

## MICROCAPITAL BRIEFS | TOP STORIES

### Manappuram Acquires 70% Stake in India's Asirvad for \$21m

Please see page 5 for coverage of this "MicroCapital Deal of the Month."

### Dutch Pension Fund PGB to Invest \$23m in Actiam Microfinance Fund

Persoonsgebonden Budget, the pension fund of the Dutch printing industry, reportedly will invest the equivalent of USD 23 million in Actiam Institutional Microfinance Fund III. The fund is managed by Actiam Impact Investing, which provides debt funding to microbanks as a unit of Actiam, the Dutch firm formerly known as SNS Asset Management. Actiam Microfinance III has a term of eight years, a target return of 6 percent per year and commitments of USD 147 million. Actiam Impact Investing reports USD 205 million in assets under management, and Actiam reports managing USD 53 billion in assets. February 5, 2015

### EU, EBRD Loan \$78m to Link SMEs in Georgia, Moldova, Ukraine with EU Customers

The EU and the European Bank for Reconstruction and Development (EBRD), a multilateral institution headquartered in London, have announced a program to provide loans to small and medium-sized enterprises (SMEs) in Georgia, Moldova and Ukraine with the intent of helping them grow and identify trading opportunities with EU members. The program includes a grant equivalent to USD 11 million from the EU that will be used to guarantee loans totaling USD 78 million from EBRD to local lenders, which will on-lend the money to SMEs in amounts ranging from USD 565,000 to USD 11 million. Bruno Balvanera, EBRD's Director for the Caucasus, Moldova and Belarus, added that the program "will benefit local banks as on-lenders and local businesses as recipients through the provision of finance and the sharing of know-how and expertise." February 3, 2015

### IFC Invests \$94m to Raise Stake in India's Bandhan

The World Bank Group's International Finance Corporation (IFC) recently raised its stake in Bandhan Financial Services, an Indian lender for microenterprise and health emergencies, with a purchase equivalent to USD 94 million. While the amount of equity has not been released, IFC bought an 11-percent stake in Bandhan for USD 35 million in 2010. According to a statement attributed to Bandhan Chairman Chandrasekhar Ghosh, "IFC is taking [a] considerable equity stake in our bank. There will be a few more investors of international repute." Bandhan reports a gross loan portfolio of USD 967 million. January 27, 2015

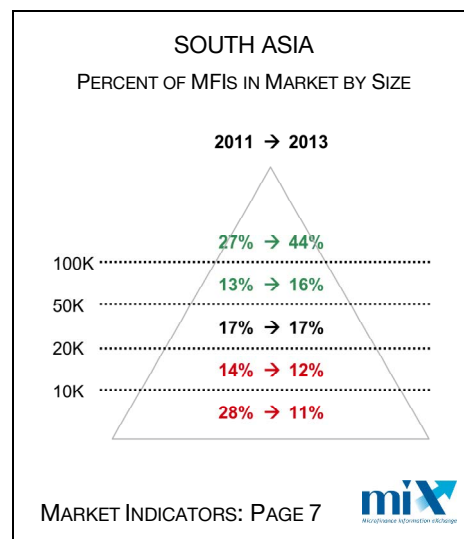
### Sanad Fund for MSME Lends \$20m to Amen Bank of Tunisia

The Sanad Fund for MSME (micro-, small and medium-sized enterprise), a Germany-based, government-backed vehicle investing in the Middle East and North Africa, recently disbursed a senior loan of USD 20 million to Tunisia's Amen Bank. Amen Board President Ahmed El Karm said, "Given the increasing importance of small and medium enterprises for the Tunisian economy, our partnership with Sanad will...contribute to sustaining the creation of employment in Tunisia." Amen reports total assets equivalent to USD 3.7 billion and 151 branches. January 27, 2015

### BNDES Loans \$100m to Banco do Nordeste do Brasil

Banco Nacional de Desenvolvimento Econômico e Social, the Brazilian government's development bank, reportedly will loan USD 100 million to Banco do Nordeste do Brasil (BNB), a government-controlled bank operating in Brazil's Northeast Region, to fund micro- and small enterprises. BNB will commit an additional sum equivalent to USD 16.6 million to the effort. The interest rate of the wholesale loan will be set at 1.1 percent above the country's benchmark long-term interest rate, which is known by its Portuguese acronym TJLP and currently stands at 5.5 percent. BNB offers microfinance services through a subsidiary, CrediAmigo, which was founded in 1998 in partnership with US-based Accion, and reports a gross loan portfolio of USD 935 million and 1.7 million active borrowers. January 27, 2015

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## MICROCAPITAL BRIEFS

### India's Satin Borrows \$10m Over 8 Years from WorldBusiness Cap

Satin Creditcare Network, a microlender in India, recently borrowed the local-currency equivalent of USD 10 million from WorldBusiness Capital, a lender to small and medium-sized enterprises that is based in the US city of Hartford, Connecticut. Satin CFO Jugal Kataria argued that one advantage of the partnership is the "opportunity to reduce [Satin's] dependence on banks." IFMR Capital, an affiliate of the Indian nonprofit Institute for Financial Management and Research (IFMR), structured the eight-year loan as 65 percent senior secured debt and 35 percent unsecured subordinated debt. The Overseas Private Investment Corporation, which is backed by the US government, partially guaranteed the loan. Satin has a gross loan portfolio of USD 17 million outstanding to 800,000 borrowers. February 12, 2015

### ProCredit Georgia Sells Microcredit Portfolio to TBC Bank

TBC Bank, a commercial bank founded in Georgia in 1992 as the Tbilisi Business Centre, reportedly will acquire the microcredit portfolio of ProCredit Bank Georgia (PCBG), which is majority-owned by ProCredit Holding of Germany. PCBG's portfolio of loans smaller than the equivalent of USD 11,300 total USD 19.2 million, or 5 percent of PCBG's total loan portfolio. The purpose of the move is to allow PCBG to concentrate on the financing of small and medium-sized enterprises. TBC Deputy CEO Nikoloz Kurdiani said, "Given that TBC Bank has recently completed the integration of its fully-owned micro-focused subsidiary Bank Constanta, the acquisition of the Micro Loans portfolio is another major step forward for the enhancement of our Micro Banking business...[including] reaching out to rural areas." February 11, 2015

### Orange, Ecobank Partner on Mobile Money in Mali

Orange, a French provider of telephone and Internet service in 30 countries, and Ecobank Transnational, a Togo-based bank operating in 28 countries, have launched a mobile banking service that will enable Orange subscribers in Mali to transfer money between Ecobank accounts, top-up "Orange Money" e-wallets and receive "mini-statements" via short message service (SMS, also known as text messaging). Patrick Akinwuntan, who leads Ecobank's domestic banking department, said, "This roll-out further demonstrates Ecobank's commitment to make branchless banking a reality by activating multiple service channels in every country in which we operate. Our unique pan-African footprint also enables us to be at the forefront of efforts to develop the market for cross-border mobile financial services in Africa." February 9, 2015

### Belarus Requires Microlenders to Register with National Bank

The National Bank of the Republic of Belarus, the central banking authority of the country, has announced that organizations providing microfinance services in the country have six months to register with the National Bank to comply with the guidelines set forth in Decree Number 325 "on the raising and provision of loans [and] the operation of microfinance organizations." The decree, which was signed in June 2014 and came into effect during January 2015, states that consumers will be able to access microloans for consumer needs from pawnshops while the other microfinance organizations will be allowed to provide loans for business purposes only. February 7, 2015

### IFAD Loans \$29m to Uganda to Reach 576k Rural Households

The UN's International Fund for Agricultural Development has loaned USD 29 million to the government of Uganda to support the Project for Financial Inclusion in Rural Areas, which aims to connect 576,000 rural households with financial services over seven years. The intended indirect effects include to increase incomes, improve nutrition and otherwise reduce the vulnerability of people in rural areas. February 5, 2015

### BMZ to Invest \$17m in Equity in EFSE for MSMEs in Ukraine

The German government's Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ) has agreed to invest the equivalent of USD 17 million in equity in the European Fund for Southeast Europe (EFSE), a Luxembourg-based microfinance investment vehicle, within the fund's highest risk, "first-loss" tranche. The investment, which raises BMZ's total commitment to the fund to USD 200 million, will be used to provide local-currency financing to micro-, small and medium-sized enterprises in Ukraine. EFSE Chair Monika Beck said, "This investment provides a good opportunity for the EFSE to foster its development objectives in the Ukraine where local-currency financing is in high demand, in particular in the agriculture sector." February 5, 2015

### Vikram Akula Buys 26% Stake in India's Vaya Finserv

Vikram Akula, the founder and former chairman of Indian group-lender SKS Microfinance, recently bought a 26-percent stake in Indian start-up Vaya Finserv for an undisclosed price. Vaya plans to acquire a "small finance bank" license to lend to individuals who have been rejected by traditional banks, primarily women's self-help groups. February 4, 2015

### Nigeria's Bank of Industry Earmarks \$105m for MSMEs

The Nigerian government's Bank of Industry (BOI) recently budgeted the equivalent of USD 105 million to support micro-, small and medium-sized enterprises. According to a statement attributed to BOI Managing Director Rasheed Oluwaluwa, "Before we grant a loan, the state government must recommend...the applicants to us." This is separate from the fund BOI launched in late 2014 to offer agricultural firms five-year loans with annual interest rates of 9 percent. February 4, 2015

### EBRD Loans \$45m to BNP Paribas's Tunisian Unit UBCI for MSMEs

The European Bank for Reconstruction and Development, a multilateral institution headquartered in London, has announced that it will loan the equivalent of USD 45 million to Union bancaire pour le commerce et l'industrie (UBCI), the Tunisian commercial banking subsidiary of French financial group BNP Paribas, for on-lending on a "long-term" basis to micro-, small and medium-sized enterprises. As of 2012, UBCI reported total assets of USD 1.3 billion, and BNP Paribas reported total assets of USD 2 trillion as of 2013. February 3, 2015

### DEG, EBRD Loan \$10m to Bai Tushum of Kyrgyzstan for MSMEs

Deutsche Investitions-und Entwicklungsgesellschaft (DEG), a German development finance institution, and the UK-based European Bank for Reconstruction and Development (EBRD) have announced that they will loan funds equivalent to USD 10 million to Bai Tushum Bank (BTB), a microfinance provider in Kyrgyzstan. DEG will loan the bank USD 8 million, and EBRD will loan it the equivalent of USD 2 million in som. Bai Tushum reports assets of USD 134 million, a gross loan portfolio of USD 107 million outstanding to 28,800 borrowers, USD 12 million in deposits held for 33,100 depositors, return on assets of 7.4 percent and return on equity of 57 percent. February 3, 2015

**MicroCapital Monitor** - © 2015 MicroCapital - ISSN 1935-505X  
The MicroCapital Monitor is published monthly by MicroCapital

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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!

### Movistar, MasterCard to Launch “Tu Dinero Móvil” in Peru

Movistar, a mobile phone operator owned by Spain’s Telefónica, and MasterCard, the US-based payments and technology company, recently launched “Tu dinero móvil” (Your mobile money), which reportedly is the first electronic money service operating in Peru. The service will allow Movistar’s 16 million users in Peru to perform transactions such as depositing and withdrawing money, refilling mobile balances and purchasing goods in the 65,000 establishments in Peru that are affiliated with MasterCard. Movistar operates in 13 countries in Latin America, and MasterCard reports 1.2 billion payment cards in circulation in 210 countries and territories. February 3, 2015

### Green for Growth Loans \$2m in Armenia to Cut Energy Use

The Green for Growth Fund, Southeast Europe (GGF), a Germany-based fund that invests in energy efficiency (EE) and renewable energy projects, recently disbursed a senior loan of USD 2 million to Agricultural Cooperative Bank of Armenia (ACBA) Leasing, which is majority-held by ACBA-Crédit Agricole Bank. The loan is intended to support projects that together will “yield primary energy savings and emission reductions of 2,250 megawatt-hours and 370 tons of carbon dioxide per annum.” Christopher Knowles, the chairman of GGF, said that “the GGF Technical Assistance Facility further supports ACBA Leasing’s commitment to EE finance by providing valuable assistance with energy audits as well as marketing and awareness-raising campaigns.” ACBA Leasing, which reports total assets equivalent to USD 29.4 million, offers movable property leasing contracts with terms as long as 60 months and annual interest rates ranging from 11 percent to 17 percent. February 1, 2015

### DiD to Establish 4 More Entrepreneur Financial Centers

Développement international Desjardins (DiD), a Canadian nonprofit providing technical support and investment for the community finance sector in emerging economies, has announced that it will establish four new entrepreneur financial centers (EFCs) in Africa and Latin America with financial assistance from the Department of Foreign Affairs, Trade and Development Canada. The first new EFC, which will be located in Tunisia, is to begin operations during 2015 with its headquarters in Tunis and “branch offices and service outlets” planned for the cities of Sfax and Sousse. DiD already operates four EFCs in Africa and Panama, which collectively hold assets equivalent to USD 53 million, a loan portfolio of USD 43 million and deposits of USD 9 million. The shareholders of the Tunisian EFC include affiliates of the Desjardins Group, a Canadian cooperative with USD 188 billion in assets, and Tunisian private equity firm AfricInvest. February 1, 2015

### Etisalat, First Bank of Nigeria Link Mobile Money Services

Etisalat, a telecommunications provider serving 15 countries from its headquarters in the United Arab Emirates, and First Bank of Nigeria (FBN) recently fused FBN’s Firstmonie Mobile Money, which offers access to bank accounts and fund transfers through mobile phones, with Etisalat’s Easywallet, which allows money transfers, airtime top-up and retail payments via mobile phones. FBN Head of Marketing and Corporate Communications Folake Ani-Mumuney said that the move is part of the firm’s “commitment to upholding the financial inclusion drive by the Central Bank of Nigeria.” As of 2012, FBN’s parent organization, the First Bank Group, reported assets equivalent to USD 17 billion. January 29, 2015



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- Development Banking
- Enterprise Development Agencies
- Islamic Banking
- Microfinance - Individual Lending - Group Lending - Grameen Model
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### India Reaches 75m Families in Quest for Universal Inclusion

Arun Jaitley, the Finance Minister of India, reportedly has announced that the government has completed Phase I of the Jan-Dhan initiative, which is intended to provide every household in India with access to credit, savings, insurance, debit cards and electronic payments, including direct benefits transfers: “There are about [240 million] families in India and only 58 percent of them have access to banking. We had targeted reaching [75 million] families by 26 January, but we have exceeded that target in December.” January 27. 2015

### Grameen Crédit Agricole Loans \$2.6m in Jordan, Georgia

The Grameen Crédit Agricole Microfinance Foundation, a Luxembourg-based provider of financial services to microfinance institutions (MFIs) and other social businesses, recently informed MicroCapital that it has issued the following loans: (1) the local-currency equivalent of USD 936,000 to Microfund for Women, a microlender in Jordan that was founded in 1994 as a program of UK-based NGO Save the Children; and (2) the euro-equivalent of USD 1.6 million to Joint Stock Company Microfinance Organization Crystal, a lender established in Georgia in 1998. Microfund for Women reports total assets of USD 51 million, a gross loan portfolio of USD 45 million and 100,500 active borrowers. Crystal reports total assets of USD 28.6 million, a gross loan portfolio of USD 25.5 million, 27,000 active borrowers, return on assets of 5.5 percent and return on equity of 19 percent. January 27. 2015

### Triodos Lends in Cambodia, Colombia, India, Jordan, Uzbekistan

Triodos Investment Management, a subsidiary of Netherlands-based Triodos Bank, recently disbursed loans of undisclosed amounts from four of its funds to Annapurna Microfinance, an Indian microfinance institution (MFI) reporting total assets of USD 36 million; Asociación Fondo de Desarrollo (FDL), a Nicaraguan MFI with total assets of USD 77 million; Crezcamos, a Colombian MFI with total assets of USD 75 million; Hamkorbank, a commercial bank in Uzbekistan with total assets of USD 453 million; Intean Poalroath Rongroerng, a Cambodian MFI with total assets of USD 8.1 million; Intellegrow, an Indian nonbanking financial company that has lent USD 8 million to small and medium-sized enterprises since 2012; and Vitas Jordan, an Amman-based MFI with total assets of USD 37 million. Hamkorbank is the only of these institutions that accepts deposits. January 26. 2015

### Manappuram Acquires 70% Stake in India's Asirvad for \$21m

Manappuram Finance, an Indian non-banking finance company, recently acquired 70 percent of the shares of Asirvad Microfinance, an Indian microenterprise lender, for the equivalent of USD 21.4 million. The deal increases Manappuram's stake in Asirvad from 15 percent to 85 percent through a combination of newly issued shares and purchases from undisclosed exiting shareholders. Manappuram reports total assets of USD 2.1 billion, return on assets of 1.6 percent and a return on equity of 7.9 percent. Asirvad reports an outstanding loan portfolio of USD 36.4 million and 220,000 active members. January 23. 2015

### Grameen Crédit Agricole Loans \$2.8m in Cambodia, Sri Lanka

The Grameen Crédit Agricole Microfinance Foundation (GCAMF) of Luxembourg has informed MicroCapital that it has issued local-currency loans in the following amounts: the equivalent of USD 1.6 million to Hattha Kaksekar Limited (HKL), a microfinance institution (MFI) in Cambodia with total assets of USD 123 million, and USD 1.2 million to VisionFund Lanka, a unit of US-based VisionFund, which is in turn controlled by US-based, Christian nonprofit organization World Vision International. VisionFund Lanka has a loan portfolio of USD 720 million outstanding to 38,900 small businesses, and VisionFund has a portfolio of USD 390 million outstanding to 830,000 small businesses in 36 developing countries. January 22. 2015

### Grameen Crédit Agricole Loans \$1.2m to in DRC, Burkina Faso

The Luxembourg-based Grameen Crédit Agricole Microfinance Foundation has notified MicroCapital that it issued the following loans: (1) approximately USD 732,000 over two years to Oxus DRC, a for-profit member of the France-based Oxus Group that operates in the Democratic Republic of the Congo (DRC); (2) roughly USD 314,000 over three years to Hekima, a nonprofit specializing in group lending to “economically active” people in eastern DRC; and (3) the local-currency equivalent of USD 230,000 over three years to Agence Communautaire pour le Financement de la Micro Entreprise (ACFIME), a microfinance institution in Burkina Faso. Oxus DRC reports a gross loan portfolio of USD 3.1 million; Hekima reports assets of USD 2.9 million; and ACFIME reports assets of USD 2.5 million. January 21. 2015

### EFSE Loans \$11.6m to UniCredit Bank Serbia for Housing

The European Fund for Southeast Europe, a Luxembourg-based microfinance investment vehicle, recently announced that it is loaning the equivalent of USD 11.6 million to the Serbian unit of Italian financial services company UniCredit Group for on-lending for housing purchases and home improvement. UniCredit Serbia reports total assets of USD 3 billion, and UniCredit Group has assets of USD 1.17 trillion from operations in 22 European countries. January 20. 2015

### EFSE Loans \$35m for MSEs in Turkey, Agriculture in Serbia

The Luxembourg-based European Fund for Southeast Europe (EFSE) recently loaned the equivalent of USD 23 million to Garanti Leasing, a subsidiary of Turkey's Garanti Bank, and USD 11.6 million to Banca Intesa Beograd (BIB), a commercial bank in Serbia that is part of Italy's Intesa Sanpaolo. Half of the loan to Garanti Leasing is earmarked for on-lending to micro- and small enterprises in “priority development regions” of Turkey. While financial data on Garanti Leasing are not available, Garanti Bank reports assets of USD 106 billion. BIB, which reports total assets of USD 3.5 billion, will use the loan to finance agricultural equipment. According to Monika Beck, the Chairperson of the Board of EFSE, “Serbia's agricultural sector accounts for over 10 percent of the country's GDP and has been severely hit by floods last spring. Together with our longstanding partner Banca Intesa we aim to make a significant contribution towards addressing the recent challenges.” January 20. 2015

### Grameen Crédit Agricole Loans \$1.2m in Kenya, Uganda

The Luxembourg-based Grameen Crédit Agricole Microfinance Foundation recently informed MicroCapital that it has issued local-currency loans in the following amounts: (1) the equivalent of USD 555,000 over two years to Juhudi Kilimo, a for-profit provider of microloans and microinsurance in Kenya; (2) USD 340,000 over three years to Uganda Microcredit Foundation (UMF), a microfinance institution offering financial services to “economically active” Ugandans; and (3) USD 300,000 over a three-year period to Encot, a provider of microloans to rural enterprises in Uganda. Juhudi Kilimo reports total assets of USD 9.4 million, and Encot reports total assets of USD 762,000. While financial data on UMF are not available, it serves 3,800 borrowers. January 20. 2015

### Muthoot, FIS to Bring ATMs to Rural India

Muthoot Finance, an Indian non-banking finance company that offers money transfers and loans using gold as collateral, recently partnered with US-based Fidelity National Information Services (FIS) to introduce Muthoot-branded automated teller machines (ATMs) in rural India. FIS COO Raja Gopalakrishnan stated, “Bringing ATMs to rural areas is a strong step to alleviating the vast numbers of unbanked and underbanked people across India.” Muthoot reports total assets equivalent to USD 4.9 billion. FIS operates in 110 countries and has 10,000 ATMs in India. January 19. 2015



## FIELD NOTES

### Loan Officers Have Feelings Too: Links Between Incentives And Over-indebtedness

This week, I had the pleasure of spending a few days in Ecuador, where, among other people, I visited a microfinance institution's (MFI's) loan officers and clients. The beauty of the fog-laden hills provided a sharp contrast to the gloomy feeling in the microfinance sector. Competition is rampant, and despite multiple regulatory constraints aimed at consumer protection, consumers are paying the price of this excessive competition. Many clients I met had three or more loans from various financial institutions, often in amounts that seemed incongruous with their business size or household needs. In some cases, loan sizes have been ticking up to finance real estate, primarily in the form of major home improvements. It is great that clients are able to use microfinance to build their wealth. But the value of a large house in a tiny town is questionable, and household cash flows seemed strained by high loan payments. One low-income family I met had a loan of USD 35,000 from a cooperative that was fully guaranteed by their house. We calculated that their loan payments equal just over 50 percent of their household income, which puts them in a difficult place since the husband and main carpenter in the family's furniture business is having such severe back pain that he is near tears every morning. The doctor recommended an MRI, which - at USD 800 - he cannot afford.

Loan officers, meanwhile, were saddened. Seeing their clients struggle is hard, and in addition they themselves are struggling. A large part of their salary is made up of variable "incentives," and many said that they are not meeting their sales targets and thus collect only their very low, fixed salary. "How can we grow our portfolios if our clients are over indebted?", one loan officer asks. "Many clients realize they have borrowed too much and don't want any more loans."

At last, my "aha" moment arrived! For over a year, I have been complaining about the role of variable compensation schemes in client over-indebtedness, but when I asked loan officers in Colombia, Jamaica and Peru whether they would be happier with a higher fixed salary, they emphatically said, "No!" Now, in Ecuador, things have gotten so bad that the two loan officers I had lunch with were thrilled with the idea. One said, "I would work much harder, because I would care for my job and make sure not to lose it."

I was reminded of Joanna Ledgerwood's and Victoria White's excellent book *Transforming Microfinance Institutions*, which was written in 2006 - the heyday of microfinance - and cites an International Finance Corporation (IFC) toolkit suggesting that variable incentives should range between 20 and 50 percent. However, the last decade has been tumultuous, and we are now less interested in growth than in balancing profitability with client welfare. Perhaps in Ecuador, loan officers are ready for a 100-percent fixed salary (ok, maybe the goal should be 90 percent). In other countries, they aren't there yet, but it's time to start rethinking the balance. We could begin slowly, by going to the bottom of the IFC range - 20 percent incentive and 80 percent fixed - and see how it goes. At the same time, MFIs can bring on leadership that knows how to motivate its staff with other incentives, such as learning opportunities, recognition and team activities. Otherwise, the "engine" of these MFIs - loan officers - may start to look more like a horse and buggy.

*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 SOUTH ASIA

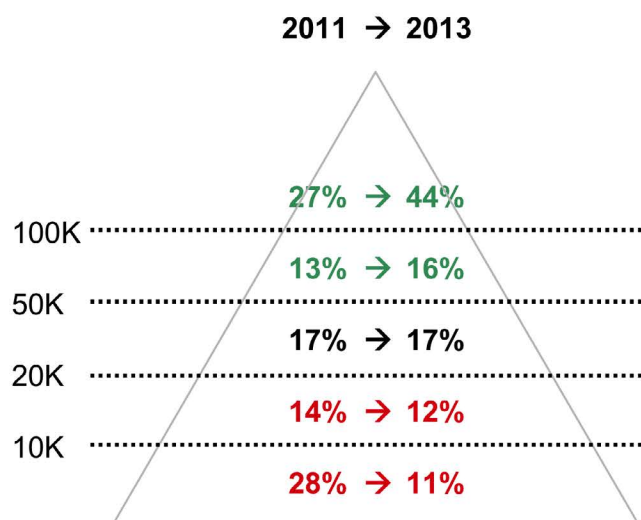


93 MICROFINANCE INSTITUTIONS (MFIs) REPORTING<sup>1</sup>

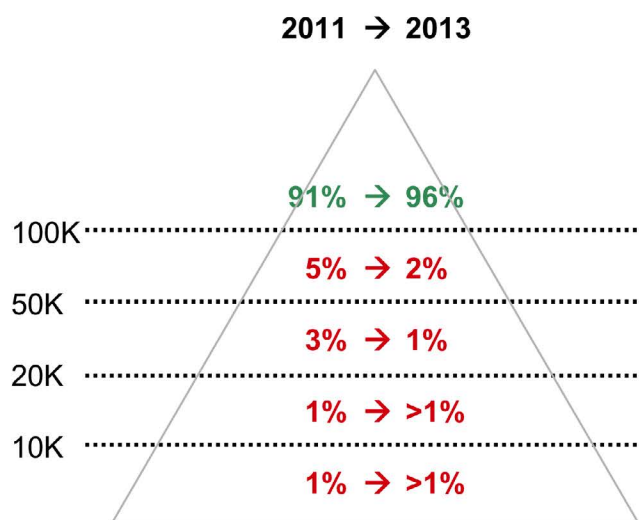
### TOP 10 MFIs BY GROWTH IN GROSS LOAN PORTFOLIO: CHANGE IN USD

MFI NAME	COUNTRY	AVERAGE ANNUAL USD INCREASE	AVERAGE ANNUAL % INCREASE	2011	2013
BRAC	Bangladesh	143,251,812	20	643,624,138	930,127,763
Bandhan Financial Services	India	141,764,524	18	733,282,475	1,016,811,522
Janalakshmi Financial Services	India	136,432,641	123	68,949,008	341,814,290
Shri Kshethra Dharmasthala Rural Development Project	India	107,576,830	30	317,695,973	532,849,633
SKS Microfinance	India	95,107,911	26	328,072,345	518,288,167
Grameen Bank	Bangladesh	85,526,797	189	120,801,388	1,007,989,551
Ujjivan Financial Services	India	65,498,214	40	138,278,951	269,275,380
Satin Creditcare Network Limited	India	56,449,851	67	62,933,708	175,833,409
Equitas Microfinance India	India	53,967,577	33	142,315,133	250,250,287
Muthoot Fincorp	India	50,493,756	97	35,169,187	136,156,699

### 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

### Foro Latinoamericano de Inversion de Impacto

February 24 - February 26, 2015; Merida, Mexico

This forum will focus on social investing in the education, financial services, housing and sustainable agriculture sectors through lenses such as recent history, technology and case studies. The price to register is USD 900, and additional information is available by visiting <http://www.inversiondeimpacto.org/>, calling +52 55 56 04 55 55 or emailing [contact\[at\]inversiondeimpacto.org](mailto:contact[at]inversiondeimpacto.org).

### Microfinance and Microentrepreneurship: A Paradigm Shift for Skill Development

February 27 - February 28, 2015; New Delhi, India

This event will cover topics such as microfinance, social entrepreneurship, microguarantees, financing "slow food," software systems, crowd-funding, mobile banking and client skills training. The fee for Indian attendees is INR 5,000, and the price is USD 250 those from other countries, with discounts available for those from academic institutions. More details are available from Dr Surender Mor at +91 1263 283036 or [surendermor71\[at\]gmail.com](mailto:surendermor71[at]gmail.com), or you may download this document: <http://www.bpswomenuniversity.ac.in/pdfnews/d0ab1ae1-55f9-4ace-ae11-98f517c700d6.pdf>. No website has been published for the event.

### Cracking the Nut 2015: Expanding Rural and Agricultural Markets Amid Climate Change

March 2 - March 3, 2015; Lusaka, Zambia

This annual conference showcases best practices in strengthening rural and agricultural infrastructure, expanding financial services to rural areas and improving agricultural production. The fee to attend is USD 795, and a combined fee of USD 1,690 is available to those who also register for the Agricultural Value Chain Finance Training, which will take place on March 4 and March 5. For more information, you may contact Melissa Matlock at [mmatlock\[at\]azmj.org](mailto:mmatlock[at]azmj.org) or +1 703 914 5533, or you may visit <http://www.crackingthenutconference.com/>.

### Mobile World Congress 2015

March 2 - March 5, 2015; Barcelona, Spain

This conference features keynote speakers representing various mobile operators, device manufacturers and vendors from around the world. Mobile money will be among the many topics covered. Prices range from EUR 740 to EUR 4,999 depending on the type of pass purchased, with discounts available for members of the Groupe Speciale Mobile Association. More details may be sought by calling +44 20 7356 0616, emailing [sales\[at\]mobileworldcongress.com](mailto:sales[at]mobileworldcongress.com) or visiting <http://www.mobileworldcongress.com/>.

### African Conference on Remittances and Postal Networks

March 4 - March 5, 2015; Cape Town, South Africa

This conference will engage those involved in the remittance market with the purpose of addressing challenges in the provision of financial services through postal networks. There is no fee to attend. For inquiries, you may call +39 06 5459 2711, email [remittances\(at\)ifad.org](mailto:remittances(at)ifad.org) or visit <http://www.ifad.org/remittances/events/2015/index.htm>.

### Mifos Summit

March 10 - March 13, 2015; Sharjah, United Arab Emirates

This event, which had been scheduled to take place in Uganda in October 2014, will address topics related to Mifos X, an open-source management information system for microfinance institutions. The fee to attend is USD 200, with hotel packages also available. A discount of USD 50 for early registration will expire at an undisclosed date. While no telephone number is offered, you may email Ed Cable for more details at [info\[at\]mifos.org](mailto:info[at]mifos.org), or you may visit <http://summit.mifos.org/>.

## MORE DETAILS COMING SOON ON...

### Institutional and Technological Environments of Microfinance

March 17 - March 19, 2015; Lyon, France

### Islamic Microfinance: Identifying the Potential and Paving the Way Forward

March 20 - March 21, 2015; Lahore, Pakistan

### 6th Latin America Microinsurance Summit

March 23 - March 26, 2015; Miami, Florida, USA

### 5th Annual Africa Banking & Finance Conference

March 25 - March 26, 2015; Nairobi, Kenya

### HBS-Accion Program on Strategic Leadership for Inclusive Finance

April 6 - April 11, 2015; Boston, Massachusetts, USA

### ALFI Impact Investing & Microfinance Conference

April 29, 2015; Luxembourg

### TBLI Conference Asia 2015

April 29 - April 30, 2015; Singapore

### 4th European Research Conference on Microfinance

June 1 - June 3, 2015; Geneva, Switzerland

### Global Conference on Sustainable Finance in Germany

June 11 - June 13, 2015; Karlsruhe, Germany

### Global Forum on Remittances and Development 2015

June 16 - June 19, 2015; Milan, Italy

### 12th European Microfinance Network Annual Conference 2015

June 18 - June 19, 2015; Dublin, Ireland

### 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

### European Microfinance Week

November 18 - November 20, 2015, Luxembourg 🇱🇺



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## PAPER WRAP-UPS

### Annual Survey 2014, e-MFP Action Group of Investors in Tier 2/3 MFIs

By Gabriela Erice, Daniel Rozas and the European Microfinance Platform (e-MFP) in collaboration with the e-MFP Action Group of Investors in Tier-2/3 Microfinance Institutions; published by e-MFP; 2015; 22 pages; available at <http://www.e-mfp.eu/sites/default/files/resources/2015/01/Annual%20Survey%202014%20-%20final.pdf>

This survey covers investments made during 2013 by 11 investors in microfinance institutions (MFIs) with assets worth up to USD 5 million - Tier-3 MFIs - and larger institutions with assets of up to USD 50 million - Tier-2 MFIs. Fifty-eight percent of the transactions completed by the survey participants were investments in Tier-2 and -3 MFIs, accounting for 23 percent of the total value of those transactions.

Approximately 90 percent of the investments were made through debt instruments, except in South Asia, where 30 percent were equity investments. Of the total value of investments, MFIs in Eastern Europe and Central Asia received 50 percent, while MFIs in Latin American and Caribbean countries received 25 percent. Of the investors that participated in the survey, five offered technical assistance to their investees.

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### The Business of Doing Good: Insights from One Social Enterprise's Journey to Deliver on Good Intentions

By Anton Simanowitz and Katherine Knotts, published by Practical Action, 2015, 152 pages, available for purchase in electronic or paper format via the sources listed at <http://www.thebusinessofdoinggood.co.uk/order-the-book.html>

The authors of this book explore why “social purpose organizations” sometimes fail to achieve their goals and even exacerbate the issues they seek to ameliorate. They cite the case of Cambodian microbank Angkor Mikroheranhvatho Kampuchea as a successful turnaround involving “radical choices and reach[ing] deep into rural villages, touching the lives of almost two million people living in poverty.”

### Benchmarking Inclusive Growth and Development, Discussion Paper

By Richard Samans, Jennifer Blanke, Gemma Corrigan and Margareta Drzeniek; published as a World Economic Forum Discussion Paper; 2015; 38 pages; available at [http://www3.weforum.org/docs/WEF\\_Inclusive\\_Growth\\_Development.pdf](http://www3.weforum.org/docs/WEF_Inclusive_Growth_Development.pdf)

The authors of this paper compare the use of policy incentives and other institutional mechanisms to expand socio-economic inclusion through the lens of six policy domains or “pillars.” One of these, “asset building and business investment,” addresses how conducive the regulatory, cultural, infrastructural and financial environments of a country are to small business entrepreneurship. The authors find national income to be positively correlated with success in this realm. 🇪🇺



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Combinamos la investigación y la práctica para que nuestro trabajo sea informado por un entendimiento tanto de las fuerzas de mercado como de las necesidades de los clientes. Nuestro objetivo es de liderar nuevas ideas y prácticas que pueden ser transformativas para beneficiar a todos los segmentos de la sociedad.



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