

Initial Module One (Economic) Logical Framework

Parameters	Module Three: Economic Module Sustainable micro and small enterprise financing and development		
	Performance Targets	Monitoring Mechanisms	Risks and Assumptions
Goal: long-term objective, i.e., the vision: effective governance in the Homeland, anchored on grassroots economic empowerment and resolution of issues facing migrant workers and their families, and with raised consciousness of a nation ready to march as one			
<p>Purpose: [the <i>immediate reason</i> for the initiative]</p> <ul style="list-style-type: none"> ◆ Develop sustainable market-based funding and mechanisms for micro and small enterprise financing and development 	<ul style="list-style-type: none"> ◆ Reduced reliance on risk-based funding sources ◆ Increased proportion of private market-based funding ◆ Reorientation of product marketing by micro / small enterprises 	<ul style="list-style-type: none"> ◆ Periodic reports of MFIs ◆ Periodic reports of clusters or groups of micro /small enterprises ◆ Periodic onsite reports of Global Filipino Nation (GFN) secretariat 	<ul style="list-style-type: none"> ◆ Willingness of MFIs to participate in program ◆ Adequate demand for market-based funding ◆ Foreign exchange risk for foreign investors adequately addressed ◆ Capacity of micro /small enterprises for market reorientation
<p>Outputs or Outcomes: [results that can be produced / delivered during implementation]</p> <ul style="list-style-type: none"> ◆ Diversified commercial sources of funds for micro /small finance institutions (MFIs) ◆ Participation by Philippine and foreign investors in micro / small finance packages ◆ Greater access by micro / small enterprises to non-traditional markets 	<p>By 2Q, '09:</p> <ul style="list-style-type: none"> ◆ Large MFIs with track record avail of financing packages consisting of collateralized loan obligations (CLOs) ◆ Local and foreign institutional investors purchase participations in CLOs ◆ Marketing links are established between non-traditional product buyers and clusters / groups of micro /small enterprises 	<ul style="list-style-type: none"> ◆ Periodic reports of MFIs ◆ Periodic reports of clusters or groups of micro /small enterprises ◆ Periodic onsite reports of GFN secretariat 	<ul style="list-style-type: none"> ◆ Existence of a critical mass of large MFIs with large loan portfolios ◆ Adequacy of Philippine legal and regulatory framework ◆ Stability of interest and foreign exchange rates
<p>Activities: [key tasks, steps, or stages to be undertaken by the initiative]</p> <ul style="list-style-type: none"> ◆ <u>Sustainable market-based funding</u> 1. Establish current and future demand for commercial funding by MFIs 2. Evaluate MFI funding eligibility 3. Develop sustainable funding mechanisms for MFIs ◆ <u>Market expansion program</u> 1. Develop external market linkages for micro / small enterprises ◆ <u>Computerized monitoring system for micro /small borrowers</u> 	<p>By 4Q, '08:</p> <ul style="list-style-type: none"> ◆ Investment banking group and/or consultants: <ol style="list-style-type: none"> 1. complete analysis of funding demand by MFIs 2. establish creditworthiness of large candidate MFIs ◆ Identify and develop new non-traditional marketing links for micro / small enterprises ◆ Integrate MFI client database with GFN database 	<ul style="list-style-type: none"> ◆ Periodic reports of MFIs ◆ Periodic reports of clusters or groups of micro /small enterprises ◆ Periodic onsite reports of GFN secretariat ◆ Periodic reports of website and database administrator 	<ul style="list-style-type: none"> ◆ Willingness of investment banking group and/or consultants to initiate work without assurances of commercial reward ◆ Adequate number of MFIs meet eligibility criteria ◆ Feasibility of clustered /group marketing of products by micro /small enterprises ◆ Portfolio quality of eligible MFIs meet securitization standards
<p>Resources Needed [Inputs]</p> <ul style="list-style-type: none"> ◆ Investment banking expertise ◆ Consultants ◆ Financial resources to cover above items ◆ Availability of investment funds 	<p>By 3Q, '08:</p> <ul style="list-style-type: none"> ◆ Establish core GFN organizers that would interface with investment banking group and/or consultants ◆ Appoint investment banking group and/or consultants who will formulate and implement the CLO program for MFIs and market diversification for micro /small enterprises ◆ Develop eligibility criteria for MFIs 	<ul style="list-style-type: none"> ◆ Periodic reports of MFIs ◆ Periodic reports of clusters or groups of micro /small enterprises ◆ Periodic onsite reports of GFN secretariat 	<ul style="list-style-type: none"> ◆ Local expertise is available for securitization of MFI portfolios into CLOs ◆ Local financial market would accept CLOs as acceptable investment vehicles ◆ Foreign investment climate toward the Philippines positive
<p>Implementation Plans [Summary of Operational Plan]:</p> <ul style="list-style-type: none"> ◆ Formation of: <ol style="list-style-type: none"> 1. investment banking group 2. market development group 	<ul style="list-style-type: none"> ◆ Detailed time-bound Implementation Plan, covering '08-'10 activities and resources needed, initiated ◆ Detailed roadmaps for key activities launched 	<ul style="list-style-type: none"> ◆ Periodic reports of MFIs ◆ Periodic reports of clusters or groups of micro /small enterprises ◆ Periodic onsite reports of GFN secretariat 	<ul style="list-style-type: none"> ◆ Efficient GFN national secretariat ◆ Responsiveness of MFIs and clusters /groups of micro /small enterprises