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September 28, 2023

FOR : ALL CONCERNED DA AND BFAR OPERATING UNITS

ATTN : DA AND BFAR SAAD RPMSO

FROM : SAAD PROGRAM DIRECTOR

SUBJECT : SAAD PHASE 2 MARKETING ASSISTANCE AND ENTERPRISE DEVELOPMENT (MAED) GUIDELINES

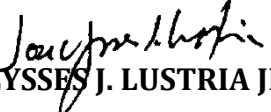
In line with its objective to establish Community-based Enterprises (CBEs) derived from its provided livelihood projects, the program is cascading its SAAD Phase 2 MAED Guidelines.

The MAED guidelines aim to align market-related activities of all SAAD OUs in the establishment of the CBEs including the cascading of functions, processes and forms needed to be facilitated by the program through its MAED Sub-units and clusters.

With this, please see the attached SAAD Phase 2 MAED Guidelines including forms and annexes.

For queries, you may contact the NPMO – MAED Sub-unit at (02) 929 7349 or local 2833/2834.

Thank you.


ULYSSES J. LUSTRIA JR.



SAAD PHASE 2 MARKETING ASSISTANCE AND ENTERPRISE DEVELOPMENT (MAED) COMPONENT GUIDELINES

I. Rationale

The SAAD program in its desire to uplift the economic condition of its beneficiaries who are currently living below the poverty line is introducing/implementing the Market Assistance and Enterprise Development (MAED) Component, in addition to its current implementation modalities.

MAED is a component of SAAD Phase 2 that focuses on the provision of market-related activities relative to the provided livelihood projects of the program.

The introduction of the MAED component shall reinforce and strengthen the elevation of the previously provided livelihood projects that shows viability and are prospective undertakings that may qualify to be raised to the level of community-based enterprises (CBE).

Through the MAED Component, the program aims to establish CBEs through the improvement of the agricultural and fishery activities, capacity building & empowerment, establishing market linkages, and providing technical & logistic support to its farmer and fisherfolk associations. These CBEs are categorized as Micro-Enterprises since it is only at an emerging level of enterprise.

Considering the delicate categorization of SAAD beneficiaries, i.e., poor farmers and fisherfolk, hence inexperienced, a thorough process of social preparation activities shall precede and fully complement the SAAD Phase 2 implementation (refer to Social Preparation Guidelines). These guidelines shall provide, mainstream, and standardize the functions, activities, and indicators, including the necessary tools, to ensure the formation of a viably operating and sustainable CBE undertaking.

Protocols for the appropriate identification, adoption, and application of good agricultural and business practices, in close coordination with other DA offices or operating units with aligned functions, shall be established as imperative cooperation areas.

Thus, the SAAD Phase 2 MAED guidelines shall standardize the functions and deliverables of all involved in the MAED Component by mainstreaming the activities, indicators, and tools necessary in identifying CBEs in its covered areas both agriculture and fisheries. This includes defining technical terms relative to SAAD MAED implementation such as Partially and Fully Established CBEs.

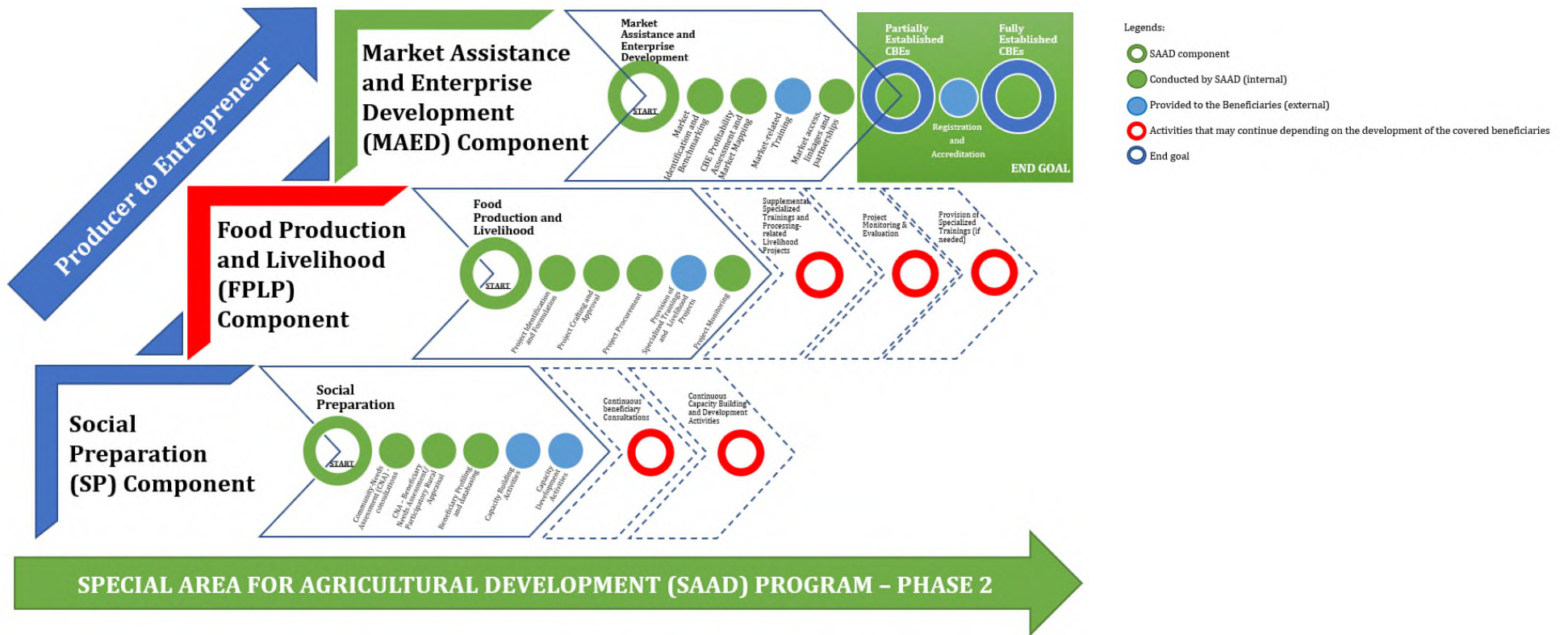
The implementation and institutionalization of MAED under SAAD Phase 2 is hereby adopted as a program strategy for the attainment of the above-mentioned goals and purposes.

II. OBJECTIVES

The general objective of this guidelines is to define, update, and align activities, functions, and deliverables for the whole SAAD Phase 2 MAED Component. Specifically, it aims to:

- a. Define the terms, functions, processes, and activities of the National, Regional, and Provincial MAED sub-units and clusters;
- b. Identify specific parameters and tool to identify level of CBE establishment and measure its performance during the implementation of the program;
- c. Identify cooperation areas and activities, strengthen partnerships with other DA offices with similar functions, and adopt or mainstream the good practices that have been established and developed; and
- d. Serve as a reference for CBE evaluation, validation, and establishment.

III. MAED PROCESS FLOW TOWARDS CBE ESTABLISHMENT



The above process flow shall serve as a guide in the series of activities needed to develop the provided livelihood packages into operational and functional community-based enterprises (CBEs). This process flow is not confined to a one-year activity. Instead, it reflects the overall general processes conducted in the achievement of CBE establishment, which vary from one group beneficiary to the next. Also, it aims to guide the MAED implementation on its activities and timeline, including the overlap of activities from the other SAAD Phase 2 components.

IV. FUNCTIONS OF THE MAED SUB-UNIT AND CLUSTER

The MAED Sub-unit is one of the three (3) sub-units of the OPBME. It focuses on the development of various market-related policies and activities of the program relative to the development of target CBEs. It is also the sub-unit responsible for coordinating with various DA agencies and other government agencies that focus on similar activities. On the other hand, the MAED clusters shall be the implementers of the policies and activities developed by the MAED sub-unit.

A. NPMO MAED SUB-UNIT

The NPMO MAED Sub-unit shall be the overall lead of the SAAD MAED across RPMSO clusters. It shall develop policies and activities that will guide the SAAD RPMSOs in developing their target CBEs. This includes the review of existing DA policies on related functions to assure non-contradicting and harmonized policies. In addition, it shall capacitate its clusters on the policies and activities it has developed to provide a standard approach to the implementation of MAED-related activities across SAAD Phase 2 areas. In general, the sub-unit shall:

1. Develop and cascade market-related policies and activities.
2. Capacitate all MAED clusters on such policies and activities.
3. Draft market-related plans and reports including consolidation of market-related data.
4. Conduct necessary M&E activities.
5. Perform other tasks defined by the NPMO.

Also, all functions shall be closely coordinated with the DA- Agribusiness and Marketing Assistance Service (AMAS) and the BFAR - Fisheries Industry Development and Support Services Division (FIDSSD) for agriculture and fisheries, respectively. Further, coordination with other DA programs and projects with similar, complementary, and/or supplementary functions, such as PRDP and F2C2, shall be done for possible convergence activities.

B. NPMO IDD UNIT

The NPMO IDD unit shall lead the development of the interactive GIS Market Maps that the MAED sub-unit and clusters shall facilitate. Specifically, it shall:

1. Create an interactive GIS Market Map canvas covering all the areas of the program.
2. Capacitate the RPMSO IDD Sub-unit on data encoding and updating of the maps.
3. Perform other tasks related to CBE development as guided by the NPMO.

C. RPMSO MAED CLUSTER

The Regional MAED Cluster through the regional OPBME head shall lead the functions and deliverables provided by the MAED Sub-unit.

Primarily, the cluster shall lead and capacitate the PPMSO in implementing the MAED activities such as identifying markets, providing market-related trainings, assessing CBE viability, market linking, and ensuring the sustainability of the enterprises in line with the provided policies from the NPMO. Further, it shall:

1. Generate the necessary marketing reports required by the MAED Sub-Unit.
2. Lead the market-related activities on the field level cascaded by the MAED Sub-Unit.
3. Perform other tasks provided by the SAAD Regional Focal and MAED Sub-unit.

All functions shall be closely coordinated with the Agribusiness and Marketing Assistance Division (AMAD) and the BFAR- Fisheries, Post-harvest and Marketing Unit (FPHMU) for agriculture and fisheries, respectively. This is to assure that the market activities of the program are in line with the overall market activities of DA and BFAR. Further, coordination with other DA programs and projects with similar, complementary, and/or supplementary functions, such as PRDP and F2C2, shall be done for possible convergence activities.

D. RPMSO IDD SUB UNIT

The RPMSO IDD sub-unit shall assist the regional MAED cluster in the development of market maps. Specifically, it shall:

1. Assist the MAED in geotagging activities during the conduct of market identification, benchmarking, and/or market mapping.
2. Encode the necessary market data on the interactive GIS Market Map.
3. Update the market information indicated in the map as needed.
4. Perform other tasks provided by the SAAD Regional Focal and MAED Sub-unit relative to the CBE establishment.

E. PPMSO - PROVINCIAL AND MUNICIPAL COORDINATORS (PMC)

The PPMSO, through the PMC, shall facilitate MAED activities as directed by its corresponding cluster. The PPMSO shall be guided by the RPMSO MAED cluster and provide necessary data relative to marketing functions specific to the provincial, municipal, and barangay levels. In general, the PPMSO shall:

1. Assist the MAED cluster in the implementation of MAED-related activities in the field.
2. Gather the necessary data as required by the MAED cluster.

3. Perform other tasks identified by the MAED cluster relative to the CBE establishment.

These identified activities and functions shall supplement or complement the existing SAAD MAED organizational structure and functions at the National, Regional and Provincial levels. For further discussion on the specific functions of each unit, please refer to Department Order Nos. 4 and 6 series of 2023 and the approved SAAD Phase 2 HR Operations Manual.

V. ACTIVITIES

The MAED requires a set of activities in order to reach the CBE establishment, as seen in the MAED Process Flow. However, such activities may vary across areas depending on various factors such as type of enterprise, product form, market acceptability, taste and preference, and demand and supply. As such, the following are the general MAED component activities:

A. Desk Review of existing DA Market-related plans and activities

Prior to the conduct of any SAAD market-related activities, the Regional MAED shall review existing DA market-related plans and activities conducted by DA programs and projects. Some of which are, as follows:

1. **Value Chain Analysis (VCA) and Mapping** - a PRDP activity or tool for strategic planning and can help an organization discover ways to increase value through production efficiency along the chain that will improve overall results and provide the organization with a competitive advantage (maximum value for the least possible cost).
2. **Expanded Vulnerability and Suitability Analysis (eVSA)** - used by PRDP as a guide to determine the suitability of a particular area that could affect the production and suitability of a particular commodity. It also shows the areas where particular commodities can be best grown or raised. (PRDP I-Plan manual)
3. **Climate Risk and Vulnerability Assessment (CRVA)** - an AMIA-developed activity or tool that assesses key crops for food security relative to the latest climate change scenarios, incorporating the most recent data on natural disasters and climate stresses. It aims to identify which communities in the Philippines are most vulnerable to climate change to ensure that strategic and effective investments can be made.
4. **The Provincial Commodity Investment Plan (PCIP)** - a PRDP-developed strategic plan that rationalizes the interventions within the various segments of the value chain of commodities that are of significance to the province and that will contribute to the national goals of the agriculture and fishery sectors. It is a 3-year rolling consensus plan between the DA and PLGU based on the value chain

analyses of these commodities conducted with the strong participation of the various stakeholders. The PCIP shall situate these interventions with the overall development of the province in general and in its agricultural and agribusiness development in particular.

The review shall serve as additional information on the proper market approach for applicable commodities. However, it shall not limit the succeeding market activities of the program in assessing profitability and marketability, especially in areas where the above-mentioned market-related tools are not applicable.

B. Market Identification and Benchmarking

Market assessment involves several market activities that primarily aim to identify existing and possible markets within marketable areas. Such an assessment aims to provide a basis for the target establishment of proposed CBEs through the determination of market segments appropriate to the level of capability of groups managing the developed CBEs.

In addition, it aims to identify barriers to entry for the CBE and identify certain project adjustments needed in order to enter such identified markets.

For SAAD Phase 2, it shall focus its market assessment through two (2) main activities (**refer to Annex A**):

1. **Market identification or customer analysis** - refers to the identification of the size of the market, market behavior, location, and possible outlet for the CBEs being developed by the covered group beneficiaries.
2. **Benchmarking or competitor assessment** - refers to the identification of the possible competitors who sell/produce the same products the enterprise will market, their location, area of influence, channels of distribution, and their marketing strategies (4Ps: Price, Product, Place, Promotion). All of these are critical to the success of the enterprising activities of the CBEs.

C. CBE Profitability Assessment

The CBE Profitability Assessment shall be the consolidation of market-related information gathered during market identification and benchmarking. It shall also contain projected information based on existing data, specifically on the following:

1. **Benefit Cost Ratio (BCR)** – a systematic tool that is used to measure the gains and losses of an investment relative to its monetary terms.
2. **Return on Investment (ROI)** – a mathematical tool that is used to evaluate an investment's profitability as against its cost. This shows how efficient an investment is in terms of its profit gains from costs incurred during the period of the investment.

3. **Net Present Value (NPV)** – refers to how much an investment is worth throughout its lifetime, discounted to today's value. It is primarily used to identify whether a business or a project is profitable in the long run.
4. **Internal Rate of Return (IRR)** – a metric used to calculate the level of profitability for potential investments.

Other market information shall be reflected on the market plan template including the formula for the above-stated tools. **(refer to Annex B and Annex B-1)**

D. Market Mapping

Market mapping is an actual map of identified existing and emerging markets within the market scope/marketable areas of the CBE. It provides details on the type of market outlet and basic information that may be used to coordinate with the potential buyers of the CBE products and vice versa.

The purpose of the market map is to provide a program reference for the following:

1. Identify available market outlets, including their proximity to the CBE.
2. Establish market information for the CBE to eliminate barriers to entry.
3. Identify the market movement of goods and services within the marketable area of the CBE, either within or among its adjacent communities.

An illustration of the market map shall be included in the market plan as a basic reference of the target market outlet potential for the CBEs developed by the program. **(Refer to Annex B.)**

E. Market related and Enterprise Development Trainings

The program develops each FCA towards the establishment and operationalization of CBEs through market-related training. Training needs are identified after the market identification and benchmarking. This is in reference to the identified needs of the group in developing their products and assessing the market they aim to penetrate.

The RPMSOs program market-related training activities into each FCA's package of interventions. Each region shall be responsible for the planning and execution of the training in coordination with the AMAD. Resource persons may come from in-house (DA units) or partner agencies, such as DTI, DOST, TESDA, SUCs, LGUs, etc., as long as their expertise matches the topic of discussion.

The succeeding list of market-related activities shall be categorized as fundamental and intermediate. The fundamental activities refer to market-activities that are applicable in all market aspects, while the intermediate activities may or may not be applied depending on the needs of the target CBE group beneficiaries.

Types of Market-related Trainings	Description
A. Fundamental	<i>refers to basic market-related training suggested to be implemented</i>
1. Basic Business Recording	Aims to provide basic knowledge, and understanding, and templates on: <ul style="list-style-type: none"> • Inventory of inputs and supplies • Recording harvest and post-harvest gains and losses • Tracking volume of orders and sales FCA Business Calendar
2. Understanding Financial Statements	Aims to provide knowledge on the step-by-step process of preparing the basic financial statements essential to enterprise management.
3. Bookkeeping and Basic Accounting for Non-Accountant	Aims to provide the basic concepts of how business transactions are recorded, summarized, and interpreted for decision-making purposes.
4. Basic Pricing and costing	Aims to provide knowledge and understanding of the techniques for projecting the enterprise's overall costs in setting the price of its product forms.
5. Entrepreneurial Mind Setting and Values Formation	Aims to provide the necessary skills to the organization in order for them to maximize opportunities, overcome setbacks, and learn from them in order to succeed.
6. Packaging and Labeling of Food Products	Aims to provide information on the importance and skills of establishing product identification and labeling.
B. Intermediate	<i>refers to advanced market-related training suggested to be implemented depending on the development of the CBEs.</i>
1. Records and Information Management	Aims to establish efficient and systematic control over the creation, receipt, and maintenance of the organization's records.
2. Effective Selling and Negotiation Skills for MSMEs	Aims to capacitate the ability of a farmer and/or organization to close deals with institutional sellers and buyers.
3. Problem Solving and Decision-Making Techniques	Aims to provide logical, appropriate, and creative approaches to identifying problems and solutions for the organization and its enterprise.
4. Customer Relationship Management	Aims to provide practices and strategies for managing and maintaining business relationships with customers, clients, and other stakeholders.

5. Business Branding	Aims for the formulation of the FCA’s brand identity, logos, promotional materials, and strategies, and the reflection of signature branding toward the group’s core ideologies.
6. Conflict Management	Aims for the formulation of group policies for the resolution of internal and external conflicts and the institutionalization of a Grievance Committee within an organization.

The CBE group may repeat these trainings throughout the process of enterprise establishment as needed. Also, the RPMSO may add other market-related trainings not stated above based on the identified needs of the group developing CBEs.

F. Market Linkage and Access

In general, market linkage aims to connect CBEs to existing and potential markets by identifying appropriate market outlets that consume the identified CBE goods and/or services, which further stimulates market access. Market access refers to the ability of the CBE to penetrate a specific market that was non-accessible prior to or during its establishment due to a lack of capacity or market information.

1. **Market Linkage** – it shall be facilitated by the program in terms of the identification of existing and potential marketable areas and market outlets supported by various partner stakeholders such as DA-AMAD, BFAR FIDSSD, DTI, LGUs, and the private sector. Further, the linkage aims to identify other possible gaps and barriers to entry not identified during the market identification/benchmarking.
2. **Market Access** – based on the identified and linked market outlets, the goods and/or services provided by the CBEs shall be inclined to meet the qualitative and quantitative needs of these markets relative to the identified gaps and barriers to entry, if any. In return, this will help enhance market access, providing an incentive for the CBE to continue and enhance its production of marketable produce.

After identifying possible market outlets and addressing gaps, an assessment of potential partnerships and linkages with other public and private institutions shall be conducted to provide sustainable opportunity, appropriate interventions, and adequate support relative to the possible future expansion of the established CBEs.

All linkages shall be referred to the DA-AMAD and BFAR-FIDSSD during their conceptualization and realization. On the other hand, inclusion of SAAD CBEs shall also be considered through various DA marketing activities, such as, but not limited to, Kadiwa, trade fairs, and other networking activities.

Other possible linkages with DTI, LGUs, and SUCs shall also be considered and explored to provide further market-related support to these SAAD CBEs. All partnerships and linkages shall be bound either through a Memorandum of Agreement (MoA), a Memorandum of Understanding (MoU), or a contract signed between the program, CBE group beneficiaries, and partner stakeholders.

Lastly, the content of the contract shall be based on the agreement between the beneficiaries and private institutions, with oversight by the DA AMAD and SAAD RPMSO. Qualitative and quantitative agreements shall be discussed in the contract, including contingency plans on oversupply, safety nets, floor prices and the like.

VI. CBE Classification and Requirements

A. Classification

The SAAD CBEs are classified into two types based on stages of development and the needs of the CBE group. It also identifies the level of government support required by the CBE group for the program. Each type requires a set of requirements that must be met before establishment. Further, it is classified as follows:

CBE Classification	Description	Stages
Partially established Community-based Enterprise	CBEs that are functional but requires further assistance (tangible interventions and trainings) from SAAD to sustain its operations	<ul style="list-style-type: none"> Operational service provider or sells produce in raw form Into transition of processing produce On-going establishment of market-related practices
Fully Established Community-based Enterprise	CBEs that are fully functional, can stand alone and do not need further hard interventions from SAAD. However, training support may still be provided during this stage.	<ul style="list-style-type: none"> Established product form whether in raw or processed form (in the form of packaging, labeling, etc.) With established and functional marketing practices

* Functional refers to conducting marketing activities that are already income-generating

B. Requirements

In general, the category of each CBEs would require certain documentary requirements to support its categorization as partial or fully established. These are, as follows:

CBE Classification	Requirements	Description
Partially established Community-based Enterprise	<ul style="list-style-type: none"> Fully accomplished RSBSA, FishR and SAAD Profiling 	<ul style="list-style-type: none"> All declared CBE group members must be profiled in the RSBSA and SAAD Database
	<ul style="list-style-type: none"> Updated DOLE Registration 	<ul style="list-style-type: none"> Part of the requirement to be recognized as a formal group, updated DOLE registration must include all the names of the declared CBE group beneficiaries
	<ul style="list-style-type: none"> Financial Statement 	<ul style="list-style-type: none"> See Annex D
	<ul style="list-style-type: none"> Production Records 	<ul style="list-style-type: none"> See Annex E
	<ul style="list-style-type: none"> Bank Account named and owned by one of the members or the Association 	<ul style="list-style-type: none"> Part of managing funds and assuring its security, the CBE group must have a bank account named either thru one of the members or under the CBE group/Association
Fully Established Community-based Enterprise	<ul style="list-style-type: none"> All requirements needed for Partial CBE declaration 	<ul style="list-style-type: none"> As stated above
	<ul style="list-style-type: none"> Business registration 	<ul style="list-style-type: none"> Through the LGU (business permit/Mayor's permit) Through SEC (business permit)
	<ul style="list-style-type: none"> CSO accreditation from DA Region 	<ul style="list-style-type: none"> Refer to DA – CSO accreditation process
	<ul style="list-style-type: none"> Bank Account named and owned by the Association 	<ul style="list-style-type: none"> As fully established CBEs, the Bank Account of the CBE Group must be named thru the Association

VII. PARTNERSHIPS AND STAKEHOLDERS

The success of establishing enterprises entails the commitment of various appropriate agencies and stakeholders that will assist the CBE group in sustaining its operations. It will require continued support from the government to assure the stability and sustainability of its enterprise. With this, the following government agencies and stakeholders are considered partners that would assist the SAAD CBEs during and after the program's implementation. Further, it is categorized based on the following:

A. INTERNAL PARTNERS

These are offices within the DA Operating Units that focus on market-related activities and/or are involved in the development of agriculture and fishery enterprises.

- 1. Farmers and Fisherfolk Enterprise Development Chairperson (FFEDC)** – shall review, evaluate, and recommend market-related policies and activities

to SAAD Phase 2 during the development, implementation, and monitoring of its market-related activities.

2. **National Sagip Saka – Program Steering Committee (SS-PSC)** – shall review, recommend, and endorse to the FFEDC the market-related policies and activities formulated by the SAAD Phase 2.
3. **DA Agribusiness and Marketing Assistance Service (AMAS)** – shall guide the SAAD NPMO in developing market-related policies and activities relative to achieving the necessary development of target CBEs including inclusion of various market activities across DA regions.
4. **DA Agribusiness and Marketing Assistance Division (AMAD)** – shall provide technical assistance to the program on achieving the necessary development of target CBEs including inclusion in various market activities within the corresponding DA regions.
5. **BFAR – Fisheries Industry Development and Support Services Division (FIDSSD)** – shall guide the SAAD NPMO in developing market-related policies and activities relative to achieving the necessary development of target CBEs including inclusion on various market activities applicable across BFAR regions.
6. **BFAR- Fisheries, Post-harvest and Marketing Unit (FPHMU)** – shall provide technical assistance to the program on achieving the necessary development of target CBEs including inclusion in applicable various market activities within the corresponding BFAR regions.
7. **Philippine Rural Development Project (PRDP)** – shall converge with the program on SAAD Phase 2 CBEs that are eligible for PRDP – IREAP interventions and activities that may further enhance the economic activities of the covered group beneficiaries.
8. **Farm and Fisheries Clustering and Consolidation (F2C2) Program** – shall assist the program on consolidation and/or clustering initiatives for applicable SAAD Phase 2 covered group beneficiaries for the purpose of gaining better economic opportunities and economies of scale.
9. **Agricultural Training Institute (ATI)** – shall assist the program in the formulation of training modules, including the cascading of training activities relative to marketing.
10. **Agriculture Credit Policy Council (ACPC)** – shall assist on credit and financing-related matters, including the conduct of seminar/trainings needed by the FCA for CBE expansion as needed.

B. EXTERNAL PARTNERS

These are government and non-government institutions that provide market-related activities and/or are involved in the development of agriculture and fishery enterprises through technical support and capacity building.

11. **Department of Trade and Industry (DTI)** – may provide market opportunities relative to market linkages and registration. This shall also include collaborative activities that enhance the capacity of the CBE group for future expansion.
12. **Technical Education and Skills Development Authority (TESDA)** – may assist in the provision of other market-related training and product development or enhancement as needed.
13. **Department of Science and Technology (DOST)** – may assist in the provision of other market-related training and product development or enhancement as needed.
14. **Securities and Exchange Commission (SEC)** – may provide assistance on the approval of necessary registrations and certifications relative to SEC as needed.
15. **Cooperative Development Authority (CDA)** – may provide assistance on the approval of necessary registrations and certifications relative to the CDA as needed.
16. **Department of Interior and Local Government (DILG)** – may assist in the implementation of policies and activities of the program on the field level, especially in areas with security issues and/or political interventions.
17. **Local Government Units (LGUs)** – may serve as a partner in bridging CBE groups to available market outlets, including promotional activities that may help these groups enter other existing and emerging markets within its target market areas.
18. **State Universities and Colleges (SUCs)** – may assist in the provision of market-related training and product development as needed.
19. **Private Sector/ NGOs** – may provide market opportunities relative to the needs of the private sector, whether through contract farming, technical assistance, product promotion, and the like.
20. **Landbank of the Philippines (LBP)** – may assist on credit and financing-related matters, including the conduct of seminar and trainings needed by the FCA for CBE expansion as needed.

Both internal and external partnerships may be supported and bound through a Memorandum of Agreement (MoA), a Memorandum of Understanding (MoU), or a

contract to provide necessary details forged either on a national or regional level. This shall also serve as a formal agreement on the partnership sought by both parties. Lastly, the program may add other identified government and non-government agencies that provide similar or supplemental market support for the program to achieve its overall goal.

VIII. CBE MONITORING AND EVALUATION

In order to evaluate the progress of the CBEs established, the MAED shall monitor the market activities of the CBEs through the following:

1. **CBE Sales Records** – documents the daily sales of the CBE based on its products. This will help the CBE track the total products produced and sold to the market, which may also be used to project the supply and demand gap amongst the market outlets it caters to.
2. **CBE Financial Statement** – provides the daily cash flow of the CBE based on sales, credit, and expenditures. This will help the CBE track the total flow of income it acquires during CBE activities.

Both forms are provided by SAAD and shall be monitored by the regional MAED with the assistance of the PPMSO-PMCs during farmer and fisherfolk engagements. (See Annex C & D.)

DEFINITION OF TERMS

Barriers to entry – refers to the factors affecting the entry of newly established enterprises on existing or potential markets

Benchmarking – a process of measuring the performance of a company's products, services, or processes against those of another business considered to be the best in the industry; used to identify internal opportunities for improvement.

Cash Inflow – refers to the inward flow of cash (sales, investments, loans, grants, etc.,) to the business/enterprise over a period of time.

Cash Flow – refers to the movement of cash inwards or outwards the business/enterprise.

Cash Outflow – refers to the outward flow of cash (expenditures, purchases, etc.) from the business/enterprise over a period of time.

Community-based Enterprise – is a business established w/in the community that provides improvement to the lives of its members and the community as a whole. The difference of CBE from private enterprise is it undertakes achieving community benefit rather than private gain.

Discount Rate – refers to the existing market interest rate used to compute the net present value of future cash flows.

Enterprise – a for-profit business or company, but it is most often associated with entrepreneurial ventures.

Marketing – is a series of activities that focuses on the promotion and selling of goods and services to a target market

Marketing Assistance and Enterprise Development – refers to market related activities that assist and support the provided livelihood projects develop into enterprises to sustain source of income and improve socio-economic status of its covered beneficiaries.

Market Identification – Is a strategic marketing approach and process that is intended to define the specific customer of the product.

Market segment – A subgroup of people or organizations sharing one or more characteristics that cause them to have relatively similar product needs

Place (Distribution channel) – Performs the work of moving goods from producers to consumers

Products – anything that can be offered to a market to satisfy a want or need

Price – is the sum of all the values that consumers exchange for the benefits of having or using the product or service; communicating to the market, the intended positioning of its product or brand.

Promotion – Communication between seller and potential buyer to influence attitudes and behavior.

Services – Any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything.

Target Market – A group of people or organizations for which an organization designs, implements, and maintains a marketing strategy intended to meet the needs of that group, resulting in mutually satisfying exchanges.

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SAAD Entrepreneurial Development Training modules on Operations, Marketing and Accounting, Department of Agribusiness Management and Entrepreneurship, UPLB

MAED TEMPLATES



MAED FORM 1 – MARKET IDENTIFICATION TEMPLATE

Instructions

The Market Identification (MI) template aims to identify existing market outlets within the market area of the target CBE. This also includes other necessary details such as transportation, which also affects the market entry of an emerging CBE.

Column 1: **Location/Barangay** – refers to the area where the identified market outlet/s is/are located. Preferably, this should be identified down to the sitio level.

Column 2: **Market Outlet** – refers to the type of outlet identified in the area. Possible choices are Wet Market, Dry Market, Sari-sari store, General Merchandise, and Make-shift Stalls.

Column 3: **Approximate Distance** – refers to the projected distance (km) from the CBE to the market outlet.

Column 4: **Product Sold** – refers to the goods and produce sold in the identified market outlet.

Column 5: **Ideal Delivery Schedule** – refers to the day/s when the quantity of produce delivered is higher compared to other days, due to higher volume of buyers/consumers in the market.

Column 6: **Mode of Transportation** – refers to general means of transportation used to access or reach the market outlet.

Column 7: **Volume of transportable goods** – average quantity of goods/produce that is viewed to be sold to the identified market outlet.

Column 8: **Cost of Transportation** – refers to the cost of transportation required to ferry certain volume of goods to the market outlet as identified in column 5.

MAED FORM 1 – MARKET IDENTIFICATION (MI)

Location / Brgy./ Sitio	Market Outlet	Approx Distance	Products sold	Ideal Delivery Schedule	Mode of Transportation	Volume of transportable goods	Cost of Transportation

Prepared by:

Noted by:

Approved by:

Regional MAED staff

Regional MAED Lead

Regional OPBME

MAED FORM 2 – BENCHMARKING TEMPLATE

Instructions

The **Benchmarking (BM) template** aims to identify existing and emerging competitors within the target market of the CBE to be established. It also aims to identify key details on existing related products and/or substitutes. The Market Identification template shall provide the details of the target market and market outlet.

Column 1: **Direct Competitors** – refers to the name of enterprises or sellers that offers the same type of product in the target market outlet identified in the Market Identification.

Column 2: **Location** – refers to the barangay/sitio of the identified direct competitors

Column 3: **Product** – refers to the marketable goods/produce sold by the competitor to the identified target market outlet.

Column 4: **Market Price** – refers to the existing market price of the identified product.

Column 5: **Tenure** – refers to the timeline the competitor has been supplying its goods to the identified market outlet.

MAED FORM 2 – BENCHMARKING TEMPLATE

Direct Competitors	Location	Product	Market Price	Tenure

Prepared by:

Noted by:

Approved by:

Regional MAED staff

Regional MAED Lead

Regional OPBME

MAED FORM 3 – CBE PROFITABILITY ASSESSMENT TEMPLATE

Instructions

The **CBE Profitability Assessment template** aims to project the profitability of a project's investment relative to its target area and beneficiaries. It also aims to identify the marketable area of target CBEs to be established, including possible outlets that a CBE may cater to during its operationalization.

Proposed CBE – refers to the target type of CBE to be established by the identified FCA

CBE Product/Services – list of actual product items or services that generate income for the target CBE

I. Cost Itemization – all cost items or outflows of cash used to establish the CBE

Total Annual Project Cost – cost items projected for one (1) year

List of Cost Items – list of identified cost items used as the basis for computing the annual project cost

II. Revenue Projections – source of the inflow of cash to the CBE

Volume of Production – refers to the projected annual production of products marketed and sold by the CBE.

Price of Produce/Product/Service – unit price of product/s sold by the CBE

Revenue per month – projected gross revenue of the CBE based on the price and volume/quantity produced and sold.

III. Market Projections – this section refers to the use of marketing tools to identify the profitability and marketability of the SAAD projects and CBEs.

Discount rate – refers to the existing market interest rate used to compute the net present value of future cash flows.

Benefit-Cost Ratio – it is an indicator that provides the profitability or viability of an investment based on its projected cost and benefit (**Formula: Revenue/Cost**)

If BCR > 1 = this means that the project or CBE proposed is highly beneficial for the beneficiary

Return on Investment – ratio of the projected profit earned over the cost of investment made for the project or CBE. It aims to show the investment gains over time. (**Formula: Profit/Investment Cost*100**)

If ROI is positive = this means that the project or CBE is projected to be profitable (the higher the percentage the larger the projected profit)

Internal Rate of Returns – is the annual projected growth rate of an investment for a certain project or CBE.

If IRR is high = investment is more desirable/ profitable.

Net Present Value – refers to the difference between the net future cash inflow and the net future cash outflow of a certain investment over a period of time, discounted to its present value.

If NPV is positive = investment is desirable/ profitable

MAED FORM 3 – CBE PROFITABILITY ASSESSMENT TEMPLATE

Name of FCA: _____
 Proposed CBE: _____
 CBE Product/Services: _____
 No. of Years covered by SAAD: _____

I. Cost Itemizations	
Total Annual Project Cost (from SAAD):	
List of Cost Items (from SAAD):	
Total Annual Project Cost (counterpart):	
List of Cost Items (counterpart):	
Total Annual Project Cost:	
Total Project Cost (project life):	
II. Revenue Projections	
Projected Number of Years:	
Estimated Volume of Production per month:	
Estimated Price of product/service:	
Estimated Revenue per month:	
Estimated Revenue per year:	
Estimated Revenue after ___ years:	-
III. Market Projections	
Discount Rate:	
Benefit-Cost Ratio (BCR):	
Return on Investment (ROI):	
Internal Rate of Return (IRR):	
Net Present Value (NPV):	
IV. List of Market Outlets:	
V. Market Area/Map:	



MAED FORM 3.1 – CASH FLOW (CF) TEMPLATE

Instructions

The **Cash Flow Template** shall serve as a projection of the total inflow and outflow of cash generated for an investment over a period of time. This will provide an annual projection of costs (outflow) and revenues (inflow) earned through project investment, operationalization, and sales. Lastly, this will be used to generate the Market Projections on the Market Plan.

Section 1: Financial Items – refers to the cost and revenue items that represent the cashflow of a certain investment over a period of time

Section 1.1: Project Investment Cost (Outflow) – refers to all cost items needed by the project to put up a CBE and continue operation for a period of time

Section 1.2: Project Allocation (SAAD) – refers to all cost items invested in and provided by SAAD to its target group beneficiaries

Section 1.3: Project Allocation (Beneficiary) – refers to all cost items invested and provided by the beneficiary in complementation or supplementation with the provided project of SAAD

Section 1.4: Project Allocation (LGU/Stakeholders) – refers to all cost items invested and provided by the LGU/Stakeholders in complementation or supplementation with the provided project of SAAD and the beneficiaries

Section 2: Projected Gross Revenue (Inflow) – refers to projected sales generated through products sold at the existing market value or price

Section 2.1: Product 1 to n – refers to the listing of marketable products produced and sold by the group beneficiaries as part of its CBE

Section 3: Project Net Revenue – refers to the total earnings of the group/CBE less cost

Section 4: Assumptions – refers to the assumptions/projections/conditions raised and included to the project certain values for all items in the template

MAED FORM 3.1 – CASH FLOW (CF) TEMPLATE

Financial Items	Y0*	Y1	Y2	Y3	Y4	Y5
a. Projected Investment Cost (Outflow)						
Project Allocation (SAAD)						
Project Allocation (Beneficiary)						
Project Allocation (LGU/Stakeholders)						
b. Projected Gross Revenue (Inflow)						
Product 1						
Product 2						
Product n						
c. Projected Net Revenue (b-a)						

Assumptions:

- a.
- b.
- c.
- ...n

MAED FORM 4 – FINANCIAL STATEMENT TEMPLATE Instructions

The **Financial Statement template** aims to identify the enterprise's financial status over a specific period of time. The template is categorized into two (2) sections: a. Income Statement, and b. Statement of Owner's Equity.

- I. **Income Statement** – shows the enterprise's revenues and expenses during a particular period. It indicates how the revenues are transformed into net income or net profit.
 - a. **Period** – refers to the statement's day, month, and year covered
 - b. **Gross Sales** – refers to the sales unadjusted for the expenses related to generating those sales. It is divided into two categories: a. Cash – sales paid by actual cash, b. Credit – sales tagged under account receivables
 - c. **Expenses** – refers to the direct cost incurred in the production of the enterprise's product forms for the month and year covered
 - d. **Total Income** – refers to the gross income less operating expenses
 - e. **Other Expenses** – refers to other operating costs such as, but not limited to, rent expense, utilities, sales of assets (loss value), profit sharing, and replacement of stocks
 - f. **Total Net Income** – refers to the total income less the operating and other expenses for the month and year covered

- II. **Statement of Owner's Equity** – shows the enterprise's change in capital balance over a period of time. It shows the difference between the total assets and total liabilities, resulting in the overall value of the owner's equity.
 - a. **Cash on Hand (COH) and Cash on Bank (COB) beginning** – refer to the cash available and accessible at the start of the period covered. It has an ending cash balance as of the previous period covered.
 - b. **Accounts Receivable** – Refers to the money the customers owe for goods or services they have received but have not yet paid for
 - c. **Accounts Payable** – Refers to the money the enterprise owes its suppliers and creditors.
 - d. **Withdrawal** – Refers to the money removed from the enterprise's fund for operational or non-operational purposes

MAED FORM 4 - FINANCIAL STATEMENT (FS) TEMPLATE

Name of Association: _____
 Name of Enterprise _____
 Barangay/Municipality/Province: _____
 Period: _____

I. Income Statement

Period	Gross Sales		Expenses	Total
	Cash	Credit		
Month & Year Covered: _____				
Day 1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
Total				

Total Income for the period covered:	Description
Less: Other Expenses	
Total Net Income for the period covered:	

II. Statement of Owner's Equity

For the Month & Year Ended: _____	
COH_beginning	
COB_beginning	
Add: Net Income	
Add: Accounts Receivable	
Less: Accounts Payable	
Less: Withdrawal	
Cash on Hand for the month ended	

Prepared by: _____
 Association's Treasurer

Approved by: _____
 Association's President

Audited by: _____
 Association's Auditor

Checked by: _____
 RPMSO MAED
 Staff

MAED FORM 5 – CBE SALES RECORDS TEMPLATE

Instructions

The **CBE Sales Records template** aims to track the overall sales of a CBE relative to the product, price, quantity, and timeliness with which it was marketed. It shall provide periodic (depending on the nature of the CBE) tracking of the market activities of the CBE for the CBE beneficiaries to see the revenue or inflow of cash it receives from the CBE.

Column 1: Final Product Sold – refers to the marketable product(s) sold by the CBE

Column 2: Date Sold – refers to the actual date the product(s) was or were sold

Column 3: Unit – refers to the unit of measure of each product sold

Column 4: Quantity Produced – refers to the total number or volume produced based on the identified unit

Column 5: Quantity Sold – refers to the total number or volume sold based on the identified quantity produced

Column 6: Unit Price – refers to the price per unit item

Column 7: Total Sales – refers to the total volume sold multiplied by the price per unit item

