



ECLOF

Philippines

Tightening the Anchor to Our Core

ANNUAL REPORT 2019

Responsible Partnerships Towards Inclusive Growth







Table of Contents

HISTORY	3
MESSAGE FROM THE CHAIRPERSON	4
MESSAGE FROM THE EXECUTIVE DIRECTOR	5
ORGANIZATIONAL HIGHLIGHTS: OPERATIONS	6-8
ORGANIZATIONAL HIGHLIGHTS: FINANCE	9-11
ORGANIZATIONAL HIGHLIGHTS: HUMAN RESOURCE	12-17
ORGANIZATIONAL HIGHLIGHTS: CLIENT SERVICES AND NETWORKS	18-23
OUR PEOPLE	24-28
MEMBERS LIST	29
LOAN PRODUCTS	30
VISION, MISSION, CORE VALUES, AND AREAS OF OPERATIONS	31-32
2019 AUDITED FINANCIAL REPORT	

OUR HISTORY



In 1972, ECLOF started as a desk created by the National Council of Churches in the Philippines (NCCP) to provide loans to its member churches. In 1995, it became an independent entity and was registered at the Securities and Exchange Commission (SEC) as Ecumenical Church Foundation, Inc., to extend its loan services not only to churches. In 2001, ECLOF began to operate as a microfinance institution.

Through the years, ECLOF continues to grow and expand its program and services by establishing different Unit Offices in North Luzon, South Luzon, and Palawan. These Unit Offices offer agri-microfinance; entrep loans or Micro Negosyo at Serbisyo through group loan, individual loan, and job generating loan; Small Medium Enterprise (SME) and Institutional Loans. They also provide microinsurance and savings program to clients.

In 2010, the Board of Trustees made a strategic decision to focus on agricultural microfinance and increase ECLOF's agri portfolio to 60%.

Starting 2015, ECLOF aims to expand into the three (3) regions of Luzon, Visayas and Mindanao, reaching out to 50,000 clients. To achieve this, ECLOF will continually develop responsive and relevant products and services and ensure its organizational sustainability.

In 2017, the organization formally adopted the name ECLOF Philippines Microfinance, Inc. (EPMI) in accordance with the MF-NGO Law that requires all microfinance organizations to indicate in its name the word "microfinance."

While in 2018, it continues to provide responsive and relevant products and services to its clients by institutionalizing a "one-stop-shop" program in all of its Unit Offices. ECLOF have implemented the sustainable portfolio mix at all branches. Likewise, different services for the clients and communities are initiated such as Financial Literacy Training, Medical Mission, Trade Fair and Exhibit, Mass Wedding, Basic Organic Training and pilot testing of Clients' Privilege Loan for the loyal clients.

2019 marks the end of ECLOF's 5-year strategic plan to reach 50,000 clients, in 3 regions. As of December 2019, it has a total of 30 Unit Offices with 31,535 total clients, a loan portfolio amounting to 342.9M Pesos, and operational self-sufficiency rating of 109.54%.

MESSAGE FROM THE CHAIRPERSON



The current COVID-19 crisis that has engulfed the entire global village recalls for us our beginnings when ECLOF was established in 1946 in Switzerland primarily to respond to the massive devastation following World War II. It was then a time for rebuilding churches, communities and lives and ECLOF shared the heavy burden by providing loans to churches, schools and community centers and to help build an orphanage and housing for children and young people whose parents perished during the war. Eventually, ECLOF expanded to the developing world and pioneered micro-finance to address the root causes of underdevelopment and poverty.

In this country, ECLOF Philippines has been a partner of churches

and communities in going through the turbulent times of economic marginalization over the years. While remaining true to its vision of uplifting the “last, the least and the lost”, it has also built up its institutional viability and in recent years, it has seen its net worth increasing.

Now, we are in the midst of another worldwide catastrophe. In our country, this crisis has brought thousands of families into the brink of starvation as livelihoods or sources of income are wiped out or adversely affected. ECLOF Philippines, just as in our origins, is again called to be a partner in enabling our people to rise up from this grave economic downturn. With our institutional expertise and viability, we are well positioned to do this. Our theme “Tightening the Anchor to our Core” expresses our readiness to take up the work. Certainly, the gravity of the difficulties that our people face today will stretch our capacities and challenge our resolve and that is why we really must “tighten the anchor to our core”.

It is a great privilege to welcome the ECLOF-Philippines family as we gather for our 25th General Assembly, knowing very well that we are meeting under very challenging times and yet very hopeful of the enormous opportunities ahead.



ATTY. FLOYD P. LALWET
Chairperson

ANCHORED TO OUR CORE

Concluding the strategic direction during the last five years which are to 1) Continue in developing responsive and relevant products and services, and 2) Ensure organizational growth and sustainability, 2019 has been very good as a closing year.

Despite the growing competition and innovation to digital age, ECLOF Philippines Microfinance, Inc.(EPMI) was able to advance in its operations and as Organization. Anchored on the Core and Strategic Direction as directed by the Board of Trustees, covering not just the last five years but in the last 10 years, we remain true to our call in supporting the marginalized community of farmers and budding micro-entrepreneurs. Having this drive to reach out to the unbanked and unreached, we continue in envisioning and setting the proper structure and system.

During the year, we are able to set up ECLOF Finance Corporation(EFC). The one which will focus in providing support to our Churches, Cooperatives, Schools and the Small and Medium Enterprises. Our support to the farmers in terms of capacity building will be sustained by the establishment of our ECLOF Nature and Organic Farm(ENOF) in Palawan. This has been done as we manage the growth in our Microfinance operations.

Closing the year and the 5-year strategic plan for the Microfinance operations, we were able to achieve what at first, we thought we cannot in terms of key performance. With our limited sources of fund we managed to disburse PhP732.4M and achieve Loans Receivable(loan portfolio) of PhP342.9M. The direction of maintaining a 60/40 share in portfolio with bias to agricultural sector was also achieved, having 59% agricultural loans amounting to PhP201.5M and 41% or PhP141.4M with Micro, Small and Medium entrepreneurs(MSMEs), retaining a 14% portfolio at risk, the lowest in the last 5 years. A total of 31,535 clients are reached at the end of this year.



The mark set during the last 5 years of a 3:5:50K may have not been met but we remained ONE ECLOF with 4 major key Area locations of operations in the last 5 years with more than 30K clients. Together, we remain true to our call to see our farmers and micro entrepreneurs progressing in their field as significant human with dignity. ECLOF has been blessed to always be reminded to keep its CORE and that is Faith, that as we take heed to our call to bless the less our good Lord will provide more than we can imagine. To Him who is more than able be all the glory and honor!

"Trust in the Lord with all your heart and lean not on your own understanding; in all your ways submit to him and he will make your paths straight." Proverbs 3:5-6

ROSEMARIE C. CASTRO
Executive Director

ORGANIZATIONAL HIGHLIGHTS: OPERATIONS

PORTFOLIO PERFORMANCE

In 2019, ECLOF Philippines Microfinance, Inc. (EPMI) capped off its 5-year strategic direction: 1) Continue developing responsive and relevant products and services; and 2) Ensure organizational growth and sustainability. EPMI's consistent growth in the last 5 years is both a testimony and celebration of our dedication and commitment to reach the unbanked and underserved in the Philippines.

2019 was a great year for us, with both the loan disbursement and portfolio size registering at their highest in the last five years. The total loan disbursement amount grew to PhP732.4M from PhP588.6M last year, an increase of 24%, while our portfolio increased to PhP342.9M from PhP261.5M, a 31% increase from 2018.

A total growth of our loan disbursements by 87.36%, from PhP390.9M to PhP732.4M and our loan portfolio by 58.09%, PhP216.9M to PhP342.9M over the 5-year period from 2015-2019. The total loan disbursements and loan portfolio in 2019 are

contributed by the operations performance of the branches from the six (6) Areas and Sub-Areas within the National Capital Region (NCR) covering Marikina, Cainta and Quezon City Branches; Calabarzon and Inter-island area with Laguna, Calapan and Infanta-Tanay Branches; North Palawan Area with Puerto Princesa, Narra and Taytay-El Nido Offices; South Palawan Area with Quezon-Rizal and Brooke's-Bataraza; North Luzon Area with Baguio-Atok, La Union, Abatan and Nueva Vizcaya branches. Head Office (HO) reflects the Insti/ SME Loans to the Churches, Schools, Cooperatives and SME clients.

South Palawan maintained being the highest contributor in Disbursements and Portfolio during the last 4 years—closing 2019 with a total of PhP176.3M disbursement and PhP82.5M total portfolio. North Palawan places second with PhP169.5M total disbursement and PhP72.4M portfolio. In the third place is Calabarzon with PhP139.7M and PhP63.7M, disbursements and portfolio size, respectively. HO performance is reflection of transitory portfolio pertaining to Institutional and SME loans to be transferred to ECLOF Finance Corporation (EFC).

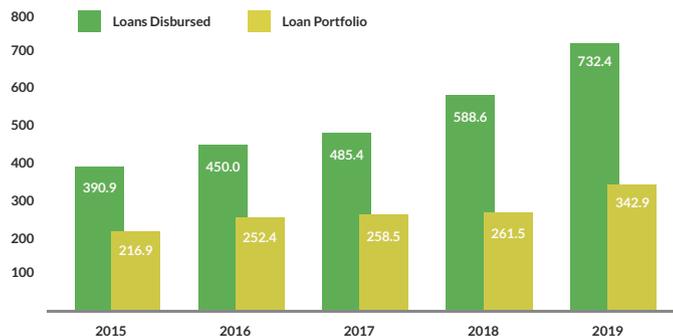


Chart 1: 5-Year Loan Disbursement and Portfolio trend (in Millions PhP)

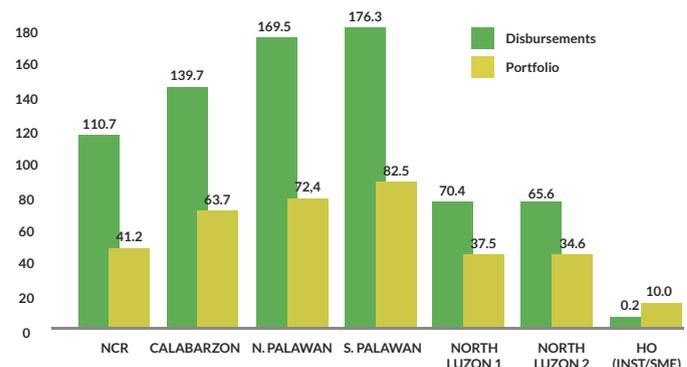


Chart 2: Portfolio and disbursement Shares per Area (in Millions PhP)

EPMI continues in its implementation of balanced portfolio in building sustainable operations, with loan products developed to cater to various client needs. Consistent in achieving its strategic direction since 2010, EPMI maintains a total Agricultural portfolio of 60% with PhP201.03 actual amount in 2019. Entrepreneurial or MNS and Insti/SME loans make up the remaining with 38% which is PhP132.09M for MNS loans and 3% or PhP9.98M Insti/SME loan amount. A five percent (5%) increase from last year's MNS which is possibly due to the opening of Calapan Branch in Mindoro which added PhP19.36M to the portfolio.

Entrepreneurial Loans registered increase in the portfolio amount from Php85.4M last year to PhP131.4M this 2019 while the rate increase is from 33% last year to 38% this year. The Portfolio share for Entrepreneurial loans (MNS) composed of Group loans with 9% which is PhP32.3M out of the total PhP131.4M, majority of the entrepreneurial loans share is with the Individual loans that is 21% or PhP72.1M and the least share is for the higher loans to individual which is the Job Generation Loans of PhP27.0M with 8%. The Agri-loans share, although registered a decrease in ratio from last year's 63% to 59% this 2019, the amount increased from PhP165.0M to PhP201.5M. The Insti/SME share of 3% is a decrease from last year's 4%, amounting to PhP9.98 this year from PhP11.0M last 2018.

Agri-Entrep Portfolio Share

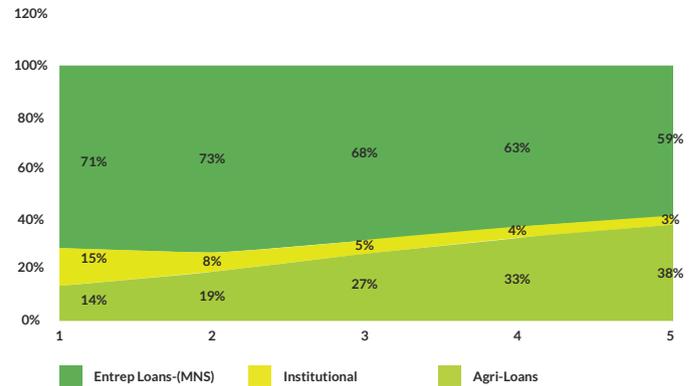


Chart 3: 5-Year Loan Portfolio Share per Product Trend

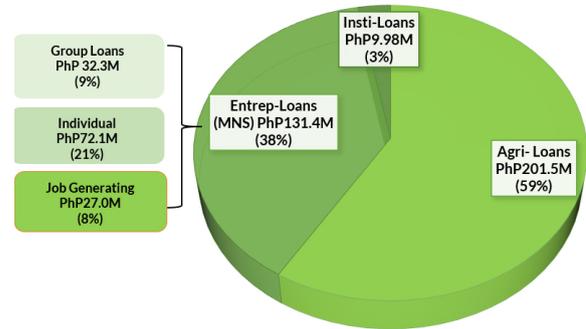


Chart 4: Loan Portfolio Distribution per Product

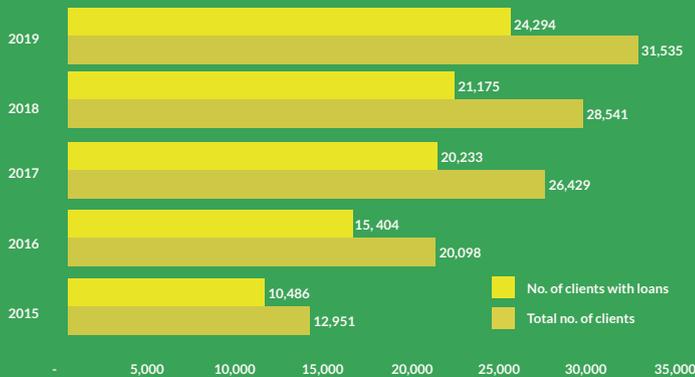


Chart 5: Total Clients and Active Clients Trend

CLIENT OUTREACH

Client outreach reflected a consistent growth in the last 5 years, from a total of 12,951 in 2015 to 31,535 at the end of 2019, a growth of 143%. The number of Active Clients (clients with loans), registered consistent growth, more than doubling in number from 10,486 in 2015 to 24,294 in 2019.

The total clients increased by 11% during the year, from 28,451 in 2018 to 31,535 at the end of 2019. Compliance to standard microfinance portfolio measure was implemented during the year, giving the organization adjusted clients outreach and portfolio balances.

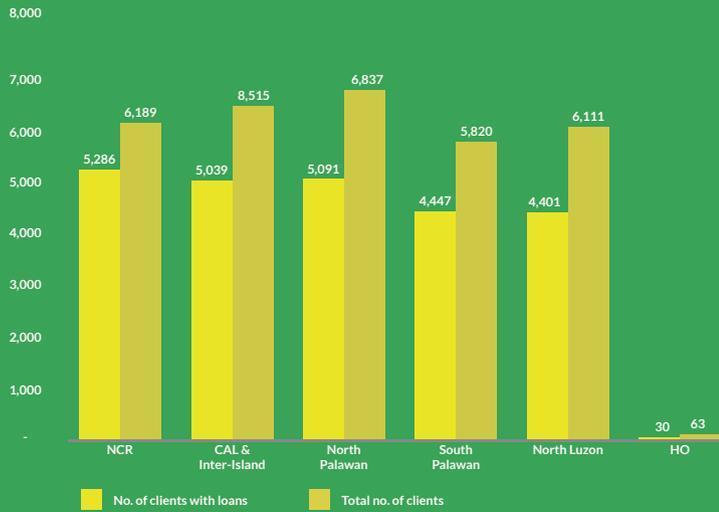


Chart 6: Clients Share per Area

Client outreach reflected a consistent growth in the last 5 years, from a total of 12,951 in 2015 to 31,535 at the end of 2019, a growth of 143%. The number of Active Clients (clients with loans), registered consistent growth, more than doubling in number from 10,486 in 2015 to 24,294 in 2019.

The total clients increased by 11% during the year, from 28,451 in 2018 to 31,535 at the end of 2019. Compliance to standard microfinance portfolio measure was implemented during the year, giving the organization adjusted clients outreach and portfolio balances.

PORTFOLIO QUALITY

Over the past 5 years, Portfolio-At-Risk (PAR) performance was steady at double digit, peaking in 2017 at 19% and the lowest was at 14% in 2018 and 2019. Similar to PAR, the Past Due peaked at 18% in 2017 while the lowest was in 2018 at 12% and 13.8% during the year. The high rates in 2017 may be attributed in part to the development,

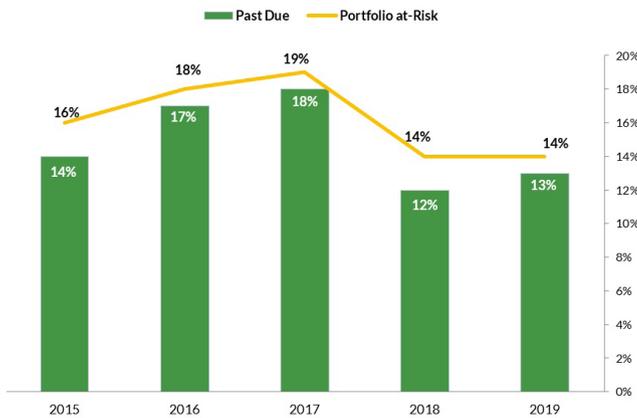


Chart 7: Portfolio at Risk and Past Due Rates Trend

introduction, transition and implementation of new products to secure EPMI's sustainability. While the improvement (decreases) is brought about by compliance to the standard Microfinance portfolio measure. Periodic reviews and assessments of the portfolio are conducted on a quarterly basis. Standard loan loss provisioning is applied after writing off of accounts long overdue.

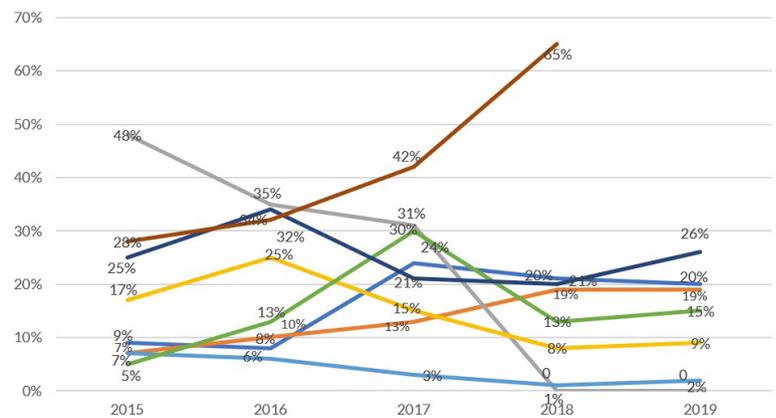


Chart 8: PAR Rate Trend per Branch

Opening of New Offices

During the first half of 2019, EPMI expanded to several areas in order to reach more clients and communities. These newest offices to offer EPMI's loan products and services are located in: Bataraza, Palawan Unit Office opened April 8; El Nido, Palawan Unit Office on April 12; Polillo, Quezon Unit Office on May 22; and Calapan City, Oriental Mindoro Branch on June 28. The opening of the new offices started with a motorcade parade participated by Operations staff and guests within the locality, followed by a ribbon-cutting ceremony and office blessing by the invited pastor.



ORGANIZATIONAL HIGHLIGHTS: FINANCE

NET SALES	2015	2016	2017	2018	2019
TOTAL REVENUE	79.5	92.5	108.3	132.5	158
TOTAL EXPENSES	73.6	83.5	104.8	119.1	142
(NET INCOME/(LOSS	5.9	9.0	3.5	13.4	15.8
OSS	108%	111%	101%	107%	110%
FSS	106%	109%	95%	95%	101%
OCR	35%	36%	41%	34%	35%

In the last five years of ECLOF's operation, it reflected an increasing revenue with an average growth rate of 20% and doubled Total Revenue at the end of five years from PhP79.5M in 2015 to PhP158.0M in 2019. Year 2019 registered the highest revenue of PhP158M as compared to the previous years of operation. With an increment on revenue followed the increase in Total Expenses to sustain the operations, providing competitive remuneration to the staff as the prime capital of the organization to continue its development works. Another reason

for increased expenses is the need of the organization to finance the operation expansion to the islands of Mindoro and Polillo; and the Unit Office extensions of operations in Bataraza and El Nido.

As showed, Revenue and Expense had a little variance; however, ECLOF still blessed with an income of P15.8M.

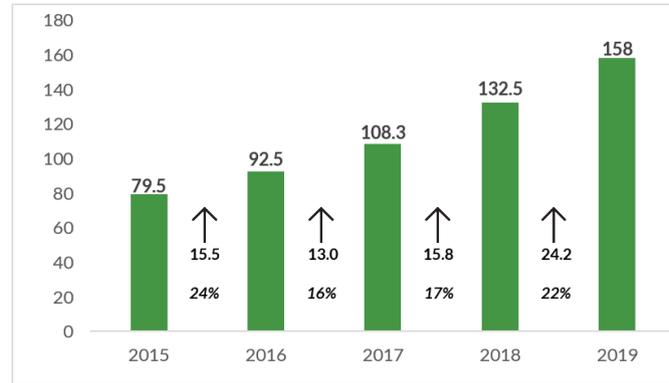
Over the past 5 years, Portfolio-At-Risk (PAR) performance was steady at double digit, peaking in 2017 at 19% and the lowest was at 14% in 2018 and 2019. Similar to PAR, the Past Due peaked at 18% in 2017 while the lowest was in 2018 at 12% and 13.8% during the year. The high rates in 2017 may be attributed in part to the development, introduction, transition and implementation of new products to secure EPMI's sustainability. While the improvement (decreases) is brought about by compliance to the standard Microfinance portfolio measure. Periodic reviews and assessments of the portfolio are conducted on a quarterly basis. Standard loan loss provisioning is applied after writing off of accounts long overdue.

From the Net Income of Php3.5M in 2017, it continues to increase up to Php15.8M in 2019. Year 2019, posted the highest Net Income for the last five years as the operations grow.

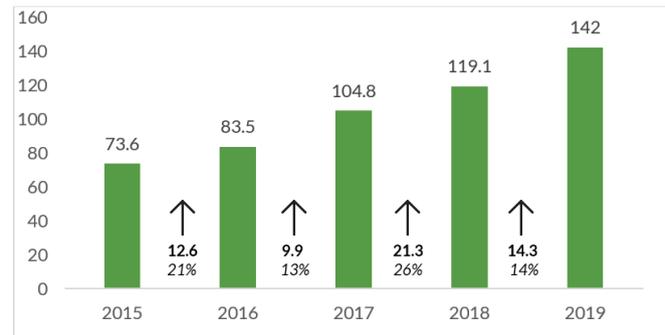
Operating Self-Sufficiency (OSS) for year 2018 of 107% and 2019 with 110% went beyond the OSS rate of year 2017 that is 101%. ECLOF showed an achievement of more than covering for its operational costs, loan loss provisions and financial costs. Although had not yet met the standard ratings of 110% set for MFNGO, ECLOF gradually increased its OSS based on its operational performance.

For year 2019, ECLOF had reached the standard measure for Financial Self-Sufficiency (FSS) of 100% which increased by 3%. Hence, ECLOF is getting through self-sufficiency. ECLOF achieved the highest Operating Cost Ratio (OCR) in year 2017 with 41% ratio; It declined on the following year 2018; however, had gradual increased of 1% on year 2019 with 35. ECLOF still to achieve the standard OCR of 30%.

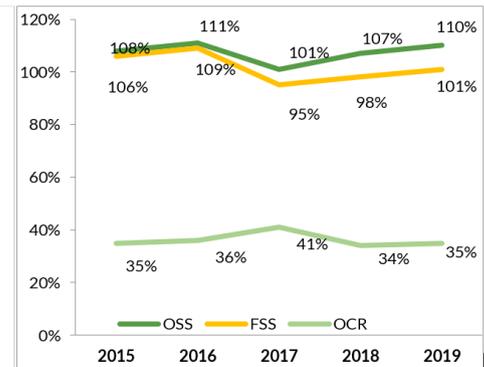
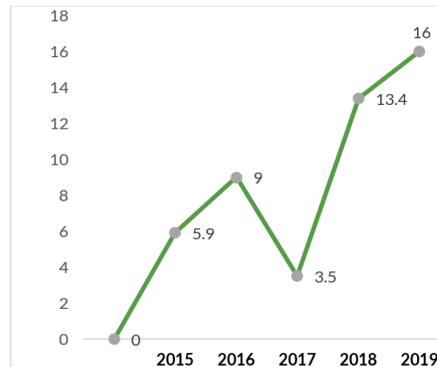
Total Revenues



Total Expenses

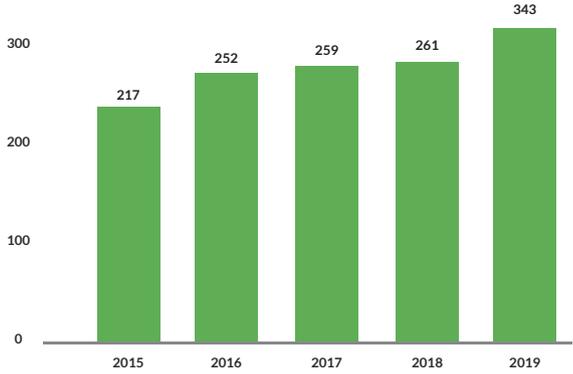


Net Income / (Loss) OSS, FSS and OCR



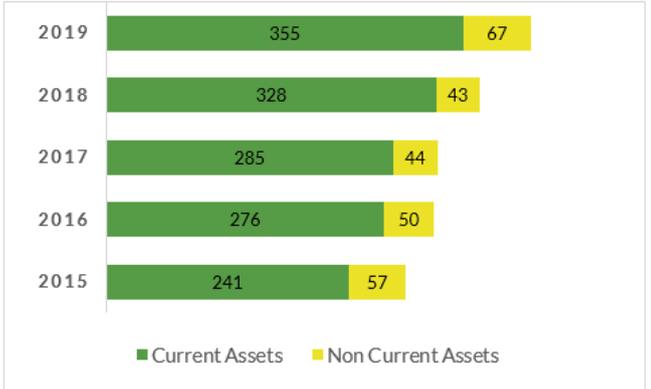
SUMMARY OF FINANCIAL POSITION	2015	2016	2017	2018	2019
CURRENT ASSETS	241	276	285	328	355
NON-CURRENT ASSETS	57	50	44	43	67
TOTAL ASSETS	298	326	329	371	422
CURRENT LIABILITIES	98	122	124	156	173
NON-CURRENT LIABILITIES	204	200	198	194	211
TOTAL LIABILITIES	303	322	322	350	385
FUND BALANCE	(5.1)	3.9	7.4	21.3	37.2
TOTAL LIABILITIES & FUND BALANCE	298	326	329	371	422

Loan Portfolio

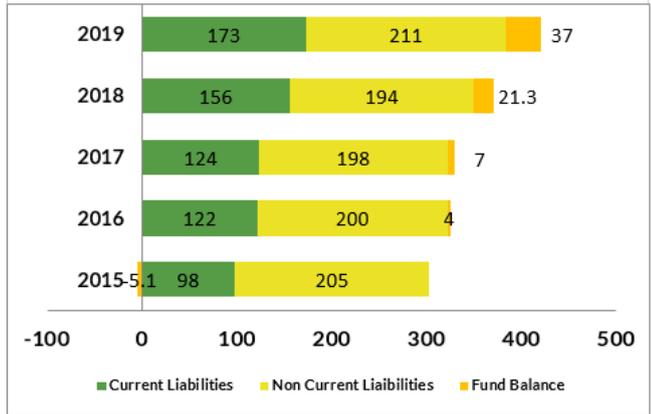


An improvement on financial position exhibited in the last five years of ECLOF's operation. The increase in portfolio is one of the contributors for growth in Assets – 47% growth in Current Asset with Php241M for year 2015 to Php355M for year 2019. One of the indicators that emerged is the fund balance or Net Assets. It grew from negative balance of (Php5.1M) in 2015 to Php37M in 2019.

Assets



Liabilities and Fund Balance



With growing Loan Portfolio, ECLOF continues to fund its operations from borrowings and cumulative income. Increased in the Liabilities contributed by the borrowings from Churches, ECLOF International (EI), Small Business Corporation (SBC) and clients Collateral Build-Up (CBU). Having Php205.0M in 2015 to Php211.0M in 2019 for the

Non-Current Liabilities, it provided for the increased in portfolio and outreach during the last five years. As noted, ECLOF fund balance increase from Php21.3M in 2018 to Php37.2M in 2019. Part of the Liabilities is the steady fund held in trust from EI amounting to Php146.0M.

ORGANIZATIONAL HIGHLIGHTS: HUMAN RESOURCE



24th GENERAL ASSEMBLY

The Board of Trustees, management team, staff, members of the general assembly and recognized clients once again gathered last May 17, 2019 for EPMI's 24th General Assembly at Novotel Manila Araneta Center, Cubao, Quezon City with the theme "Innovate for Inclusive and Sustainable Growth".

Mr. Donato G. Alcoba Jr., EPMI's Development Consultant and EFC's General Manager, hosted the day's event and led the opening prayer, while

Bp. Rex RB Reyes Jr. gave a bible reflection on Ecclesiastes 3:11 (NIV); "He has made everything beautiful in its time. He has also set eternity in the human heart; yet no one can fathom what God has done from beginning to end." Ms. Minnie Anne M. Calub, Vice Chairperson of the Board, then gave the Welcome Address, followed by a Plenary session headed by the Executive Vice President of Development Bank of the Philippines, Mr. Benel Dela Paz Laguna.

Business session followed in the afternoon spearheaded by Chairman



of the Board, Atty. Floyd Lalwet, with support from the Corporate Secretary Ms. Mary Jane Baldago, and Executive Director Ms. Rosemarie Castro. This was followed by the awarding and recognition of the top performers of 2018, as well as our top clients Mr. Felimon N. Delgado

Jr. from Brooke's Point, Palawan, and Mrs. Daisy R. Piquete of Marikina. Likewise, loyalty awards were presented to employees who had been with EPMI from 5 to 15 years.

Annual Review and Planning (Co-creating Our Aspired Life and Shared Future)

On July 18-20, 2019, EPMI's BOT and Leadership Team held their Strategic Planning at the Sheridan Beach Resort & Spa, Sabang, Palawan.

There, they conceived EPMI's directions for the next 5 years.

Strategic Theme: We are an economic enabler in Agriculture and MNS, aiming to enable them (clients) to be an active and productive part of the economic value chain and earn significantly better margins.

Strategic Direction: As such, we will aim for an annual average 25% increase of active quality clients and client scaling up rate of 5% on a 5-year rolling basis.

Strategic Drivers: We will drive and achieve that by optimizing their and our capacity in no. of areas given penetration rate, 90% retention rate or more, 90% payment rate or more, 300% portfolio turnover, and Client Growth Rate and HDI.

Strategic Enablers: We will enable that through capability building of their and our human, financial, market, community, and technological capital, and our fund mobilization.



CHRISTmas Gatherings



Dec. 06 Palawan (North and South) "Bohemian"



Dec. 09 South Luzon and Mindoro "Masquerade"



Dec. 12 North Luzon "United Nations"



Dec. 21 Head Office "Slumber Party"

Staff Training and Development

Consistent with its commitment and desire to promote an organizational culture true to its core values and to provide opportunities for the growth of its employee, EPMI organized several activities to engage and develop not just staff capacity and skills, but also to cultivate a deeper sense of camaraderie and unity among its staff.

HR Policies and Product Training - Training event for newly recruited staff on EPMI's HR policies and EPMI Loan Products. Held in three areas all during the first quarter of 2019: La Union Branch, Bataraza Branch, and Taytay, Palawan Branch.

Facilitators Training - EPMI leaders were trained on basic facilitation



skills necessary for them to provide guidance and coaching to their staff in terms of handling group meetings and gatherings.

Next Generation Leaders Training - Aimed at enhancing the leadership and management skills of EPMI leaders, this training was conducted last May 16, 2019, and attended by both Operations and Finance leaders.

Basic Management Leadership Training - Two training sessions on Basic Management and Leadership were conducted for Branch Managers, Program Supervisors and Branch Accountants from all areas of operations. The training module was designed to help improve EPMI's internal capacity and develop effective leadership qualities among managing staff, focusing on leadership qualities such as Good Communication, Accountability, Delegation and Empowerment.

Customer Experience Training - EPMI recognizes that customer experience is of critical importance to its sustained growth. Ensuring a positive customer experience so clients build brand loyalty, refer our products or services to their friends, and leave positive customer reviews will help us retain revenue and earn new clients.

To educate and equip its employees, especially those in the frontlines, our HR department conducted one-day Customer Experience Training sessions in our NCR areas of operation. The training focused on two areas:



first, understanding the difference Customer Service makes in the relationship between client and service provider; and second, practical applications for excellent Customer Experience for all clients, both internal and external.

Head Office Teambuilding - To further promote the organization's culture and core values, EPMI Head Office conducted a 3-day team building activity held at White Beach Lodge in Puerto Galera on August 15-17, 2019. Organized by the HR and Admin Department in cooperation with the different HO departments, the activity aimed to nurture good working relationships and promote teamwork between employees and their respective departments.



Top Performers



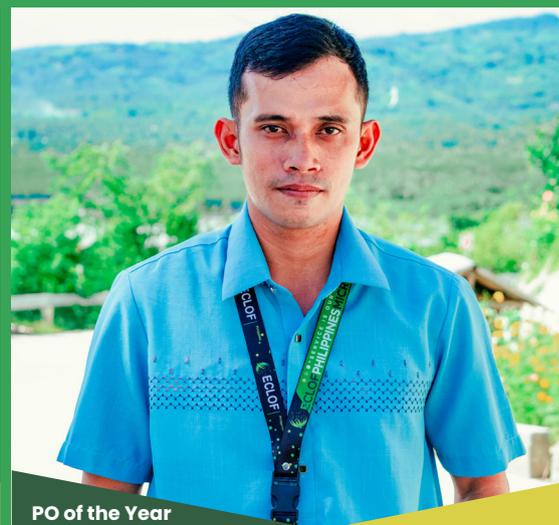
TOP UNIT: QUEZON, PALAWAN UNIT OFFICE
Program Supervisor: Melmar Baylon



TOP BRANCH: QUEZON-RIZAL BRANCH
Branch Manager: Noli Cabasal



TOP AREA: SOUTH PALAWAN AREA
Area Manager: Johnel L. Cinco



PO of the Year

Ryan S. Montañó, Agri Program Officer
Quezon Palawan



BEST BRANCH MANAGER
Maria Ercille V. Adova
(Cainta-Tanay, Rizal)

Mary saw the opportunity of career growth and liked that EPMI is a Christian-based organization. And so, she started out as a Program Officer (PO) of Marikina Branch for almost a year back in 2011. When EPMI branched out to Tanay Rizal, she seized the opportunity to be near her hometown. During her 5 years in service, her experiences grew wider, perception dug deeper, and with the encouragement of ECLOF family and leaders, she was promoted as a Program Supervisor (PS) of the Infanta, Quezon office. Moving to another unit office was a challenge as she was faced with different people for her to guide and lead. It was another battle to prove to herself and to her constituents that efforts with the right attitude never fails to bear fruit.

Because of her excellent performance as a Program Supervisor, a bigger opportunity knocked for the 2nd time in 2018 as she got promoted as a Branch Manager, handling Tanay, Infanta unit offices and a newly-opened unit in Polillo. Adjustments were made, new challenges faced, new learnings gained and more improvements for her career and to Mary as a person.

Now on her 9th year, she's still the same dedicated, patient and goal-oriented person, if not more. Always taking on new challenges, Mary is currently supervising both the Cainta Branch and Tanay Unit office. With her leadership and strong will, she's determined to continue sharing the organization's advocacy and vision. We're rooting for you, Mary!

Rhazel first heard about ECLOF in 2016 as a new lending company from a friend. He then decided to apply and joined EPMI family and work as a Program Officer. He was promoted as Program Supervisor in March 2019. With the guidance of his 4 mentors, whom he calls his "Lodi", he currently handles Infanta-Polillo as a Branch Manager.

Known as a father, big brother and a dear friend by his co-workers, he is a source of inspiration and encouragement to other employees. On countless occasions, he has been a great help to his staff and clients with his initiative of visiting them during weekends. Rhazel believes that God made him His proponent to help his kababayan in Infanta through ECLOF Philippines. As long as he can still extend a helping hand, he will not deny his people and will continue to do so, sacrificing his free times if needed be.

Rhazel reckons that even if people may come and go in the industry, he still considers ECLOF Philippines as an extension of his family. And as a family, we are the Lord's medium to help and serve those who are in need. May you continue to inspire us for years to come!



BEST PROGRAM SUPERVISOR
Rhazel Escama
(Infanta, Quezon)

12 years ago, fresh-from-college, Mich decided to challenge a life coming from Capiz to Metro Manila. Her aunt, who was then a client of Marikina unit office, talked her into applying at EPMI as the organization helped her business to flourish. Thinking it would be good to start from a place where they help small business owners grow, she applied and started working as a Clerk. It was tricky at first but she's determined to learn. With her dedication and effort, she was promoted multiple times, earning her place at the Head Office for 7 years now. She is known by her colleagues as jolly and kind yet impatient and strict, which are both needed for a balance.

It is no denying that with her long stay with the organization, Mich has accumulated a lot of experiences that shaped her into who she is at the present. Withstanding mistakes earned her lessons which she promised herself to be wary of to avoid another 'next time'. The gained knowledge and her loyalty to EPMI helped her in making smart investments. She was able to buy brand new motorcycles for her father and for her husband, a piece of land and their home in the province, a house and lot as their current residence, and more.

Mich, with her thankful heart, would like everyone to know that EPMI is more than just helping farmers and SMEs. And in 5 years, she thinks that the firm will expand its reach and offer more products and services. We're excited to share with you ECLOF's future milestones!



BEST SUPPORT
Michelle B. Gonzales
(Fund and Assets Officer)

ORGANIZATIONAL HIGHLIGHTS: CLIENT SERVICES AND NETWORKS

CLIENT & COMMUNITY SERVICES

EPMI believes that in addition to providing new opportunities through our financial services, building the confidence, skills, and self-esteem of our clients through our non-financial and social services help reduce their vulnerability and increase their potential.

Towards this end, EPMI held social service activities during the latter half of 2019 for both clients and their communities at large, in two areas of operations: PPC-Narra in Palawan and in Infanta, Quezon. In both events, staff showcased teamwork and collaboration, demonstrating their care and appreciation for each of the attending clients.

PPC-Narra Clients Day

Participants: 106 Clients; 27 Staff

September 20, 2019 / Citystate Asturias Hotel Palawan



Infanta HMDO

Participants: 130 beneficiaries (82 Clients, 36 walk-ins, and 12 volunteers)

Partners: Project Luke Foundation, Municipality of Infanta, DOH Region 4 CHD

When/Where: October 12, 2019 / Infanta Multi-purpose Hall



ADVOCACY AND ECLOF NATURE AND ORGANIC FARM (ENOF) UPDATES

In line with our mission to build communities which are economically viable, socially desirable, and environmentally sound, EPMI stands as a staunch supporter and advocate of sustainable organic agriculture practices that prioritizes environmental protection, health, and sustainability. In 2019 we conducted six training events with a **total of 333 participants trained**. The 2-day Training on Basic Organic Farming for EPMI's clients

and community members were facilitated by our Farm Officer Primo "Imo" Suza and is designed to develop PEAKS (Perspective, Experience, Attitude, Knowledge and Skills) on agribusiness and entrepreneurship, including the formulation of different organic fertilizers, pesticides and insecticides.

Below are the details of the training events conducted:

May 23-24, 2019

31 farmers attended in Polillo Island, Quezon;

July 31-Aug 1, 2019

attended by students (98) and parents (29)
from Cabugao Elem. School, Coron, Palawan;

October 15-17, 2019

held in partnership with DA-MiMaRoPa in
Cuyo, Palawan (47 farmers)

October 28-29, 2019

held in partnership with Protect Wildlife and
LWR in Brookes Point, Palawan (48 farmers);

October 30-31, 2019

held in partnership with Protect Wildlife and
LWR in Quezon, Palawan (37 farmers);

November 22-23, 2019

held in partnership with Protect Wildlife and
LWR Rizal, Palawan (43 farmers).



ENOF OCCP Renewal

In line with our mission to build communities which are economically viable, socially desirable, and environmentally sound, EPMI stands as a staunch supporter and advocate of sustainable organic agriculture practices that prioritizes environmental protection, health, and sustainability. In 2019 we conducted six training events with a **total of 333 participants trained**. The 2-day Training on Basic Organic



ENOF Joins Organic Agriculture Congress

We were invited to participate in two Organic Agriculture Congresses in the last quarter of 2019. The 7th Regional Organic Agriculture Congress held in Puerto Princesa City on September 23-27, and the 16th National Organic Agriculture Congress, held in Alfonso, Cavite on November 11-

15. In both events various stakeholders and supporters of the Organic Agriculture industry were present which helped create a healthy learning and sharing environment for knowledge sharing, skills enhancements, and marketing opportunities.

ECLOF FINANCE CORPORATION

ECLOF Finance Corporation (EFC) is a start-up financial services company and it is registered with the Philippine Securities and Exchange Commission (SEC) as a Corporation on April 24, 2019. EFC is a result of the desire to focus assistance to the SMEs and institutional accounts of ECLOF Philippines Microfinance, Inc. (EPMI) with loan packages that are tailored-fit to their financial needs. Likewise, accounts of EPMI which have reached the threshold or the loan amount limit but are still in need of a higher loan amount in order to expand can now be catered by EFC. For the accounts coming from its sister company, EPMI, the Company will provide resources to plug their cash flow crunches - for these accounts to be viable in the interim between their cash flow interruptions and, likewise, for their expansion goals.

EFC intends to operate a profitable private-equity funded business in the Philippine financial services market where most competitors are traditional financial institutions which do not cater to the underserved market. The fact that the Philippine SME market is large, growing and yet

underserved is a testimonial to the need for additional industry players who can best cater to the needs of this market segment. The Company upholds a dual mission of providing affordable capital to the underserved market while operating an efficient, profitable business.



It is in the light of the foregoing that EFC enters the market with the aim of outperforming the competitors with fast, reliable and efficient service at an interest rate that is competitive.

PARTNERSHIP AND NETWORKING



AF General Assembly

EPMI attended AF's 47th General Assembly last May 7-8, 2019 at the Lima Park Hotel, Malvar, Batangas. The program included a Business Meeting where the accomplishments and financial status of AF were presented. The participants were also provided with a session on "Building an Ecosystem for Social Good" wherein the pilot group of AF's Leadership Program – LEAD to Serve shared their experiences. Another

session was on "Breaking Paradigms, Charting New Directions" where two NGO leaders of different generations shared their insights and reflection on development practice through the years. An event such as this is an opportunity for EPMI to widen its partners and networks

25th NCCP General Convention

EPMI, along with other associate members of the National Council of Churches in the Philippines (NCCP), was privileged to attend its 25th General Convention last November 25-28, 2019. NCCP's quadrennial event was graciously hosted by the Lutheran Church in Sta. Mesa, Manila with the theme "Lifting Up Our Voice Without Fear" inspired by the passage in Isaiah 40:9.



CLIENT STORY

Client Name: Mardy D. Montaña
 Address: Brgy. Isugod, Sitio Balentang, Quezon, Palawan
 Business: Agri-Production Seaweeds
 Loan Cycle: 9th Cycle

Mardy Montaña, a seaweed farmer from Barangay Isugod, Sitio Balentang, Quezon Palawan, has been an agri-loan client of ECLOF-Quezon Branch since 2015. She and husband Francisco have three children – two boys and a girl. Her eldest daughter, a licensed Agricultural Engineer, works at the Municipal Assessors Office of Quezon, while her 2 boys are still studying. When asked to describe herself, she said she sees herself as a simple woman who considers and honors God as the sole provider of all the things she and her family has.

Seaweed farming is the family's main source of income, they also catch fish, blue crabs, lobsters, and sea cucumbers for added income. In the past, she had no choice but to borrow money capital from their buyers and traders, even with high interest, just so she can support her seaweed production and to support the needs of her family. In return for the loan, they were obliged to sell their seaweeds to them at a much lower price.

"I am grateful because of ECLOF's Agri-Loan Program, they gave us a flexible loan term which is lump sum payment and lower interest rate. The money that I saved from the interest is used to support my children's studies, especially my daughter who was in college at that time." With the money she saved from the interest she was able to buy a boat which they use to monitor seaweeds production; they have also purchased a parcel of land near their home.

"As long as you have only one microfinance (org) to pay, you can surely pay the debts you owe," she shared, proudly saying EPMI is their preferred microfinance partner.

Mardy is a faithful community leader in Barangay Isugod, she simultaneously heads the Cherish Fisherfolks Association, Bureau of Fisheries and Aquatic Resources Management Council (BFARMC)

Federation, Rural Improvement Club, and Salin Tubig Association. She has also been elected as vice-president of the Quezon Tourism Association, and is a member of the Municipal Development Council (MDC).

Being an active leader of these organizations, she was selected by EPMI and the Lutheran World Relief (LWR) to be the focal person for the PaSSAgE (Partnership to Support Smallholder Agri-Enterprises) Project. Local seaweed farmers were organized and a drying facility was installed for their use.

Since the installation of the drying facilities, they are able to dry and harvest seaweed year round, even during the wet season. Where before it took eight days for the seaweed to dry and the quality was inconsistent, now it only takes two to three days to dry and high quality seaweed is produced resulting in higher income for the farmers. They have also added other products such as rice, corn and copra, helping increase their income. The facilities have also reduced the amount of time they need to spend tending to the seaweed, allowing them time for family and other activities such as doing household chores and going to church.

As for Mardy and Fernando, they are very happy working together. Fernando is a supportive husband, and does his best to help Mardy out at the drying facility. "As long as she is happy in what she is doing, I am happy too." They truly are an exceptional couple who models good balance and distribution of roles and responsibilities in a relationship; showing us that what we dream, we can make into a reality.

OUR PEOPLE

Head Office



HEAD OFFICE

North Luzon Area



Abatan Branch



Nueva Vizcaya Branch



La Union Branch



Baguio-Atok Branch

South Luzon Area



Quezon City Branch



Marikina Branch



Cainta-Tanay Branch



Laguna Branch



Infanta-Polillo Branch



Calapan Branch

North Palawan Area



Puerto Princesa Branch



Narra-Aborlan Branch



Taytay-El Nido Branch

South Palawan Area



Quezon-Rizal Branch

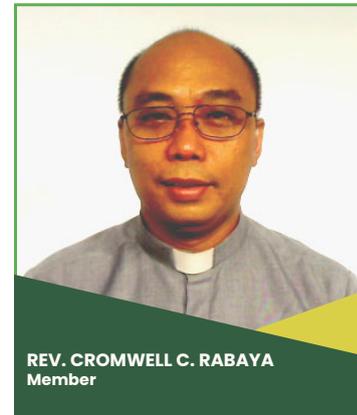
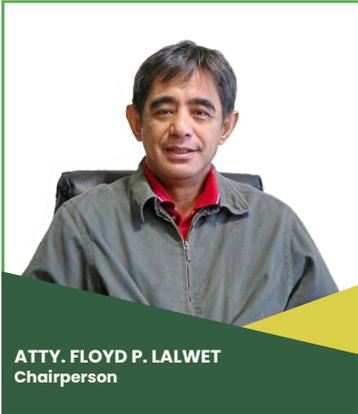


Brooke's-Bataraza Branch

Management Team



Board of Trustees



MEMBERS' LIST

CHURCH AND CHURCH RELATED ORGANIZATIONS



NON-GOVERNMENT ORGANIZATIONS



COOPERATIVES



LOAN PRODUCTS

Agri Loans

financing facility to those engaged in agriculture to provide food and create livelihood for every family and their immediate community. The amount lent is used for agricultural production, livestock and aqua products, and asset acquisition to support the agricultural activity. Agri-microfinance products are as follows:

1. **Agricultural Production:** This credit product aims to provide financing program for farmers producing:
 - a. Grains – such as rice, corn, and others
 - b. Fruits – fruit trees including their by-products (such as coconut, cashew, mango, banana, citrus and others) and shrub fruits (such as strawberry, pineapple, watermelon, melon and others)
 - c. Vegetable – such as chopsuey, pinakbet vegetables and others
 - d. Flowers & Herbs
2. **Livestock & Aqua Products:** This credit product covers production and processing of by-products of:
 - a. Poultry – Chicken, ducks and others
 - b. Livestock – hogs, goats and others
 - c. Cattle - Carabao or Cow
 - d. Aqua products – fish, shrimp, crab cages, seaweeds, shells and others
3. **Asset Acquisition: This credit product covers:**
 - a. Land acquisition and/or improvement for farming purposes (such as direct acquisition, titling, greenhouse, solar dryer construction and others)
 - b. Farm Machinery and/or equipment such as thresher, water pump, hand tractor, harvester and others
 - c. Vehicle for farm produce transportation

Entrepreneurial Loans/Micro Negosyo at Serbisyo (MNS) Loans - have three categories, as follows:

- Group Loan: Aims to generate micro livelihood businesses and economic productivity to clients who want to start their own businesses.
- Individual Loan: To provide additional working capital to strengthen existing businesses or enterprises.
- Job Generating Loan: Provide additional capital to individuals engaged in businesses that generate jobs, if not undergo strengthening and primarily needs to increase their working capital or buy fixed assets for the business.

Other Products

- a. **Client Service Loan (CSL)** is an extended financial service facility intended to benefit loyal clients with excellent credit history to address their emergency and basic needs such as education, hospitalization of any family member, calamity, house repair/renovation, appliance purchase, and burial assistance.
- b. **Small & Medium Enterprise Loan (SME)** is designed to give financing facility to small and medium enterprises to support their business expansion and augment their working capital. SMEs play a vital role in the local economy in terms of employment and growth. Aside from stimulating entrepreneurship and innovation, SMEs also contribute to the expansion and diversification of markets and increase in savings rate and investment base.
- c. **Institutional Loan (IL)** is intended for churches, schools, cooperatives and non-government organizations (NGOs). It is divided into two (2) categories: General Capital Loans for Church/School infrastructure projects and Development Capital Loans for re-lending fund of Cooperatives and NGOs and for income-generating projects of schools and churches.

AREAS OF OPERATIONS

Head Office: Ground Floor, United Church of Christ in the Philippines Building, 877 EDSA, West Triangle, Quezon City, Philippines
 Telefax: (02) 8459-9712
 Website: www.eclof.com.ph
 Facebook: facebook.com/eclofphilippines

Unit	Address	Contact Number
North Luzon Area		
Abatan Branch		
Buguias 1	3rd Floor Mariano Cobcobo Bldg., Abatan, Buguias, Benguet	0909-113-6335
Buguias 2		0907-359-2214
Baguio-Atok Branch		
Atok	Sumakey Bldg., Paoay, Sayangan, Atok, Benguet	0946-338-0263
Baguio	RM. 209 Lyman Ogilby Bldg., Magsaysay Ave., Baguio City	(074) 442-1080
Nueva Vizcaya Branch		
Nueva 1 & 2	2 nd Floor Cuaresma Bldg. National Highway, Bambang, Nueva Vizcaya	(078) 392-1050
La Union Branch		
La Union 1 & 2	2nd floor, Uy bldg, Catbangan, San Fernando, La Union	(072) 687-1290
South Luzon Area		
NCR		
Marikina 1 & 2	WRCC Bldg. 1, #147 Gil Fernando Ave., Midtown Subdivision, Brgy. San Roque, Marikina City	(02) 646-0798
Cainta 1 & 2	4 th Floor MORE Business Center, No. 2225, KM. 23, Ortigas Ave. Extension, Brgy. San Isidro, Taytay, Rizal	(02) 571-1867
Quezon City 1 & 2	G/F UCCP Building, 877 EDSA, Brgy. West Triangle, Quezon City	(02) 739-7288
CALABARZON		
Tanay	Unit E, 2/F Plaza Aldea, 41 Ft. Catapusan St., Tanay, Rizal	(02) 636-6790

Calauan, Laguna		(049) 310-1243
Sta. Cruz, Laguna	National Highway Sitio Huwaran, Brgy. Pagsawitan, Sta. Cruz, Laguna	(049) 539-5086
Infanta, Quezon	2 nd Floor Door B & C, AQC Bldg., Mabini St., Poblacion 38, Infanta, Quezon	0929-219-4030
Polillo, Quezon	Brgy. Sibulan, Tanglaw St., Polillo, Quezon	0930-405-2613
MINDORO		
Calapan 1 & 2	Arago Bldg. Phase 2, A. Bonifacio St. Bgy. Ilaya, Calapan City, Oriental Mindoro	0917-382-8112

Palawan Area		
North Palawan		
Puerto Princesa City 1 & 2	3rd Floor Goland Bldg., National Highway cor. Malvar St., Brgy., San Miguel, PPC, Palawan	(048) 434-8045
Narra-Aborlan	Malvar Ave., Poblacion, Narra, Palawan	0930-491-3410
Taytay	Babes Ann Apartelle, National Highway, Purok 6, San Lorenzo, Brgy. Poblacion, Taytay, Palawan	0917-110-1255
El Nido	Brgy. Villa Libertad, El Nido, Palawan	0912-289-7909
South Palawan		
Brooke's Point	Narrazid St., Balmonte Bldg., Poblacion District III, Brooke's Point, Palawan	0955-356-4149
Bataraza	Lee Building, Poblacion, Bataraza, Palawan	0917-100-2760
Quezon	2 nd Floor, TGT Bldg., Poblacion, Quezon, Palawan	0907-709-7611
Rizal	Lubaton Bldg., Punta-Baja, Rizal, Palawan	0909-949-3013







VISION

**Realizing
human
dignity**



MISSION

**ECLOF Philippines
is committed to build
communities and livelihood,
which are sustainable -
economically viable,
socially desirable
and environmentally
sound.**



CORE VALUES

**Service
with
T - Teamwork
I - Integrity
E - Excellence
S - Stewardship**

“Service is our Lifestyle”

Head Office: Ground Floor, United Church of Christ in the Philippines
Building, 877 EDSA, West Triangle, Quezon City, Philippines
Telefax: (02) 8459-9712
Website: www.eclof.com.ph