

MICROCAPITAL BRIEFS | TOP STORIES

India's Janalakshmi Raises \$150m

Please see page 2 for coverage of this "MicroCapital Deal of the Month."

India's Equitas Raises \$206m in Association with IPO

Equitas Holdings Limited of India recently generated the equivalent of USD 108 million through its IPO plus an additional USD 98 million from anchor investors ahead of the offering. Existing shareholders also exited with proceeds of USD 222 million. Total demand for the IPO was USD 3.9 billion. Shares of Equitas went for INR 110 (USD 1.65) during the IPO and rose as high as INR 147 (USD 2.20) during the next day of trading. Among the firms cashing out were Aavishkaar, Aquarius Investments, CreditAccess Asia, Helion Venture Partners, India Financial Inclusion Fund, International Finance Corporation, Lumen Investment Holdings, Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden, Sequoia Capital and Westbridge Ventures. CreditAccess Asia, to take one example, sold half its stake in Equitas, generating proceeds of USD 28 million, including a net gain of USD 21 million after eight years as a shareholder. Equitas, which operates microfinance, vehicle finance and housing finance units, reports total assets of USD 600 million and 2.7 million clients. April 26, 2016

Cignifi, Equifax Offer Credit Scoring Based on Mobile Usage in Latin America

Cignifi, a US-based provider of information technology, and Equifax, a US-based credit reporting agency, recently announced a "multi-year partnership" to offer credit scores in Latin America. Cignifi will assess creditworthiness based on mobile phone usage data. Chris Jones, President of Latin America Equifax, said, "We are optimistic that the Predictor Inclusion Score will have a significant impact on financial inclusion in the region - helping to expand access to credit for those consumers who previously had limited interaction with banks or financial institutions." April 14, 2016

VisionFund Buying Majority Stake in DRC Arm of Opportunity International

Pending regulatory approval, VisionFund International, a US-based affiliate of the Christian humanitarian organization World Vision International, has agreed to purchase a majority stake in Opportunity International's microfinance institution (MFI) in the Democratic Republic of Congo. Opportunity, a US-based microfinance NGO, will retain a 20-percent stake in the MFI and one seat on its board. VisionFund plans for the MFI to provide small loans for sanitation, nutrition, education and medical services, initially focusing on the Kinshasa area. Opportunity serves 12 million individuals in 28 countries in Africa, Asia, Europe and Latin America. World Vision raised USD 1 billion in cash and in-kind gifts during 2014 and serves approximately 100 countries as of 2016. April 13, 2016

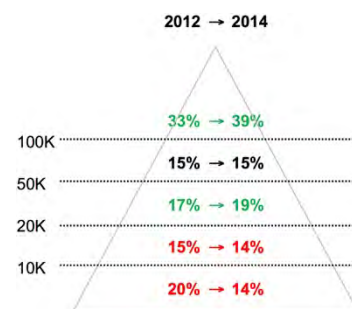
GLS Invests \$15m in Sanad Fund for MSME for MENA

Gemeinschaftsbank für Leihen und Schenken (GLS), a German bank that focuses on efforts "to tackle challenges in our society," recently invested the equivalent of USD 14.5 million in Sanad Fund for MSME (Micro-, Small and Medium-sized Enterprise), a Luxembourg-based public-private partnership that provides debt and equity financing in the Middle East and North Africa. Sanad Board Chair Wolfgang Reuss said, "The aim of GLS Bank to generate social, ecological and economic impact perfectly aligns with our mission to secure and create employment, to reduce poverty, and to foster an inclusive financial system across the [Middle East and North Africa]." Sanad claims investor commitments totaling USD 186 million. April 5, 2016

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SOUTH ASIA PERCENT OF MFIS IN MARKET BY NUMBER OF BORROWERS



MARKET INDICATORS: PAGE 6



MICROCAPITAL BRIEFS

India's Janalakshmi Raises \$150m

US-based private equity firm TPG recently led a funding round through which Indian microfinance institution Janalakshmi Financial Services raised USD 150 million. Simultaneous secondary transactions generated USD 60 million for exiting investors. TPG was joined by other previous Janalakshmi investors including an investment fund managed by Morgan Stanley Private Equity Asia, Havells India and Vallabh Bhansali as well as other unspecified first-time investors. Janalakshmi plans to use the funds to acquire more customers, expand its range of product offerings and further its transformation into a “small finance bank,” an entity type that is allowed to accept deposits. Janalakshmi, which was founded in 2000, provides group and individual loans, pre-paid cash cards, micro-pensions, savings products and insurance. As of 2016, Janalakshmi holds USD 1.6 billion in assets. As of 2015, it reported a gross loan portfolio of USD 605 million, 2 million active borrowers, return on assets of 2.3 percent and return on equity of 11 percent. April 28. 2016

EFSE to Loan \$2.8m Loan to MI-BOSPO of Bosnia and Herzegovina

The European Fund for Southeast Europe (EFSE), a Luxembourg-based microfinance investment vehicle, recently announced that it has loaned the equivalent of USD 2.8 million to Microcredit Foundation MI-BOSPO, a nonprofit microlender in Bosnia and Herzegovina that was founded in 2000 by the Bosnian Council for Aid, which is known as BOSPO. In addition to the loan funds, EFSE will provide training to MI-BOSPO's staff on agricultural lending. EFSE Board Chairperson Monika Beck expressed that “[MI-BOSPO's] plan to increase support in agricultural and rural areas dovetails with our mission to foster economic development and prosperity in the Southeast Europe region.” MI-BOSPO reports USD 28 million in assets, a gross loan portfolio of USD 25 million, return on assets of 2.1 percent, return on equity of 5.1 percent and 19,000 borrowers. April 27. 2016

AFD Loans \$12m to Enda Tamweel of Tunisia

Agence Française de Développement, the overseas development agency of the French government, recently loaned the local-currency equivalent of USD 12 million to Enda Tamweel, the agricultural and livestock division of Tunisia-based microlender Enda Inter-Arabe. The package is intended to benefit 200,000 individuals by providing funding to 40,000 family farms in the northwestern and central western regions of Tunisia. Enda Inter-Arabe, a member of Senegal-based NGO Enda Third-World, reports total assets of USD 155 million, a gross loan portfolio of USD 146 million, return on assets of 2.6 percent, return on equity of 14 percent and 271,000 active borrowers. April 26. 2016

ADA, BRS, CERISE Integrate SPI-4, MFI Factsheet

Three NGOs, ADA, formerly known as Appui au Développement Autonome; Belgian Raiffeisen Foundation (BRS); and Comité d'Echange, de Réflexion et sur les Systèmes d'Epargne-Crédit, recently partnered to integrate the Social Performance Indicators 4 (SPI-4) and MFI Factsheet programs. These can be accessed through Microfact, an online platform that offers tools and workshops intended to improve the performance of microfinance institutions (MFIs). SPI-4 can be used to analyze factors such as the use of “green microfinance” and client data such as poverty level, gender and rural vs. urban origin. MFI Factsheet facilitates the analysis of MFIs' financial data through graphing and other means. It is estimated that 500 MFIs use one of the four versions of SPI and 600 MFIs use the MFI Factsheet. Both programs can be accessed free of charge. April 24. 2016

Accion Invests in Alternative Credit Scorer Aire

Accion, a US-based nonprofit providing microfinance services in 32 countries, recently announced that it will invest an undisclosed sum in Aire, a UK-based startup focused on credit score data analytics. The investment is channeled through Accion's Venture Lab, which has assets of USD 10 million to fund startups focusing on expanding financial access. Aire evaluates characteristics such as consumers' professions, education levels and financial knowledge to aid banks in assessing creditworthiness. Accion CEO and President Michael Schlein said that many people lack access to credit not “because they have [a] bad credit history, but rather because they have no credit history. By providing an alternative to traditional credit scoring, Aire helps to extend financial services to more people who need them.” April 22. 2016

EFSE Lends \$17m to Finansbank for Rural, MSEs in Turkey

The European Fund for Southeast Europe (EFSE), a Luxembourg-based microfinance investment vehicle, recently loaned the equivalent of USD 17 million to Finansbank, a Turkish subsidiary of the National Bank of Greece Group. Half of the loan proceeds will be used to on-lend in “Priority Development Regions,” with the remainder to be used to lend to micro- and small enterprises. EFSE will also help Finansbank train its staff on agricultural lending and implement its “Future Bosses” program, which supports young entrepreneurs. Finansbank reports total assets of USD 29 billion, loans of USD 20 billion, deposits of USD 16 billion, return on average assets of 0.9 percent, return on average equity of 8 percent and 5 million customers. April 19. 2016

ResponsAbility Loans \$10m to Kompanion Bank of Kyrgyzstan

ResponsAbility Investments AG, a Swiss company specializing in investments in areas such as fair trade, recently informed MicroCapital that it has agreed to loan the equivalent of USD 10 million to Kompanion Bank Closed Joint Stock Company, a microfinance provider in Kyrgyzstan. Only the first third of the facility, which contains a mixture of USD and KGS, has been released so far. Kompanion, which received a banking license in 2016, reports assets of USD 103 million, a gross loan portfolio of USD 81 million and 115,000 borrowers. April 18. 2016

Ghana MFI Association Supports Capacity Improvement

The 661-member Ghana Association of Microfinance Companies recently announced the launch of its Microfinance Companies Capacity Improvement Project (MICCIP). The effort will include an 18-month technical assistance programme for 40 of its members “who possess signs of high professionalism and sustainability.” The aim is to improve transparency and confidence in the microfinance industry “leading to a more socially responsible and sustainable financial environment.” MICCIP is funded by a grant equivalent to USD 1.7 million from the Agence Française de Développement, a department of the French government. April 16. 2016

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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!

Sierra Leone to Lend to SMEs at Single-digit Interest Rates

The Small and Medium Enterprises Development Agency of Sierra Leone (SMESL), which was established by that nation's parliament in 2015, recently announced it will lend to small and medium-sized enterprises at interest rates below 10 percent per year with no collateral requirement. In addition, SMESL described how the "Local Content Agency Act" will be implemented in an effort to strengthen connections between foreign and local organizations. According to SMESL President Ernest Bai Koroma, guidelines will "ensure that Sierra Leoneans have a fair and transparent opportunity to compete for the delivery of local materials and other goods and services under a preferential price sensitive procurement system without compromising timeliness, quality, safety and other standards." April 13, 2016

C-Quadrat Funds Loan \$1.5m to MFIs in Costa Rica, Moldova

Austria's C-Quadrat Asset Management recently informed MicroCapital that it loaned a total equivalent to USD 1.5 million via its two Dual Return Funds to unspecified microfinance institutions (MFIs) in Costa Rica and Moldova. USD 1 million of this total was invested in an MFI based in Alajuela, Costa Rica, which was launched in 1965 and serves rural areas. C-Quadrat Asset Management provides investment and advisory services in the field of microfinance, including managing the Dual Return Fund - Vision Microfinance and Dual Return Fund - Vision Microfinance Local Currency, which report combined assets under management of USD 301 million. C-Quadrat Asset Management is a unit of Austrian fund group C-Quadrat, which manages assets equivalent to USD 6.1 billion. April 13, 2016

Alif of Tajikistan Receives Banking License

Alif-Sarmoya Micro Credit Deposit Organization recently received approval from the National Bank of Tajikistan to accept deposits and conduct currency exchange operations. Established in 2014, Alif offers Sharia-compliant finance, which follows Islamic law by eschewing conventional interest payments in lieu of concepts such as the sharing of profit and loss. Its loans, whose terms vary from four to six months, average USD 4,000 in size and may be used for housing, vehicles and consumer purchases. April 12, 2016

Kreditech Raises \$104m, Seeks to Grow Monedo Online Lending

Kreditech, a German financial technology company, recently announced that it raised the equivalent of USD 104 million in Series C funding from investors including Blumberg Capital, HPE Growth Capital, Värde Partners and the World Bank Group's International Finance Corporation. Kreditech's Monedo website, which offers products such as short- and long-term loans, lines of credit, personal finance management services and eWallets, is targeted at consumers in both emerging and developed markets who would not qualify for credit from traditional banks. Rather than relying on repayment history, Kreditech makes credit decisions based on customers' online behaviour, including social media activity. April 11, 2016

Teranga Capital Launches Fund for SMEs in Senegal

Investisseurs & Partenaires (I&P), a France-based family of investment funds that supports "socially responsible" entrepreneurs in sub-Saharan Africa, recently inaugurated its third fund, Teranga Capital, with the equivalent of USD 5.7 million in capital. Organized as a private-equity fund, Teranga will focus on "small growing businesses" in Senegal with financing needs between USD 85,000 and USD 340,000. In addition to funding, Teranga will provide coaching on topics such as marketing and accounting. I&P President Jean-Michel Severino said, "This...model, which will span across 10 African countries over the next decade, aims to support an emerging network of dynamic and local enterprises in sub-Saharan Africa." I&P has sponsored Teranga Capital as part of its I&P Développement 2 project, which has closed USD 10.8 million in equity investments and grants. April 11, 2016

Afluenta Raises \$8m for Peer-to-peer Lending in Latin America

Afluenta, an Argentinian peer-to-peer lending platform, recently raised USD 8 million in Series B funding from the International Finance Corporation, a member of the US-based World Bank Group that aims to increase economic growth in developing countries, and Elevar Equity, a "development-focused" private equity fund based in India. Afluenta will use the funding to expand its services from Argentina, Colombia, Mexico and Peru to other parts of Latin America. Since 2012, Afluenta has raised USD 10.8 million in equity funding from four investors, facilitated loans totaling USD 80 million to 244,000 people and generated USD 20 million in interest income. April 5, 2016

Green for Growth Loans \$2.2m to Moldova's ICS Total Leasing

The Green for Growth Fund Southeast Europe (GGF), a Germany-based fund that invests in energy efficiency and renewable energy, recently announced that it will issue a senior loan equivalent to USD 2.2 million to ICS Total Leasing and Finance of Moldova. The funding, which is to be accompanied by support from GGF's technical assistance facility, is aimed at enabling ICS to provide energy efficiency solutions, such as improving housing envelopes and replacing small and medium-sized enterprises' outdated machinery and equipment. The organizations project that these investments will result in saving 16,600 megawatt-hours of electricity and 3,600 tons of carbon dioxide emissions annually. Angela Gladei, the General Director of ICS, said that "Bearing in mind that Moldova depends on imported energy resources and, at the same time, given the strong negative impact the traditional energy sector has on the climate change, Total Leasing and Finance sees the future in the energy efficiency [EE] products. Therefore, by contracting the facility dedicated to financing EE technologies, our aim is to adhere to the best practices in this sector and encourage our customers to implement energy efficient measures." ICS, which reports a gross loan portfolio of USD 23 million, is Dutch-owned, 75 percent by Nederlandsche Financieringsmaatschappij voor Ontwikkelingslanden and 25 percent by Emerging Europe Leasing and Finance. April 4, 2016

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SPECIAL REPORT

This interview launches a sponsored series on European Microfinance Week, which will be held from November 16 through November 18 by the European Microfinance Platform (e-MFP), a 125-member network located in Luxembourg.

7th European Microfinance Award

MicroCapital: Why is education access the topic of this year's Award?

Christoph Pausch: Education is the strongest predictor of economic well-being, and it can also have a major impact on health, women's empowerment and even population growth. Unfortunately, in countries where microfinance institutions (MFIs) operate, free public education is far from universal. Whether because of poor quality, distance or outright unavailability, parents often choose private schools. And even where schools are free, there are often significant costs for books, uniforms and other supplies.

There are hundreds of millions of families whose incomes are high enough to afford schooling, but still low and irregular enough for payment to be a formidable challenge. The potential for MFIs to deploy well-designed financial products to expand education access to improve families' well-being is tremendous.

MC: Please cite a few examples of how MFIs can approach education.

CP: There are two ways to think about this. The more obvious is to target the demand side: products that help households afford education. These can look like typical microcredit or savings products, such as commitment plans that help families regularly set aside small amounts of cash or term deposits that help families save lump sums (for example, from harvest time) until fees are due. Another possibility is insurance

that covers school costs in case of an income shock (e.g. failed harvest, illness or death) or programmes that allow migrants to direct their remittances to pay for schooling.

MFIs can also target the supply side. Many low-cost schools have budgets similar in size to the small and medium-sized enterprises MFIs already serve. They can lend schools capital to address insufficient or outdated educational materials and physical infrastructure. MFIs can also help schools manage their cash flow; it can be tricky to use fees that come in two or three times per year to pay out salaries every week or two. Intermediating between the schools and the families of their students - serving the needs of both while reducing risks for all involved - is the trifecta of financial inclusion.

MC: What is the importance of the Award within the industry today?

CP: The European Microfinance Award serves two parallel goals: rewarding MFIs that innovate in important areas and also disseminating their best practices to be replicated by others. EUR 100,000 (USD 112,000) attracts serious applicants, which then go through an equally serious selection process. Finalists' applications are reviewed by over 15 individuals, including industry experts and accomplished members of the Award's High Jury. We also try to choose topics that are ahead of the curve: this year is Access to Education, last year it was Post-Disaster and Conflict and before that it was the Environment. In 2008, it was Socially Responsible Microfinance - well before this became the talk of the industry. In this way, the Award encourages the sector to expand toward important new frontiers.

Christoph Pausch serves as Executive Secretary of e-MFP. The European Microfinance Award is jointly organised by the Luxembourg Ministry of Foreign and European Affairs, e-MFP and the Inclusive Finance Network Luxembourg. For more details or to apply, visit <http://www.european-microfinance-award.com>.



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EAR TO THE GROUND

SME Banking: A Seven-minute Affair?

Last week in Mexico City, I had the pleasure of attending Hanson Wade's SME Banking event. While I was there, I did a few double takes, as I figured out that the hot topic was fintech more than either banking or small and medium-sized enterprises (SMEs). Even when talking about the SME segment, which is traditionally very relationship-dependent, the wheels of bankers' minds were spinning, betting on solutions that could cut the cost of lending to SMEs once and for all - even at the expense of the "personal touch."

At the event, I hosted a workshop in which I emphasized cost-cutting back-office technology and process solutions. Although my comments were met with nods, my ideas were soon muffled by shiny client-facing web platforms. When a banker from Argentina spoke of his relationships with manufacturers, visits to their factories, knowledge of local industry and macroeconomic trends, he saw blank and somewhat impatient smiles. Young bankers today want quick, low-cost, scalable solutions; they are placing their bets on technology rather than experience.

This makes intuitive sense. Young people seem to trust technology more than face-to-face encounters. At the same time, investors have no patience for brick-and-mortar solutions that promise growth at a snail's pace. But let's not confuse investor enthusiasm with solutions to the SME lending gap.

Perhaps the highlight of the event was a presentation by Kabbage, a US-based SME fintech company that uses eBay sales data, credit scores and social media information to approve SME loans online in seven minutes in amounts up to USD 100,000. I was transfixed by the idea of harnessing sales data from eBay, and a seven-minute loan is nearly impossible to beat. I was ready to sign on the dotted line! According to the website

CrunchBase, Kabbage has received USD 239 million in equity investments since its inception four years ago. It has made 75,000 SME loans totaling USD 1.8 billion, exceeding the portfolio size of many microfinance institutions (MFIs) that have been lending for decades.

Kabbage has an interesting model, but because there are so little data available about the firm, it is difficult to understand its potential risks. Thanks to regulators, industry associations and even the MIX Market, we can understand a bank's or MFI's risk profile quite well. But Kabbage is neither regulated nor public, so it is nearly impossible to find its delinquency or write-off ratios. However, with annual interest rates between 32 and 108 percent, I suspect the delinquencies are there. Fintechs that rely on credit scores without data such as eBay cash flows likely face even greater risks.

The Bank for International Settlements pegs the US non-bank financial system at USD 3.2 trillion. Perhaps the fintech disruption was due, yet investor enthusiasm is reminiscent of other credit innovations that lacked fundamental understanding of the underlying risk. It seems prehistoric to advocate for the Argentine's relationship-based approach described above, but I will start by advocating for company-level transparency and industry benchmarking. These would be first steps toward protecting our lending market from another bubble that would have adverse effects on consumers, many of whom are already quite vulnerable.

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

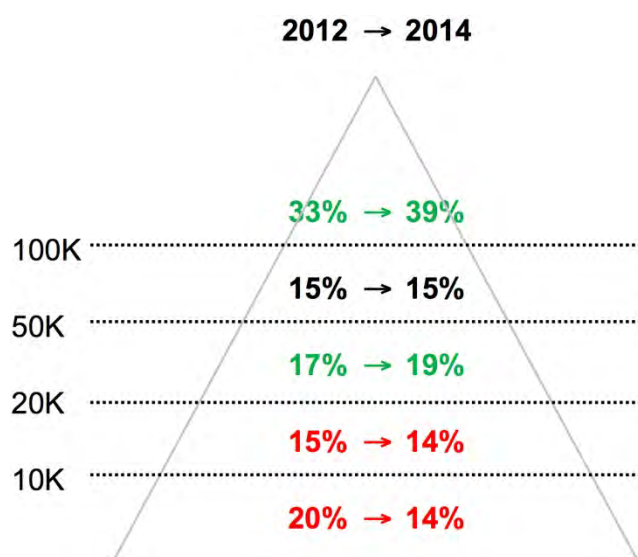


123 MICROFINANCE INSTITUTIONS (MFIs) REPORTING*

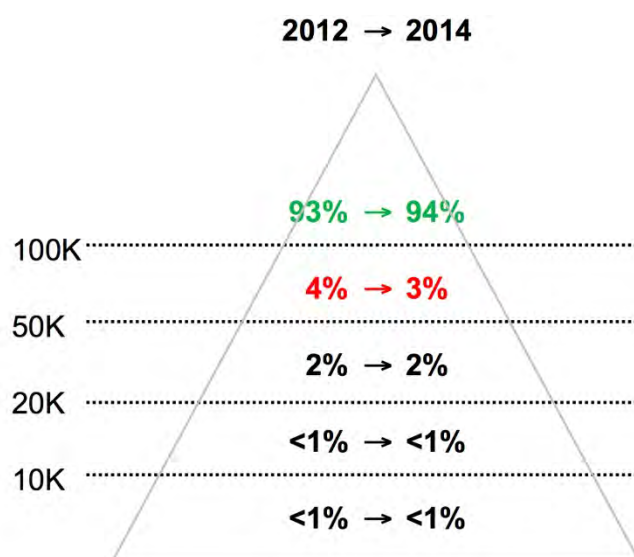
TOP MFIs BY GROWTH IN TOTAL ASSETS: CHANGE IN USD

MFI NAME	COUNTRY	AVERAGE ANNUAL USD INCREASE	AVERAGE ANNUAL % INCREASE	2012	2014
Bandhan Financial Services	India	356,678,698	37%	814,457,811	1,527,815,207
Janalakshmi Financial Services	India	214,158,452	85%	177,012,937	605,329,840
BRAC	Bangladesh	209,021,024	25%	752,511,734	1,170,553,782
ASA	Bangladesh	205,860,323	25%	716,835,711	1,128,556,358
Ujjivan Financial Services	India	158,881,888	59%	207,442,404	525,206,179
SKS Microfinance	India	118,596,273	24%	434,599,326	671,791,873
Satin Creditcare Network	India	118,262,499	79%	106,858,061	343,383,058
Shri Kshethra Dharmasthala Rural Development Project	India	94,639,323	22%	383,454,639	572,733,285
Grameen Koota	India	67,804,604	55%	96,517,838	232,127,046
Bhartiya Micro Credit	India	67,443,386	105%	2,986,022	12,520,909

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



MARKET SHARE BY MFI SIZE (NUMBER OF ACTIVE BORROWERS)



*Denotes only MFIs that reported data for 2012 and 2014 to the Microfinance Information Exchange (MIX) Market

Source: MIX, April 2016



Vision Microfinance: Social Impact Investing

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UPCOMING EVENTS

Successful Models in Agriculture Insurance

May 4, 2016; Geneva, Switzerland

This event will focus on models for delivering sustainable agricultural insurance with positive social impact. There is no fee to attend. For more information, you may visit <http://www.impactinsurance.org/events/conference/gan-agriculture-insurance-2016>, email [impactinsurance\[at\]ilo.org](mailto:impactinsurance[at]ilo.org) or call +41 22 799 6786.

Fourth Africa Financial Services Investment Conference

May 5 - May 6, 2016; London, United Kingdom

This event will center on concepts in the African financial services industry, including: (1) The Listed African Bank Sector is Overvalued and Offers No Value for the Level of Risk; (2) Insurance - Is Africa Ready?; and (3) Opportunities in African Frontier Debt - Local Currency Debt and Hedging. Registration for the event costs GBP 850 plus VAT. For more information, you may visit <http://www.afsic.net/> or email [emma\[at\]afsic.net](mailto:emma[at]afsic.net). No phone number is offered.

Impact Investing Conference

May 12, 2016; Luxembourg

This event will address ways in which the “impact” finance industry can reach sufficient scale to attract more institutional investors; how investors can distinguish between industry “players” versus “pretenders;” and the aftermath of the Paris Cop 21 Agreement, which grew out of the UN climate change conference that took place in December 2015. The standard registration fee is EUR 350, with a rate of EUR 300 available to members of various organizations. For additional information, you may call Irene Schultz-Gerstein or Siobhan Roche at +352 223026 1, email [events\[at\]alfi.lu](mailto:events[at]alfi.lu) or visit <http://www.alfi.lu/impact-investing-conference>.

Financial Inclusion in the Digital Economy

May 24 - May 25, 2016; Manila, Philippines

Organised by the Asian Development Bank Institute in conjunction with CGAP (the Consultative Group to Assist the Poor), this event will cover opportunities and challenges facing the digital finance industry and how financial institutions can support its development. There is no charge to register. For additional information, you may contact Joyce Ang at [joyce\[at\]transactives.com](mailto:joyce[at]transactives.com) or +632 632 4444, or you may visit <http://www.adb.org/news/events/financial-inclusion-digital-economy>.

Social Performance Task Force Annual Meeting

May 30 - June 2, 2016; Marrakech, Morocco

This event will feature a range of topics such as: (1) “responsible” regulation; (2) responsive product design; (3) financial services for refugees; and (4) social responsibility to staff. Registration for the event costs USD 225. For additional information, you may visit <http://sptf.info/annual-meetings/2016-annual-meeting-logistics> or email [michelegiroux\[at\]sptf.info](mailto:michelegiroux[at]sptf.info). No phone number is offered.

13th European Microfinance Network Annual Conference

June 16 - June 17, 2016; Warsaw, Poland

Attendees at this conference will consider who the microfinance industry serves as well as what does and does not constitute microfinance. Other topics include whether new technologies pose a risk of “mission drift” and whether microfinance services should be targeted only to underserved people. The event will also include the presentation of the Microfinance Good Practices Europe Award of the Fondazione Giordano Dell’Amore and the European Microfinance Research Award. The cost to attend is EUR 450, with certain discounts available. For more details, you may visit <http://www.emnconference.org/>, call +32 (0)2 227 27 07 or email [emn\[at\]european-microfinance.org](mailto:emn[at]european-microfinance.org).

Microfinance Centre’s 19th Annual Conference

June 21 - June 24, 2016; Tirana, Albania

The theme of this conference is “Microfinance in the Cloud,” which refers to opportunities that microfinance institutions can glean from new technologies. In addition to attending traditional sessions, participants are invited to present their own topics in “un-conference sessions.” The primary two days of sessions will be preceded by optional events on June 21 and June 22. The cost of registration is USD 753 with discounts available, including for those registering before June 13. For more details, you may call +420 248 001 444, visit <http://www.mfc2016.org/> or email [mfc\[at\]guarant.cz](mailto:mfc[at]guarant.cz).

MORE DETAILS COMING SOON ON...

Child & Youth Finance International’s “Act for Impact” International Summit

June 28 - June 29, 2016; Bucharest, Romania

2nd Microfinance and Rural Finance Conference

July 2 - July 6, 2016; Aberystwyth, United Kingdom

Mekong Financial Inclusion Forum

July 11 - July 14, 2016; Phnom Penh, Cambodia

International Investors Conference

July 13 - July 15, 2016; Accra, Ghana

Participation for Harmonious Development - First Annual Microfinance Research Workshop

July 13 - July 16, 2016; Delhi, India

Global Conference on Sustainable Finance

July 14 - July 15, 2016; Karlsruhe, Germany

SOCAP16

September 13 - September 16, 2016; San Francisco, CA, USA

Islamic Microfinance Summit

September 26 - September 27, 2016; Dubai, UAE

Global Youth Economic Opportunities Summit

September 28 - September 30, 2016; Washington, DC, USA

European Microfinance Week

November 16 - November 18, 2016; Luxembourg

Twelfth Biennial Conference on Entrepreneurship

February 22 - February 24, 2017; Ahmedabad, India



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Questioning Three Fundamental Assumptions in Financial Inclusion

By P Mader, published by the Institute of Development Studies, February 2016, 31 pages, available at: <http://www.ids.ac.uk/publication/questioning-three-fundamental-assumptions-in-financial-inclusion>

The author asserts that microfinance practitioners commonly hold the following assumptions: (1) increased financial inclusion is directly related to positive development outcomes and broader benefits; (2) extending financial services directly benefits the poor; and (3) there are untapped business opportunities in microfinance.

Through an analysis of these assumptions and their potential flaws, Mr Mader recommends the following: (1) there must be more research on whether microfinance actually benefits developing countries; (2) policymakers and governments should not prioritize financial inclusion without acquiring more evidence on the benefits of microfinance; (3) the business case for financial inclusion must be reexamined; and (4) microfinance institutions should be informed of the potential downfalls of microfinance, which the author argues is typically neglected in policy discourse.

Financial Diaries with Smallholder Families

By J Anderson and W Ahmed, published by CGAP (the Consultative Group to Assist the Poor), February 2016, 108 pages, available at: <http://www.cgap.org/publications/financial-diaries-smallholder-families>

This report investigates the financial situations of 270 families in Mozambique, Pakistan and Tanzania and the challenges they face pertaining to agriculture, finance, health and education. The authors offer the following recommendations: (1) non-commercial smallholders in Mozambique would benefit from improved agricultural production and crop storage methods; (2) Tanzanian households should diversify their savings methods; and (3) Pakistani farmers would benefit from tools to improve their relationships with middlemen.

Smallholder agricultural families are particularly vulnerable to climate- and insect-related shocks, as “72 percent of Tanzanian households did nothing in response to weather shocks,” and “61 percent of Mozambique households did nothing in response to pest infestation, demonstrating a lack of fallback options.”

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Mobile Money Momentum in Four African Countries

Published by CGAP (the Consultative Group to Assist the Poor), December 2015, 101 pages, available at: <http://www.cgap.org/news/new-data-cgap-sets-benchmark-use-mobile-financial-services>

This report offers the results of a survey on mobile money account usage in Ghana, Kenya, Rwanda and Tanzania. While Kenya and Tanzania are considered to be the frontrunners in mobile money, the survey shows that Rwanda and Ghana are improving their usage of the tool.

The authors highlight the fact that these accounts are used widely in rural areas and by people with very low incomes. For example in Rwanda, 61 percent of active users are located in rural areas, while 72 percent live on less than USD 2.50 per day.

The authors argue that people in Ghana are ready to use mobile money accounts, as 92 percent have the required identification, 95 percent are “numerate,” 91 percent own a mobile phone and 74 percent use short messaging services (SMS, also known as texting).

State of Rural Finance in India

By N Srinivasan, published by the Oxford University Press, January 2016, 178 pages, available for purchase at: <https://originindia.oup.com/product/state-of-rural-finance-in-india-9780199464845>

This publication describes the policy framework, institutional structure, trends and patterns of rural finance in India. The report has sections on: (1) performances of the National Bank of Agriculture and Rural Development, the non-farm sector, micro-finance and cooperative banking; (2) “strands” of finance such as savings and insurance; and (3) credit in terms of subsectoral flows, geographical aspects and repayment performance.

Survey of Corporate Governance Practice in the Kyrgyz Republic

Published by the International Finance Corporation (IFC), January 2016, 68 pages, available at: <http://www.ifc.org/wps/wcm/connect/754ca2004c-c0092facabdf81ee631cc/PublicationKyrgyzstanCG-2010.pdf?MOD=AJPERES>

This survey assesses the ease of doing business in Kyrgyzstan. Although the authors find that it is “fairly easy” to register a company in the country, operating the company is “much harder.” The authors argue that corruption, a lack of governmental transparency, and an unpredictable legal and regulatory environment are the main barriers. Furthermore, security issues are hampering foreign investments.

IFC Project Manager Serhiy Osavolyuk said that “Foreign direct investment can bring more and better jobs, improve productivity, and foster economic growth. But to attract investors, the Kyrgyz Republic must first eliminate bottlenecks to doing business. These include reforms that target investment entry regulations and investment incentives, help reduce uncertainty for investors, and [otherwise] enable the government to attract more and better-quality investments.”

Aligning Business Intelligence with Strategic Growth for Premier Credit

By G Goble, published by BankBI, April 2016, 4 pages, available at: <http://www.bankbi.com/premier-credit>

This case study describes the implementation of a financial reporting system by BankBI within the cloud-based banking platform of Premier Credit, a Kenya-based microfinance institution. The platform was created by Mambu, a German financial software provider. BankBI’s solution comprises month-to-date and month-end reporting tools as well as applications for presenting key financial results. 📊