Proposal for setting-up a Roma Economic Development Fund

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Progress microfinance is unable to impact Roma communities.
Investor mix in the Roma Economic Development Fund (REDF)

- €5m
- CEB
- SEDF
- CoopEst
Mission

Identify, invest and support existing business with potential to add jobs to the Roma community.

Vision of year 2035

“Unemployment in Roma communities matches the national average”
Timeline

End 2014
REDF is operational

Early 2015
First contracts signed with local MFIs

Mid 2015
First Roma clients

End 2015
Evaluation of investment guidelines
### Market Segmentation and targeting countries

<table>
<thead>
<tr>
<th>Rural vs Urban involvement</th>
<th>Demographic</th>
<th>Behavioral</th>
<th>Psychographic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer location</td>
<td>18-60</td>
<td>Willingness to participate in basic financial literacy trainings</td>
<td>Ambitious</td>
</tr>
<tr>
<td>Region</td>
<td>Financially stretched</td>
<td>Openness to mentoring</td>
<td>Honest</td>
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<tr>
<td>Urban involvement</td>
<td>Struggling Estates</td>
<td></td>
<td>With a good reputation in the communities</td>
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<td></td>
<td>Difficult circumstances</td>
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<td></td>
<td>Not private estatesment</td>
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Romania, Bulgaria, Serbia, Macedonia
Leveraging Risk through capacity building
Key element: technical assistance

1. Developing HR to run the fund

2. BDS - mentoring + coaching
   Roma Business Associations
   Model Jobs & Society Sweden

3. TA for MFIs
   MFC (Poland)
Creating or using existing training infrastructure?