



GOOD PRACTICES - CASE IDENTIFICATION /1ST LEVEL ANALYSIS

1. Good Practice title:

SODEBUR (Burgos Province Development Society) micro credits facility.

2. Territory of implementation/application (country/region/...)]

The geographical reach is Burgos province, summing up a population of more than 370.000.-inhabitants.

3. Timeframe:

year of introduction: year of termination: (leave 0000 if ongoing)

4. Brief description of the promoting organization:

The Society for the Development of the Province of Burgos (SODEBUR) works to promote social and economic development in the Province of Burgos. It is a Limited Society entirely owned by the Burgos Provincial Government.

5. Main objective of the initiative:

The principal goals to be accomplished :

- Offer microcredit services (credits under 25.000 €) to entrepreneurs, SMEs and self-employees starting on 01.01.2013.
- Help medium-low sized investments with microcredit services.
- Develop financing for entrepreneurs, SMEs and self-employees in Burgos province.
- Financial help focused on start-ups, unemployment people and rural development.



6. Brief explanation of the initiative:

Provision of micro credits to entrepreneurs, start-ups and SMEs from Burgos rural areas.

Characteristics of the facility:

- Maximum 25000€ (Including 5000€ for working capital)
- 4 years term (Maximum) , including optional 6 months grace period. 1 year for working capital.
- 1,5 – 3% interest rate. No fees.
- No guarantees/ no collaterals.

Outsourced management and implementation of the facility to CEEI-Burgos

7. Target group and measures to involve the target group:

Entrepreneurs, start-ups and SMEs from rural areas of Burgos province. Involvement of Burgos Provincial Governments development agents in the dissemination and client acquisition processes.

8. Innovativeness:

Assessment approach based exclusively both in the project and the applicant themselves, excluding external guarantees/collaterals.

Addressing market niche. Credit facilities under 25.000 € were very restricted and limited in Spanish regular financial markets, due to the particular circumstances of regular banks and financial institutions all over the country as a result of the credit crunch, which were more interested in bigger and more profitable operations. Besides, entrepreneurship is always considered an extra risk factor.



9. Outcomes:

Data and figures relating to 01/01/2013 – 23/05/2016 period:

Applications: 86

Approved: 37

Denied: 41

Study: 8

Total fund: 800000€

Current amortization: 225391,17€

Total leveraged investment: 1515825,66€

Total loans granted: 658665,80€

Jobs created: 43

NPL 30: 0,47%

Survival projects/companies ratio: 100%