

# COLLABORATION PROJECT

## VÍNCULO COMUNITARIO – myELEN.com



1

### OBJECTIVE:

Create a payment structure for productive investments in impoverished regions.

# COLLABORATION PROJECT

## VÍNCULO COMUNITARIO – myELEN.com



Vínculo Comunitario  
Cooperación para el desarrollo rural

myelen.com

2

### ¿Who are the collaborators?

myELEN.com: Web portal that publishes social entrepreneurship projects that look for capital investment.

[www.myelen.com](http://www.myelen.com)

VÍNCULO COMUNITARIO AC: Consultancy agency for rural enterprises in Mexico.

[www.vinculo-comunitario.org](http://www.vinculo-comunitario.org)

# COLLABORATION PROJECT

## VÍNCULO COMUNITARIO – myELEN.com



3

## CONTEXT

Vínculo Comunitario is working with a group of milk producers in the town of Tlalmanalco de Velázquez, Estado de México in order to create a cooperative enterprise that will enable them to achieve scale economy and to find a niche market within milk-products industry where they can compete.

Now-a-days the milk producers are working separately, dealing with intermediaries that negatively affect the already low profits of the milk producers. They have small units of production (less than 10 cows per farm) making it difficult to negotiate and diminish cost per unit.



# COLLABORATION PROJECT

## VÍNCULO COMUNITARIO – myELEN.com



4

## CONTEXT

The first step before creating the cooperative enterprise, is to have a diagnosis of each farm in terms of their financial situation and then establish a series of goals the farmers will strive to achieve working together.

Here we show some numbers of an average milk-producer in Tlalmanalco town.

Concept	Value
Performance p/cow p/day	17.97 Lt
Selling price	\$0.36 Lt*
Variable cost per unit	\$0.29 Lt*
Fixed cost (month)	\$353.47*
Break-even-point	9 Cows

\*The currency is USD

# COLLABORATION PROJECT

## VÍNCULO COMUNITARIO – myELEN.com



5

## CONTEXT

Javier López had 6 cows at the beginning of 2011 and obtained a credit through 2 associates of Vínculo Comunitario for \$2,500.00 USD in order to reach its break-even-point, at interest of 10% p.a., and up to present, 6/2011, keeps repaying perfectly.



# COLLABORATION PROJECT

## VÍNCULO COMUNITARIO – myELEN.com



Vínculo Comunitario  
Cooperación para el desarrollo rural

myelen.com

6

## PROPOSAL

Vínculo Comunitario wants to account the repayments on an innovative scheme that myELEN.com can provide. The idea is the following:

- 1) The entrepreneur opens a current account to make the weekly payments and pay back the investor on predetermined basis.
- 2) Vínculo Comunitario will monitor each payment and will generate financial reports on monthly basis for myELEN.com and it will keep offering its consultancy services to the entrepreneur.
- 3) myELEN.com will certify him/her as subject-to-credit in [www.myelen.com](http://www.myelen.com) and provide long term working capital

# COLLABORATION PROJECT

## VÍNCULO COMUNITARIO – myELEN.com



7

## CONDITIONS

*For the pilot-phase the following rates are proposed*

<b>SUBJECT</b>	<b>Interest rate p.a.</b>
Investor	11%
Repayment of interest	Semi-annually
Repayment of capital	Annually