

## MICROCAPITAL BRIEFS | TOP STORIES

### Advans Takes Control of Cambodia's Amret; GRET, Proparco Exit

Please see page 3 for coverage of this "MicroCapital Deal of the Month."

### EBRD to Loan \$35m for MSMEs in Tunisia, Kosovo

The European Bank for Reconstruction and Development (EBRD), a UK-based multilateral financial institution, has agreed to lend the euro-equivalent of USD 32 million to Banque de Tunisie, for on-lending to micro-, small and medium-sized enterprises in Tunisia. EBRD has also announced that it will lend USD 3.2 million to TEB Bank Kosovo to support a "Women in Business" program offering financing, technical assistance and risk mitigation services to small and medium-sized enterprises led by women in Kosovo. April 15, 2015

### Base of Pyramid Asia Buys 33% Stake in Alliance for Microfinance in Myanmar

For an undisclosed price, Base of Pyramid Asia (BOPA), a Singapore-based equity investor in small microfinance institutions (MFIs), has purchased a 33-percent stake in the Alliance for Microfinance in Myanmar (AMFIM), a deposit-taking MFI. As a result of this issuance of new shares, Swiss rural-finance investor Financial Systems Development Services (FIDES) reduced its holding in AMFIM from 76.2 percent to 51 percent, and FIDES affiliate Swiss Microfinance Holding reduced its from 23.8 percent to 16 percent. BOPA CEO Christian Andersen said, "...we look forward to making economic and social impact together with our partner AMFIM." AMFIM was founded in 2014 by FIDES in partnership with the BASIX Group, an Indian provider of financial and business development services to people with low incomes. AMFIM reports USD 60,000 in loans outstanding to 628 borrowers and USD 8,000 in deposits collected from 700 customers. Founded in 2013, BOPA holds stakes in MFIs in Cambodia, East Timor, Kazakhstan, Myanmar and Vietnam. April 8, 2015

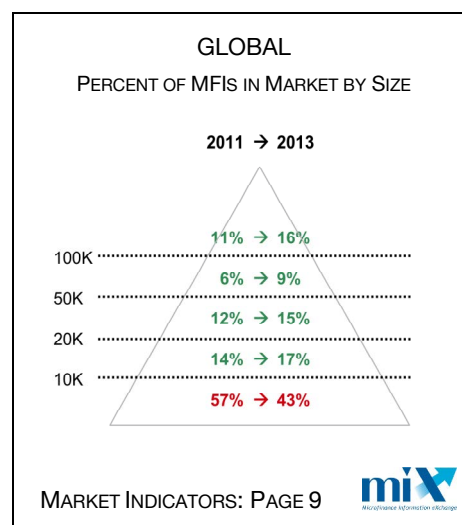
### Goodwell West Africa Acquires 30% Stake in WWB Ghana

Goodwell West Africa, one of four funds of the Netherlands' Goodwell Investments, recently acquired a 30-percent stake in Women's World Banking (WWB) Ghana, an affiliate of US-based NGO WWB, whose 39 members serve 26 million clients with a gross loan portfolio of USD 6.9 billion and USD 4.4 billion in deposits collected. This co-investment with Ghana's Databank Group and JCS Investments resulted in Databank becoming the largest shareholder in WWB Ghana. The sizes of the other stakes and pricing of the investments have not been released. WWB Ghana has total assets of USD 15 million, a gross loan portfolio of USD 7.5 million disbursed to 7,000 borrowers, USD 15 million in deposits accumulated from 86,000 depositors, return on assets of 1.9 percent and return on equity of -41 percent. From its branches in The Gambia, Ghana and Liberia, the Databank Group offers services such as insurance, savings and asset management. April 3, 2015

### Bangladeshi Government Takes Interim Control of Grameen Bank

Although the government of Bangladesh owns only 25 percent of microfinance institution Grameen Bank, it recently appointed the majority of the organization's interim board of directors. A new board is to be elected by Grameen's shareholders within one year. Former government advisor and economist A B Mirza Azizul Islam voiced concern over the government's actions: "With these unnecessary changes, the government is tinkering with a system that has allowed Grameen to prosper, while many state-run banks are embroiled in scandals." Grameen Bank reports total assets of USD 2.2 billion, a gross loan portfolio of USD 1.1 billion, deposits of USD 2.1 billion, return on assets of 0.69 percent and return on equity of 11 percent. March 25, 2015

INSIDE	Page
<b>MicroCapital Briefs</b>	<b>2</b>
Microfinance news	
<b>Ear to the Ground</b>	<b>8</b>
An Umbrella in a Hurricane	
<b>Market Indicators</b>	<b>9</b>
Courtesy of MIX	
<b>Upcoming Events</b>	<b>10</b>
Industry conferences	
<b>Paper Wrap-ups</b>	<b>11</b>
Latest research and reports	
<b>Subscribe to the Monitor</b>	<b>11</b>



## MICROCAPITAL BRIEFS

### TriLinc Global Impact Fund Invests \$16m in Africa, Argentina

The US-based TriLinc Global Impact Fund recently approved trade finance facilities totaling USD 15.5 million for six unidentified firms: a South African textile distributor, a South African mine remediation company, a South African waste management company, a South African meat processing company, a Zambian agricultural distributor and an Argentine dairy cooperative. The interest rates on the loans range from 10.9 to 19.5 percent. TriLinc CEO Gloria Nelund said, "With these recent investments, TriLinc is supporting enterprises that are critical to the economic development of their respective countries." April 16, 2015

### M-Pesa to Offer Transactions Between Kenya, Tanzania

M-Pesa, a mobile money service of Kenya's Safaricom that was developed by the UK's Vodafone, is set to allow cross-border transactions between its 20 million customers in Kenya and 7 million in Tanzania. Since its launch in 2007 in Kenya, M-Pesa has been expanded to the Democratic Republic of the Congo, Egypt, Fiji, India, Lesotho, Mozambique, Romania and South Africa as well as Tanzania. April 16, 2015

### Indonesian Banks Expand Branchless Banking

Four Indonesian financial institutions, Bank Central Asia, Bank Mandiri, Bank Rakyat Indonesia and Bank Tabungan Pensiunan Nasional, are collaborating with Otoritas Jasa Keuangan (OJK), an Indonesian regulator, to launch a branchless banking program known as Laku Pandai. The effort will include services via mobile phone and other technologies. Bank Central Asia also will offer "Laku" e-money cards for the equivalent of USD 0.20. Over 100,000 agents, both individuals and organizations, are expected to participate in facilitating branchless banking transactions for the four banks by the end of the year. Additional banks are expected to join the program pending approval from OJK. April 16, 2015

### University of Zurich Establishes Microfinance Investment Indexes

The Center for Microfinance at Switzerland's University of Zurich has established two microfinance investment indexes (MFII) to track the performance of microfinance investment vehicles, with updates to be calculated monthly based on performance data collected from 17 funds participating in MFII EUR and 11 reporting to MFII USD. In the future, the University is considering creating additional indexes for various types of investors and incorporating social performance into the calculations. April 15, 2015

### Microsoft, MasterCard Partner to Serve Mexican Microenterprises

Two US-based multinationals, technology provider Microsoft Corporation and payment firm MasterCard, have announced that they will partner to offer small-scale merchants in Mexico financial services including access to electronic payments as well as encouragement to use properly licensed software. In addition, the partners will offer online training in business management. April 10, 2015

### Egypt, MasterCard to Link National ID Card to Mobile Money

MasterCard, a US-based payments company, and the Egyptian government have collaborated to link government identification cards to the country's mobile money system. Electronic payments are expected to increase the efficiency and transparency of government and other services. Ajay Bango, the CEO of MasterCard, said, "Financial inclusion is the foundation for economic growth that's more inclusive, equitable, and sustainable." April 10, 2015

### \$106k Offered via Sixth European Microfinance Award

Through June 3, the European Microfinance Platform (e-MFP), a Luxembourg-based network of 130 microfinance organizations and individuals, is accepting applications for the Sixth European Microfinance Award, which will include a cash prize equivalent to USD 106,000. This year's award will recognize organizations operating in post-disaster, post-conflict and otherwise fragile states. It will be presented on November 19 as part of European Microfinance Week, an annual set of working group meetings and conference sessions. The award is organized by the Luxembourg Ministry of Foreign and European Affairs - Directorate for Development Cooperation and Humanitarian Affairs; e-MFP; and the government-founded Inclusive Finance Network Luxembourg, in cooperation with the EU's European Investment Bank. Further information may be found at: <http://www.e-mfp.eu/news-and-events/apply-6th-european-microfinance-award>, or you may contact the event organizers at [contact\[at\]e-mfp.eu](mailto:contact[at]e-mfp.eu) or +352 26 27 13 82. MicroCapital has been engaged by e-MFP to promote and document European Microfinance Week. April 10, 2015

### Habib of Pakistan to Invest \$19m to Control First MF Bank

Habib Bank, a Pakistan-based commercial bank, has unveiled plans to take a controlling stake in First Microfinance Bank Limited-Pakistan (FMFB) via a series of equity investments over three years that will total as much as the equivalent of USD 19 million. The State Bank of Pakistan reportedly has approved the plan. Switzerland's Aga Khan Agency for Microfinance (AKAM) owns about 20 percent of the shares of both Habib and FMFB. AKAM is a member of the Aga Khan Development Network, a Switzerland-based NGO engaged in a range of efforts such as improving the environment, urban development and education. FMFB reports total assets of USD 90 million, a gross loan portfolio of USD 33 million outstanding to 130,000 active borrowers, total deposits of USD 74 million from 263,000 depositors, return on assets of 1.6 percent and return on equity of 14 percent. April 10, 2015

### BTPN of Indonesia Borrows \$300m from Sumitomo Mitsui, IFC

Japan's Sumitomo Mitsui Banking Corporation and the International Finance Corporation, a member of the World Bank Group, recently loaned USD 225 million and USD 75 million, respectively, to Bank Tabungan Pensiunan Nasional (BTPN), a commercial bank in Indonesia, to expand its microfinance operations. Sumitomo Mitsui holds a 40-percent equity stake in BTPN. Jerry Ng, President Director of BTPN, was quoted as saying, "These past few years, BTPN has developed a very strong strategic partnership with IFC, which we believe has significantly supported BTPN in achieving its vision to be the best mass market bank, making a difference in the lives of millions..." BTPN reports total assets of USD 5.5 billion, return on assets of 3.6 percent and return on equity of 18 percent. Its microloan portfolio of USD 822 million represents approximately 20 percent of its total portfolio. April 10, 2015

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*Please refer to <http://MicroCapital.org> for information sources for all briefs. MicroCapital recognizes the individuals at CGAP, the Microfinance Gateway and the Microfinance Information Exchange for their outstanding work disseminating information on microfinance. Thank you!*

### ACL of Zimbabwe, Reefy of Egypt Acquire Banking Licenses

The Reserve Bank of Zimbabwe recently granted a banking license to African Century Leasing (ACL), making it the first microfinance institution in the country that may accept deposits. Similarly, Reefy, an Egyptian microlender, recently acquired the first microfinance license issued by the Egyptian Financial Supervisory Authority, although this license does not allow for deposit-taking. Financial data on ACL and Reefy are not available. April 8. 2015

### IFAD Grants \$1.5m to DiD for Microfinance in Central, West Africa

The UN's International Fund for Agricultural Development (IFAD) recently extended its contract with Développement international Desjardins (DiD), a nonprofit member of Canadian financial cooperative Desjardins Group, to support microcredit in Cameroon. With this additional funding of USD 561,000, DiD will extend the work it began in 2013 with the creation of a loan fund to help microfinance institutions finance agro-pastoral equipment. This project, known as "Projet d'appui au développement de la microfinance rurale," was executed with Cameroon's Ministry of Agriculture and Rural Development. Separately, IFAD committed USD 950,000, with co-funding of USD 185,785 from DiD, for a three-year project intended to improve rural finance in West and Central Africa. This project is meant to "scale up the deployment of innovative approaches, products and services intended for rural households, support dialogue for the design and implementation of policies related to rural finance, [and] enhance the capacity of financial institutions in rural areas and other actors linked to the rural finance sector." DiD works with organizations in approximately 30 nations, and the Desjardins Group reports USD 188 billion in assets. April 7. 2015

### India's West Bengal Offers MSMEs \$8k Each in Unsecured Credit

The government of the Indian state of West Bengal recently secured the equivalent of USD 32 million from the government-owned State Bank of India to fund "Micro Business Credit Cards" for micro-, small and medium-sized enterprises. To borrow up to USD 8,000, cardholders will not need offer collateral. West Bengal Chief Minister Mamata Banerjee stated that "Business credit cards are being given so that even farmers can start businesses.... We must concentrate on small things. No one becomes a big industrialist in a day." Depending on the results, the State Bank of India will consider expanding the effort to other parts of India. April 6. 2015

### Advans Takes Control of Cambodia's Amret; GRET, Proparco Exit

Advans SA, a Luxembourg-based investor in nine microfinance institutions (MFIs), has purchased an additional 8.4 percent of the shares of Amret, a Cambodian MFI, to increase its stake to 52.8 percent. The International Finance Corporation (IFC), a member of the World Bank Group, paid USD 15 million to acquire a 19.9-percent stake in the MFI. In addition, Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden, a Dutch public-private partnership, increased its stake in Amret from 12.6 to 19.9 percent. Meanwhile, Groupe de Recherche et d'Echanges Technologiques, a French NGO, and Proparco, a development finance institution partly held by the French government, sold a total of 36.7 percent of the MFI's shares. At the same time, IFC approved a loan up to USD 10 million to Amret, which reports total assets of USD 345 million, a gross loan portfolio of USD 287 million outstanding to 304,000 borrowers, deposits of USD 153 million collected in 174,000 accounts, return on assets of 6.2 percent and return on equity of 36 percent. March 26 and March 30. 2015



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### **Advans Expands to Tunisia**

Advans SA, a Luxembourg-based investor in microfinance institutions, has announced the launch of its ninth affiliate, Advans Tunisie. Although it was created in 2013, Advans Tunisie only recently obtained an operating license from the Tunisian Finance Ministry. Advans SA is the majority shareholder of the microbank, with its other shareholders including the Sanad Fund for MSME (micro-, small and medium-sized enterprises), which is supported by the EU and the German government; Amen Bank, a Tunisian bank; and Inaam, a holding company backed by “socially oriented” Tunisian investors. Advans SA serves 322,000 loan clients via 140 branches in Asia and Africa, with total assets equivalent to USD 62 million. March 30. 2015

### **LIM Establishes MFI Association in Lebanon**

Lebanon’s Ministry of the Interior and Municipalities officially has approved the establishment of a microfinance association, whose membership will consist of the following microfinance institutions (MFIs): Al Majmoua, Association d’Entraide Professionnelle, Association for the Development of Rural Capacities, Emkan, the Entrepreneurial Development Foundation, Ibdaii Lebanon, the Makhzoumi Foundation and Vitas. The group is sponsored by the Lebanon Investment in Microfinance (LIM) Program, which is funded by the US Agency for International Development. Since its inception in 2009, LIM has awarded USD 9.5 million in grants to its member MFIs, which in turn have disbursed 14,000 loans totaling USD 32 million, reportedly supporting 16,000 jobs, including 2,800 new ones. March 30. 2015

### **Moss, Belcash Ramp Up Mobile Money in Ethiopia**

Moss ICT (Information and Communication Technology) Consultancy, which was founded as M-Birr in 2009 as a spin-off of Ireland-based NCL Technologies, is marketing its M-Birr mobile money service in rural Ethiopia. M-Birr, which allows users to send and receive money via mobile phone, was launched on a pilot basis in 2013. It recently was approved by the National Bank of Ethiopia to conduct a full rollout, which is happening in concert with the following microfinance institutions: Addis Credit and Savings Institution, Amhara Credit and Savings Institution, Dedit Credit and Savings Institution, Omo Microfinance, and Oromia Credit and Savings. Ethiopia’s Belcash Technology Solutions, a unit of the Netherlands’ Belcash International, is providing a mobile money service known as HelloCash, whose 5,000 users access the service via two Ethiopian firms: Somali Microfinance Institute and Lion International Bank. March 30. 2015

### **Bank of Ghana Raises MFI Capital Requirement to \$263k**

During the next three months, the Bank of Ghana, the country’s central bank, reportedly will raise the minimum capital requirement for microfinance institutions (MFIs) to the equivalent of USD 263,000. The current minima range from USD 26,000 to USD 132,000 depending on the type of MFI. The move comes as the Bank of Ghana is working to shut down the estimated 100 MFIs in the country that are operating illegally. March 28. 2015

### **IFC Invests \$22m in Equity in Indonesia’s Mayora**

The International Finance Corporation (IFC), the private-investment arm of the World Bank Group, recently invested USD 22 million to take a minority stake of undisclosed size in Indonesia’s Bank Mayora. Sarvesh Suri, IFC’s country manager for Indonesia, said, “Bank Mayora is our partner in widening access to financial products for micro- and small enterprises to increase rural incomes and promote sustainable urbanization in Indonesia....” Bank Mayora reports total assets equivalent to USD 216 million, return on equity of 2.1 percent, return on assets of 0.36 percent and 64,000 customers. March 26. 2015

### **IFC Funds Advice for Advans Cameroun on Rural Mini-branches**

The World Bank Group’s International Finance Corporation recently agreed to provide advisory services valued at USD 1.2 million to Advans Cameroun, a member of the Luxembourg-based Advans SA network of nine microfinance institutions, to support its creation of mini-branches targeting rural areas. March 26. 2015

### **Triodos Fund Loans \$800k to Bioexport of Paraguay**

The Triodos Sustainable Trade Fund, an investment vehicle managed by a unit of the Netherlands-based Triodos Bank, recently told MicroCapital that it has loaned USD 800,000 to Bioexport, a Paraguayan firm that exports sesame and other crops purchased directly from farmers and cooperatives. The term of the loan runs from February to December 2015, a time period selected to coincide with the sesame harvest, enabling the firm to purchase crops at the “very beginning of the harvest, paying a fair price to the farmers and further promoting organic practices.” Bioexport was founded in 2009 and exports 5,000 metric tons of sesame per year. Its services include supporting farmers in becoming certified as organic producers and contributing to irrigation and drinking-water projects. March 24. 2015

### **Nigeria’s Grooming Centre to Issue Loans via MasterCards**

The Grooming Centre, a nonprofit provider of loans and deposit services to women in Nigeria for micro-, small and medium-sized enterprises, has partnered with MasterCard, a US-based payments company, to replace the NGO’s cash- and check-based loan disbursements with prepaid MasterCard-branded payment cards. The change is intended to reduce the microfinance institution’s transaction costs. MasterCard and the Grooming Centre have also committed to working with additional financial institutions to increase the use of mobile point-of-sale devices by small-scale merchants. The Grooming Centre reports total assets of USD 68 million, a gross loan portfolio of USD 56 million, USD 20 million in deposits, 300,000 active customers, return on assets of 12 percent and return on equity of 43 percent. March 24. 2015

### **World Bank Group Loans \$100m for MSMEs in Tunisia**

The World Bank Group’s International Bank for Reconstruction and Development (IBRD) recently loaned USD 100 million to the government of Tunisia to benefit micro-, small and medium-sized enterprises (MSMEs). The goal of the project, according to Laurent Gonnet, a senior financial sector specialist for the World Bank, is to “improve Tunisian MSMEs’ access to funding and allow those which earlier proved to be creditworthy to keep this access, while ensuring that viable MSMEs that were hit by the Revolution be able to recover their capacity to continue their repayment in a sustainable way.” The funds will be disbursed by the Central Bank of Tunisia for on-lending via a group of retail banks that has yet to be selected. The IBRD line of credit is payable over 15 years with an interest rate of 1 percent. USD 15 million of the total is sourced from the Consignment and Deposit Fund, which is backed by the French government. In related news, the Central Bank of Tunisia and the country’s microfinance control authority have agreed to work to establish a credit bureau specifically to track microloans. March 20. 2015

### **Kenya’s Daraja Microfinance Licensed to Accept Deposits**

The Central Bank of Kenya recently granted a license to Daraja Microfinance Bank Limited to accept deposits from the public, making Daraja the tenth deposit-taking microfinance bank in Kenya. Daraja will target micro- and small enterprises in the Dagoretti Division of Nairobi. Financial data on Daraja are not available. March 17. 2015





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### IFC Invests \$16m in Tajikistan's Imon for MSMEs

The International Finance Corporation (IFC), a member of the US-based World Bank Group, recently mobilized a local-currency loan worth USD 16.5 million to benefit Imon International, a microfinance institution in Tajikistan, to on-lend to micro-, small and medium-sized enterprises. Imon funds such organizations directly as well as via wholesale investments in other institutions. IFC provided USD 5 million of the principal, while the French public-private partnership Proparco and the Austria-based OPEC Fund for International Development disbursed the remainder. Imon CEO Sanavbar Sharipova said, "With this financing package, we will be able to increase our credit and other product offerings for farmers, small businesses and female entrepreneurs in Tajikistan." As of 2012, Imon reported total assets of USD 86 million, a gross loan portfolio of USD 69 million, return on assets of 5.9 percent, return on equity of 27 percent and 58,000 active borrowers. Imon also offers consulting, leasing and deposit services, although financial details on those services are not available. March 17, 2015

### EFSE Loans \$20m to AccessBank for MSEs in Rural Azerbaijan

The European Fund for Southeast Europe (EFSE), a Luxembourg-based microfinance investment vehicle, recently issued a senior loan in the amount of USD 20 million to AccessBank, an organization founded in 2002 to provide credit and other financial services to smaller businesses and low-income families in Azerbaijan. The loan will be used to provide financing for approximately 6,000 micro- and small enterprises in rural areas. According to Monika Beck, Chair of the Board of EFSE, "With its strong focus on micro-, small and medium enterprises as well as with its leading market position, AccessBank has proved a reliable partner in reaching out to the EFSE's target group." AccessBank reports total assets of USD 834 million, deposits of USD 279 million in 332,000 accounts and a gross loan portfolio of USD 664 million outstanding to 167,000 active borrowers. The bank is one of the 10 members of Access Microfinance Holding, which is based in Germany. March 17, 2015

### Deutsche Bank Closes \$50m Essential Capital Consortium Fund

The Global Social Finance Group of Germany-based Deutsche Bank recently announced the closing of a five-year, USD 50 million social enterprise fund, the Essential Capital Consortium (ECC). ECC will disburse debt financing to 25 microfinance institutions (MFIs) and other social enterprises in the energy, health and base-of-the-pyramid financial services sectors. The fund has disbursed its first round of loans of unspecified amounts to three organizations: US-based Sproxil, which offers mobile services for testing the authenticity of consumer products; Tiixa, a Chilean company that provides "nanocredits" to mobile phone users in developing countries; and Arvand, a Tajikistan-based MFI that offers loans for energy efficient products, among other purposes. Investors in ECC include the French government's Agence Francaise de Developpement; the US-based Calvert Foundation; and the Multilateral Investment Fund, a member of the US-based Inter-American Development Bank (IDB). In addition, the Swedish International Development Cooperation is providing the fund with credit enhancement support. March 17, 2015

### World Bank's IDA to Loan \$60m for Housing in Tanzania

The World Bank Group has approved a loan of USD 60 million to be disbursed by its International Development Association (IDA) to support the Housing Finance Project (HFP) in Tanzania, which seeks to support affordable urban housing by providing "medium- and long-term liquidity to lenders." HFP has overseen the creation of the Tanzania Mortgage Refinancing Company (TMRC), which seeks to ensure "needed capital is invested in growing Tanzania's housing resources." TMRC has paid up capital equivalent to USD 7.8 million from 12 member banks. The investment in HFP is the second by IDA, adding to the USD 40 million invested to launch the project in 2010. Since its inception, TMRC reports having "refinanced member banks to the tune of TZS 26.1 billion [USD 14.1 million]." March 17, 2015

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## EAR TO THE GROUND

### Microinsurance for Climate Change: An Umbrella in a Hurricane

I was in Chile last week, where I couldn't help but feel guilty for enjoying the sunny weather as I looked into the dry bed of the Mapocho River. No longer the roaring river I remember, its small trickle leaves its walls exposed enough for artists to use as a canvas for elaborate murals. I spoke about the lack of rain to someone who had just returned from a small farm to the south. "The wells have dried up; we have to get water for consumption from a delivery tank or walk to the river a few miles away," he shared. So far, milk production in Chile's vast farmland has declined 20 percent and livestock production has fallen 12 percent from last year. This concerned me, as I was in Arequipa, Peru, just a few weeks earlier where farmers complained that an unseasonable bout of rain had washed out some roads. In Peru, the government estimates that 89 percent of the road infrastructure is vulnerable to climate events.

In Latin America, climate change is a tangible threat and one that has raised concerns within microfinance institutions (MFIs). Many financial institutions there have been shifting into rural and agricultural lending to flee the over-indebtedness of urban centers. This strategy makes sense in theory, and it will promote the financial inclusion policies of many governments. But I am concerned that some of these financial institutions may not be ready to tackle some of these risks. Moving into rural areas is not simply a "copy and paste" activity, but requires an understanding of the rural economies including the risks they face. Climate change is an increasingly large risk, and many institutions are looking to microinsurance to address it. But that's like trying to use a small umbrella during a hurricane.

After over three years working on the MILK Project, including 18 detailed case studies of clients' post-claim experiences, I am certain that

microinsurance is *not* the answer. At its best, it is an accessible and valuable complement to other risk-coping mechanisms that people turn to when crisis strikes. At worst, it is ineffective, and rural clients are left to finance all of their losses by selling assets, borrowing informally or utilizing other difficult mechanisms.

The first thing to keep in mind is that while the economies of rural communities are interlinked with agriculture, not all rural people are farmers. In much of Latin America, for example, rural communities have bustling commerce and some manufacturing as well. Agricultural insurance will do little to help these non-farmers when coffee plantations freeze and farmers' loans are forgiven by microinsurance. Arguably, farmers will inject less money into the community after a disaster regardless of whether their loans are insured. Devastation on roads might also make it harder for both farmers and non-farmers to do business, and insurance rarely covers this risk.

Another consideration is that while MFIs offering insurance will be tempted to focus on covering their loan portfolio risk, what farmers need after a drought is cash. Loan relief alone won't put food on the table. While seeking solutions like weather-linked agricultural insurance is useful, farmers and rural families might benefit more from technical assistance and loans targeted to encourage diversification of income streams away from vulnerable activities.

*About the Author: Ms Barbara Magnoni is President of EA Consultants, a development-consulting firm based in New York. She has over 20 years of international finance and development experience and has worked with organizations including Goldman Sachs, Chase and BBVA and has advised institutions such as the International Finance Corporation, the US Agency for International Development and the International Labour Organization. She may be reached at +1 212 734 6461 or [bmagnoni\[at\]eac-global.com](mailto:bmagnoni[at]eac-global.com), or you may follow her on Twitter at [BarbaraatEA](#). *

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## MICROCAPITAL MARKET INDICATORS GLOBAL

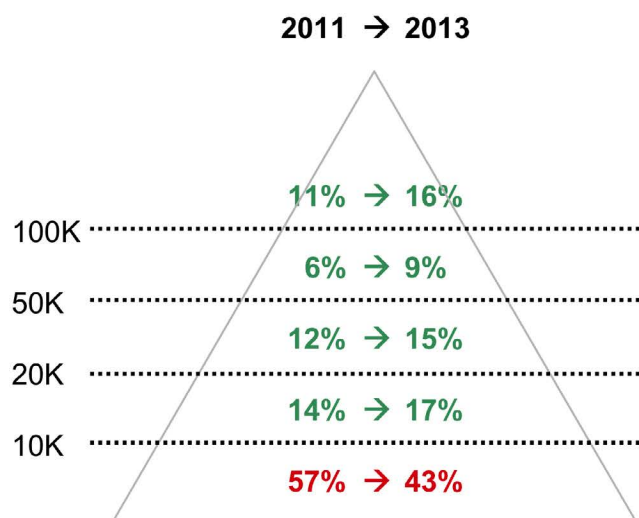


728 MICROFINANCE INSTITUTIONS (MFIs) REPORTING<sup>1</sup>

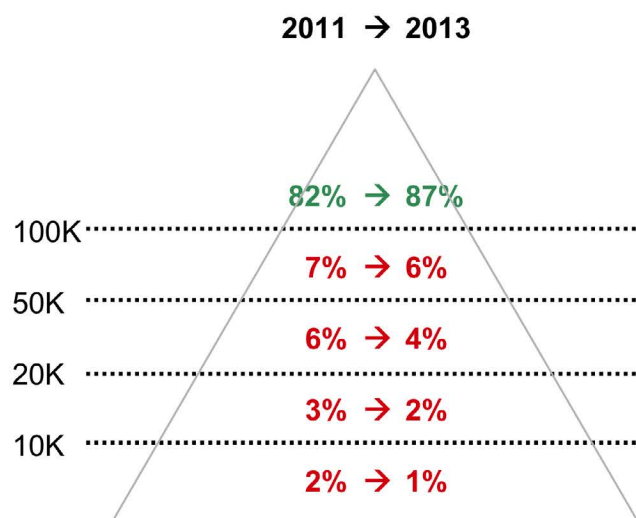
### TOP MFIs BY GROWTH IN GROSS LOAN PORTFOLIO: CHANGE IN USD

MFI NAME	COUNTRY	AVERAGE ANNUAL USD INCREASE	AVERAGE ANNUAL % INCREASE	2011	2013
Banco Caja Social	Colombia	563,539,785	17%	2,964,697,626	4,091,777,198
Vietnam Bank for Social Policies	Vietnam	420,425,995	8%	4,932,544,460	5,773,396,452
Fomentamos	Colombia	351,143,409	Large	665,793	702,952,613
Equity Bank	Kenya	269,728,021	19%	1,280,438,105	1,819,894,147
Khan Bank	Mongolia	251,005,631	22%	1,013,489,488	1,515,500,751
Pichincha Microfinanzas	Ecuador	239,741,587	43%	453,568,284	933,051,458
Acleda	Cambodia	230,743,695	21%	1,006,603,896	1,468,091,287
Fundusz Mikro Bank	Poland	221,154,859	111%	128,850,214	571,159,933
Financiera Edyficar	Peru	214,284,132	36%	506,045,555	937,276,897

### PERCENT OF MFIs IN MARKET BY SIZE (NUMBER OF ACTIVE BORROWERS)



### MARKET SHARE BY MFI SIZE (NUMBER OF ACTIVE BORROWERS)



<sup>1</sup>Denotes only MFIs that reported data for 2011 and 2013 to the Microfinance Information Exchange (MIX) Market

## UPCOMING EVENTS

### ALFI Impact Investing & Microfinance Conference

April 29, 2015; Luxembourg

The program for this event includes - among other topics - mobile technology, social impact bonds, pricing social value, regulation and labeling investment vehicles. The standard fee to attend is EUR 350, with various discounts available. For more information, you may contact Eleftheria Kollia at +352 223026 1 or [events\[at\]alfi.lu](mailto:events[at]alfi.lu), or you may visit <http://www.alfi.lu/node/2792>.

### TBLI Conference Asia

April 29 - April 30, 2015; Singapore

This conference will include panels on trends in Asia regarding impact investing within the realm of private wealth management, assessing carbon risks, and investing in sustainable energy and infrastructure, among other topics. The cost to attend is SGD 795, with various discounts available. For inquiries, you may contact Iris Bune at +31 0 20 428 6752 or [conference\[at\]tbligroup.com](mailto:conference[at]tbligroup.com). The conference website may be found at <http://www.tbligroup.com/tbliconference/asia2015.html>.

### Sustainable Investing: Risk, Value, Impact!

May 4 - May 6, 2015; Chicago, Illinois, USA

This conference will focus on emerging issues in “sustainable and responsible” investing, such as shareholder advocacy, serving Latino and immigrant communities, low-carbon energy sources, “place-based” investing, corporate governance structures and investing in water. The cost to attend is USD 1,025 with various discounts available. For additional information, you may contact Sarah Olsen via [solsen\[at\]ussif.org](mailto:solsen[at]ussif.org) or +1 202 872 5361, or you may visit <http://www.event.com/d/5rq8fg>.

### 5th Annual Africa Banking & Finance Conference – NEW DATES

May 19 - May 20, 2015; Nairobi, Kenya

Themed “Banking of the Future,” this conference offers presentations, panel discussions and meetings on topics relating to the African economic landscape, such as corporate trade finance, the emerging mortgage market, investment banking, and small and medium-sized enterprises. The cost to register is USD 1,200. For conference inquiries, you may contact the organizer at +254 0 2218114 or [info\[at\]aidembs.com](mailto:info[at]aidembs.com). The event website is located at [http://aidembs.com/banking\\_conference/](http://aidembs.com/banking_conference/).

### 4th European Research Conference on Microfinance

June 1 - June 3, 2015; Geneva, Switzerland

This conference offers microfinance researchers an opportunity to share their ideas, including how microfinance predictions over the past 10 years have played out, how technology is changing microfinance and whether financial inclusion results in social benefits. The cost to attend is CHF 200. For additional information, you may contact the hosts through the following website: <http://unige.ch/emfc/en/contact/>.

### Enhancing Food Security and Resilience to Climate Change: What Role for Microfinance

June 11 - June 12, 2015; Bergamo, Italy

Discussions at this event will focus on climate change, food security and microfinance, including case studies of financial services being used to mitigate the impact of climate change on smallholder farmers and increase food security. The fee to attend is EUR 40, with a rate of EUR 20 offered to students. For additional information, you may email [umm\[at\]planetfinance.org](mailto:umm[at]planetfinance.org), call +49 49 30 47 989 818 or visit <http://www.universitymeetsmicrofinance.eu>.

### Global Conference on Sustainable Finance in Germany

June 11 - June 13, 2015; Karlsruhe, Germany

Attendees at this conference will discuss banking and finance including recent innovations in social, environmental and development finance. In addition, the 2015 Karlsruhe Sustainable Finance Awards will be presented. The cost to attend is EUR 1,160, with a rate of EUR 890 offered to representatives of nonprofit, government and educational institutions. The organizer's phone number is +49 721 476 89 16, and the event website is located at <http://eosd.org/en/gsfci.html>. If sending an email, it is recommended to copy both [support\[at\]eosd.org](mailto:support[at]eosd.org) and [sustainability\[at\]etechgermany.net](mailto:sustainability[at]etechgermany.net).

### TBLI Conference Nordic

June 15 - June 16, 2015; Copenhagen, Denmark

This event will cover low-carbon investing, addressing climate change, investing in sustainable food production and social impact strategies for banks, among other topics. The cost to attend is DDK 8,000, with various discounts available. For inquiries, you may contact Iris Bune at +31 0 20 428 6752 or [conference\[at\]tbligroup.com](mailto:conference[at]tbligroup.com), or you may visit <http://www.tbligroup.com/tbliconference/nordic2015.html>.

### Global Forum on Remittances and Development

June 16 - June 19, 2015; Milan, Italy

This event will include trends in remittances sent from Europe, best practices in regulation, opportunities for financial inclusion, competition and transaction costs, new technologies, and opportunities for public-private partnerships. This event is free of charge. For additional information, you may email [remittances\[at\]ifad.org](mailto:remittances[at]ifad.org), call +39 0654592311 or visit <http://www.remittancesgateway.org/>.

## MORE DETAILS COMING SOON ON...

### 12th European Microfinance Network Annual Conference

June 18 - June 19, 2015; Dublin, Ireland

### African Microfinance Week

June 29 - July 3, 2015; Dakar, Senegal

### Sixth Caribbean Microfinance Forum (CMF VI)

July 6 - July 9, 2015; Miami, Florida, USA

### M2Money & Payments LATAM

July 29 - July 30, 2015; Quito, Ecuador

### M2Banking LATAM

September 1, 2015; Miami, Florida, USA

### Alliance for Financial Inclusion Global Policy Forum

September 1 - September 4, 2015; Maputo, Mozambique

### Global Youth Economic Opportunities Summit

October 6 - October 8, 2015; Washington, DC, USA


### Social Capital Markets' SOCAP15

October 6 - October 9, 2015; San Francisco, California, USA

### 11th International Microinsurance Conference

November 3 - November 5, 2015; Casablanca, Morocco

### European Microfinance Week

November 18 - November 20, 2015; Luxembourg 

## PAPER WRAP-UPS

### Loan Protection for Maize Farmers in Burkina Faso

By Barbara Magnoni and Danielle Sobol, published by *The MicroInsurance Centre*, 2014, 13 pages, available at <http://www.microinsurancecentre.org/resources/documents/milk-brief-35-doing-the-math-loan-protection-for-maize-farmers-in-burkina-faso>

This paper presents the findings of a study on the cost of droughts to maize farmers in Burkina Faso and the role that Allianz, a Germany-based insurance provider, has played in offering microinsurance to cover losses due to natural disasters in general. Although most farmers in the country have diversified their income beyond agricultural endeavors, farmers still rely on produce yields to generate cash to invest in those other sources of income. Thus when yields are low, lack of insurance limits their ability to utilize these alternatives. In addition to cost, insurance uptake is limited by poorly designed and marketed products, a lack of understanding of available products and limited avenues for learning more about insurance. The authors conclude that although there are significant challenges facing the local micro-insurance market, there is a great deal of promise that such products could prove beneficial to both farmers and providers if they become more widely introduced and adopted.

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### Risks to Microfinance in Pakistan

By Ammar Arshad and Ali Basharat, published by *Pakistan Microfinance Network*, 2014, 48 pages, available at <http://www.pmn.org.pk/assets/articles/5534df4dd3c6d2a89037eaf695e127ea.pdf>

This paper highlights several risks to the microfinance sector in Pakistan, updating a similar report completed in 2011. Increased competition among providers has resulted in reduced earnings and less access to wholesale funding. The funding issue has been exacerbated by macroeconomic trends that limit stakeholders' confidence in the industry. Government regulations deemed "inappropriate" have also become a more prominent concern as new reporting and lending restrictions have come into effect.

### The Value of Claims Analysis in Health Microinsurance

By Jeanna Holtz, Tobias Hoffarth and Sapna Desai, published by *Impact Insurance*, 2014; 20 pages; available at [http://www.impactinsurance.org/sites/default/files/mp38\\_final2.pdf](http://www.impactinsurance.org/sites/default/files/mp38_final2.pdf)

This paper provides a summary of how analyzing claims data allows health micro-insurance (HMI) practitioners to gain insights into how to improve both their product menu and the basic viability of HMI programs. The analysis includes HMI programs in South Asia run by VimoSEWA, Uplift Mutuals and Naya Jeevan. The authors discuss establishing protocols for gathering and interpreting claims data so the data can be used to adjust product offerings and premiums to maximize profitability and improve client value. 📊



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