources – 156 805 €.

International recognition

- OECD presented the edition - *Missing Entrepreneurs 2014*. The publication represented the ETNA microcredit financial mechanism as Estonian measures for engagement in business activities.
- ETNA micro-credit financial mechanism was awarded as a semifinalist in the EU Social Innovation Competition 2013.

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Thank You for the attention!



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Board Member

NGO ETNA Estonia

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