

MICROCAPITAL BRIEFS | TOP STORIES

Symbiotics Issues \$5.5m in Bonds for Prasac of Cambodia

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

Olympus Invests \$30m in Equity in MFI Network CreditAccess Asia

Olympus Capital Asia, a private equity firm with offices in China, India, Korea, Singapore and the US, recently invested USD 30 million in equity in CreditAccess Asia, a Dutch operator of microfinance institutions in India, Indonesia and the Philippines, aiming to help the firm expand into new markets and expand its service menu. In conjunction with this transaction, a representative from Olympus will take a seat on CreditAccess Asia’s board. The companies run by CreditAccess Asia serve 1.3 million clients with an aggregate gross loan portfolio of USD 240 million. January 20, 2016.

EFSE Loans \$11m to UniCredit Bank Serbia for Housing

The European Fund for Southeast Europe (EFSE), a Luxembourg-based microfinance investment vehicle, recently announced that it will loan the equivalent of USD 11 million to UniCredit Bank Serbia, a subsidiary of Italian commercial bank UniCredit Group, for on-lending to private households for home improvements and purchases. Monika Beck, the chair of the board of EFSE, said that “UniCredit Bank Serbia has continuously proved effective at on-lending not only in major cities but also in other areas of the country.” UniCredit Bank Serbia reports total assets of USD 2.7 billion. UniCredit Group serves 17 countries, all in Europe. January 8, 2016.

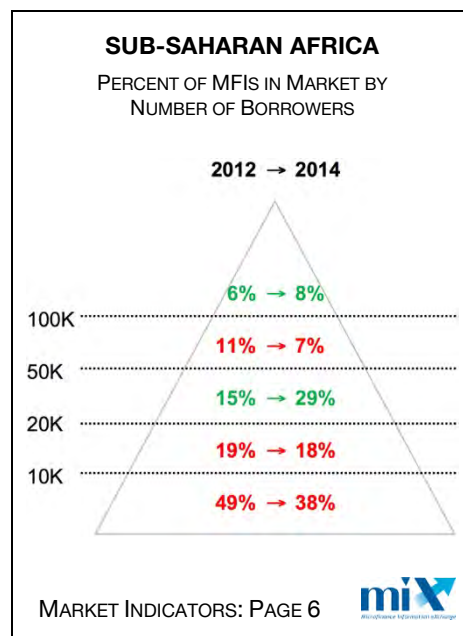
Nepal Requires MFIs to Create Client Protection Fund

Nepal Rastra Bank (NRB), the country’s central banking authority, recently decreed that microfinance institutions (MFIs) in the country must deposit 1 percent of their annual net profit in a “Client Protection Fund.” When an MFI’s annual dividend payout reaches 20 percent of its net profit, the institution also will be required to deposit 25 percent of the dividend into the protection fund. NRB also is requiring all financial institutions to maintain a “contingency management framework” to be used in cases of natural disasters and other events that impact the financial stability of the country. In parallel, NRB relaxed loan loss provision requirements and allowed an increase of one year in grace periods between the disbursement of loans and the time that borrowers must begin repayments. The new requirements stand in response to risks that were exposed by the earthquakes that hit the country in April and May 2015 and the unofficial economic sanctions that were imposed on Nepal by the Indian government in September 2015. December 24, 2015.

FMO Disburses \$10m to VisionFund for Inclusive Finance in Africa

Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden (FMO), a Dutch public-private partnership that aims to promote growth in developing economies, recently announced that it will disburse a five-year loan of USD 10 million to VisionFund International, an affiliate of the US-based, Christian humanitarian organization World Vision International, aiming to support female clients and clients in rural areas via VisionFund’s microfinance institutions. Along with the loan, FMO is donating USD 275,000 to support “an innovative approach to disaster resilient microfinance.” VisionFund has a loan portfolio of USD 434 million comprising 1.5 million loans in 34 countries. December 19, 2015.

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MICROCAPITAL BRIEFS

Maria Cavalcanti to Serve as CEO, President of Pro Mujer

Pro Mujer, a US-based nonprofit that provides healthcare, training and financial services to women in Latin America, recently appointed Maria Cavalcanti as its President and CEO. “She has the perfect combination of private and public sector experience, great skills, and the heart to lead Pro Mujer into the next phase of its life. Most importantly, she is passionate about improving the lives of disadvantaged women across Latin America,” said Pro Mujer Board Chair Gail Landis. The organization reports a gross loan portfolio of USD 128 million. January 29, 2016

Symbiotics Issues \$5.5m in Bonds for Prasac of Cambodia

Symbiotics Group, a Swiss for-profit provider of investment and business services, recently issued bonds worth USD 1 million for the benefit of Prasac, a Cambodian microfinance institution. The transaction was the second and final tranche of a package that was initiated in October 2015 and is worth a total of USD 5.5 million. Prasac reports total assets of USD 701 million, a gross loan portfolio of USD 580 million outstanding to 251,000 borrowers, USD 305 million held for 370,000 depositors, return on assets of 5.3 percent and return on equity of 44 percent. January 28, 2016

Dell’Amore, EMN Accepting Applications for \$54k Award

Fondazione Giordano Dell’Amore, an Italian foundation that supports microfinance, and the European Microfinance Network, a Belgian NGO with 86 members, recently announced the eighth edition of the Microfinance Good Practices Europe Award, which aims to increase awareness of microfinance as a tool for alleviating poverty and promote the sharing of good practice among European microfinance organizations. The deadline for submitting applications is February 14, and the prize, which includes a cash award equivalent to USD 54,000, will be announced at the 13th European Microfinance Network Annual Conference to be held June 16 and June 17 in Warsaw, Poland. Further information may be found at: <http://www.fgda.org/en/activities/europe-award/index.aspx?m=53&did=1308>. January 26, 2016

Sa-Dhan, MFN Revise Code of Conduct for Indian MFIs

Sa-Dhan, an association of 214 microlenders and other financial institutions in India, and the Microfinance Institutions Network, a trade association of 48 Indian microlenders, recently revised the code of conduct that their members have agreed to follow. It now includes a standalone set of “Client Protection Guidelines for Microfinance Institutions,” a document called “Institutional Conduct Guidelines for Microfinance Institutions,” which indicates how to monitor compliance with the code; and “MFIs’ Commitment to Customers,” which specifies what customers can and cannot expect from the lenders. January 26, 2016

LuxDev Donates \$218k for Niger’s Asusu to Train 550 Youth

The Luxembourg Directorate for Development and Cooperation (LuxDev) recently donated the equivalent of USD 218,000 to ADA, a Luxembourg-based NGO formerly known as Appui au Développement Autonome. Together with a donation of USD 38,000 from the Luxembourgish arm of US-based service organization Rotary International, the funding is intended to assist Asusu, a Niger-based microfinance institution, in helping young entrepreneurs set up microenterprises in Niger. It will “fund 550 young people, including 250 leavers of Niger-based training centers supported by LuxDev,” providing business and financial training as well as repaying parts of any “unpaid bills” that the young graduates may have. Asusu reports total assets of USD 44 million, a gross loan portfolio of USD 27 million and deposits totaling USD 24 million. January 26, 2016

VisionFund Prepares for El Niño with \$3m from DFID for Africa

The UK government’s Department for International Development (DFID) recently awarded a “returnable” grant equivalent to USD 3 million to two units of US-based NGO World Vision, World Vision UK and VisionFund International, to help families in six African countries recover from severe weather that is anticipated from El Niño, a phenomenon of warmer-than-average waters in the eastern Pacific Ocean. With drought expected in early 2016 in western and southern Africa as well as flooding in eastern Africa, VisionFund will provide the money from DFID to its subsidiary microfinance institutions in Kenya, Malawi, Mali, Rwanda, Tanzania and Uganda for on-lending to help rebuild businesses that may be damaged. The grantees have agreed to return the money to DFID on an undisclosed time schedule. World Vision has an annual cash and in-kind budget of USD 1 billion. January 19, 2016.

EFSE Loans \$5m to Opportunity Bank Serbia for Rural Lending

The European Fund for Southeast Europe (EFSE), a Luxembourg-based microfinance investment vehicle, recently announced that it will loan the equivalent of USD 5.4 million to Opportunity Bank Serbia (OBS), a unit of US-based microfinance network Opportunity International, to improve access to finance for micro- and small enterprises (MSEs) and low-income households in rural Serbia. “EFSE has been Opportunity Bank’s long-term partner...enabling us to spread our outreach to clients that have difficulties accessing loans, such as low-income households in remote areas of Serbia,” said OBS Board President Vladimir Vukotic. OBS reports total assets of USD 106 million, USD 73 million in loans outstanding to 28,000 clients, USD 60 million in deposits from 15,600 clients, return on assets of 1.5 percent and return on equity of 9.6 percent. Opportunity International is active in 28 countries. January 18, 2016.

LIFT Donates \$4.5m to World Vision Myanmar

The Livelihoods and Food Security Trust Fund, a Myanmar-based entity funded by the EU, Japan’s Mitsubishi Corporation and the governments of several high-income countries, recently agreed to donate USD 4.5 million over three years to three affiliates of US-based NGO World Vision to improve access to financial services for 100,000 people in Myanmar. VisionFund Myanmar, World Vision Australia and World Vision Myanmar will use the funds to provide credit and savings products to farmers and off-farm entrepreneurs in the highland states of Kachin, Kayah, Kayin and Shan. “Increased access to affordable credit and sustainable financial services will accelerate Myanmar’s rural economic transformation,” said LIFT Fund Director Andrew Kirkwood. World Vision is a Christian relief, development and advocacy organization with an annual cash and in-kind budget of USD 1 billion. January 15, 2016.

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Editor & Publisher Bob Summers

Assistant Editor Aliz Crowley

Writers Meraj Husain, Charlotte Newman,

Meredith Steih and Kevin van den Brink

For questions, comments or suggestions, please contact us via
[info\[at\]microcapital.org](mailto:info[at]microcapital.org) or +1 617 648 0043, Boston, USA

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!

Grameen Credit Agricole Lends \$1.3m in Senegal, Tajikistan

The Grameen Credit Agricole Microfinance Foundation, a Luxembourgish funder of microfinance institutions (MFIs) and other social businesses, recently informed MicroCapital that it has disbursed a local-currency, three-year loan equivalent to USD 340,000 to Mec Fadec, a Senegalese microlender, and a one-year loan of USD 930,000 to Humo & Partners, an MFI in Tajikistan. Mec Fadec offers business training in addition to financial services, mainly in the Kebemer and Louga regions. It has a gross loan portfolio of USD 820,000 and 2,300 active borrowers, 65 percent of whom are women. Humo, which mainly targets entrepreneurs and farmers in western and southern Tajikistan, reports total assets of USD 32 million, return on assets of 0.9 percent and return on equity of 5.8 percent. It received a license to accept deposits in 2013, but details on its deposit holdings are not available. January 15, 2016.

India's SKS Partners with IBM to Roll Out Tablets

SKS Microfinance Limited, a for-profit microfinance institution headquartered in Hyderabad, India, recently contracted with IBM MobileFirst, a division of US-based information technology company International Business Machines (IBM), in an effort to improve staff productivity in acquiring customers, completing loan disbursements and collecting repayments. The project included the deployment of 7,000 tablets mainly in rural and semi-rural areas, a help desk to support staff in using the devices, and a package of software and services to convert processes from paper-based to mobile digital format. By using the tablet system, loan officers reportedly increased their field productivity by 20 percent, while reducing costs. "We have significantly reduced the time required to input information and reduced fatigue among the loan officers," said SKS CEO M R Rao. January 15, 2016.

Omidyar Invests in Central Banks' Digital Currency

Omidyar Network, a US-based "impact investor," recently made an investment of undisclosed size in eCurrency Mint, an Ireland-based company whose technology facilitates the issuance of digital currency by central banks. Unlike other forms of digital currency, eCurrency issued by a central bank has the same legal status as notes and coins. Tilman Ehrbeck, a partner at Omidyar, argued that "Those who rely heavily on cash to conduct their financial lives are often locked out of the formal financial system and the opportunities it presents.... eCurrency can help accelerate financial inclusion by...addressing key issues currently hindering the adoption of digital value systems, such as interoperability." January 15, 2016.

M-Kopa Solar Raises \$19m to Expand Pay-as-You-Go in Africa

M-Kopa Solar, a Kenya-based "pay-as-you-go" supplier of solar electricity systems, recently raised the local-currency equivalent of USD 19 million in an equity round led by UK-based Generation Investment Management. M-Kopa sells solar systems for USD 30 plus approximately one year of daily payments of USD 0.50. Since its launch in 2012, M-Kopa has served 280,000 homes in Kenya, Tanzania and Uganda. "We're proving that solar power for the off-grid world will be transformative for customers, good for the planet and profitable for investors," said M-Kopa CEO and Co-founder Jesse Moore. "With 1.3 billion people currently off-grid, M-Kopa's innovative model means that modern solar-powered appliances can be made affordable to a huge new market." Including the current investment, M-Kopa has raised USD 51 million in debt and equity funding since being founded in 2010. January 12, 2016.

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Dual Return Funds Loan \$20m in Americas, Eurasia, Tanzania

During December 2015, C-Quadrat Asset Management issued loans worth the equivalent of USD 20 million via its two Dual Return Funds to unspecified microfinance institutions (MFIs) in Belarus, Bosnia and Herzegovina, Cambodia, Costa Rica, Ecuador, Moldova, Paraguay, Peru, Sri Lanka and Tanzania. USD 5 million of this total was invested in an MFI based in San José, Costa Rica, that was launched in 1966 and uses a portion of its revenue to fund “scholarships, elderly support programs and trainings.” Financial information on the organization is not available. The Dual Return Fund - Vision Microfinance and Dual Return Fund - Vision Microfinance Local Currency have a total of USD 283 million in assets under management. C-Quadrat Asset Management, which specializes in investment and advisory services relating to microfinance, is a unit of Austrian fund group C-Quadrat, which manages assets valued at USD 6.1 billion. January 7. 2016.

EBRD, PPCR Loan \$3m to Tajikistan's Eshkata for Green Projects

The European Bank for Reconstruction and Development (EBRD), a UK-based multilateral institution, and the Pilot Program for Climate Resilience (PPCR), an initiative of several international development institutions that offers donations and preferential-rate loans for projects in developing countries, recently provided a local-currency loan equivalent to USD 3 million to Eshkata Bank, a commercial bank in Tajikistan that focuses on microfinance. EBRD and PPCR each committed 50 percent of the loan, which comprises “commercial” and “concessional” elements of unspecified size. The proceeds of the loan will be on-lent to small and medium-sized enterprises and private households for purchasing energy efficient and renewable energy products as well as technologies to “reduce soil erosion and pressure on water and energy resources.” In addition to the funding, Eshkata will receive technical assistance funded by EBRD and the UK's Department for International Development. Eshkata reports total assets of USD 258 million, a gross loan portfolio of USD 170 million outstanding to 55,000 borrowers, USD 81 million held for 93,000 depositors, return on assets of 5.2 percent and return on equity of 40 percent. December 30. 2015.

Dahabshiil, SolarGen Offer Water Pumps in Somalia

MicroDahab-MFI, a “social responsibility” microfinance initiative of UAE-based conglomerate Dahabshiil Group, and SolarGen Technologies, a Somalia-based distributor of renewable energy technologies, have announced they will offer solar water pumps under “lease-to-purchase” terms to low-income Somali farmers and other entrepreneurs. The Kenya-based African Enterprise Challenge Fund has provided unspecified support to the initiative. Abdirashid Duale, the CEO of Dahabshiil Group, said that “MicroDahab will bear both the capital cost and risk of asset ownership, while our clients reap the benefits of using the water pumps, at minimal rents.” Since its inception in 2014, MicroDahab has loaned USD 1 million to 15,000 borrowers in Somalia. December 29. 2015.

Netherlands Pledges \$27m to IFC's Global SME Facility

The Ministry of Foreign Affairs of the Netherlands recently announced that the Dutch government has pledged USD 27 million to the Global SME Finance Facility, a credit line managed by the World Bank Group's International Finance Corporation (IFC) that funds small and medium-sized enterprises (SMEs). USD 16 million of the total is earmarked for risk-sharing facilities, and USD 11 million is for advisory projects. Jeroen Roodenburg, the director for sustainable economic development and ambassador for private sector and development cooperation at the Dutch Ministry of Foreign Affairs, stated, “with our contribution, the Global SME Finance Facility will focus on women entrepreneurs in low-income countries.” The Global SME Finance Facility was established in 2012 with USD 500 million from both public- and private-sector organizations. December 28. 2015.

IFC Invests \$300m in Equity in Postal Savings Bank of China

The International Finance Corporation (IFC), a member of the US-based World Bank Group that aims to increase economic growth in developing countries, recently announced that it has placed an equity investment of USD 300 million in the government-backed Postal Savings Bank of China (PSBC). Along with the transaction, IFC will provide technical expertise in support of PSBC's “rural, micro- and digital finance” products. Vivek Pathak, IFC's regional director for the Asia-Pacific region, said that “we believe this new partnership between IFC and PSBC will help facilitate access to finance for large segments of micro and small and medium enterprises and rural unbanked clients.” PSBC has 40,000 retail branches. Recent financial information on the organization is unavailable. December 26. 2015.

ASN-Novib Microcredit Fund Lists on Euronext Stock Exchange

The ASN-Novib Microcredit Fund, which is managed by Algemene Spaarbank voor Nederland (ASN Bank) of the Netherlands, and Oxfam Novib, the Dutch branch of UK-based NGO Oxfam International, recently went public on the Euronext stock exchange. The listing allows customers of institutions other than ASN Bank to invest in the fund. As Ruud Stevens, a spokesperson for ASN Bank, stated: “With the quotation we increase the possibility of growing the fund. There is a growing demand for microcredit; we want to realize as much positive social impact as possible.” The fund was established in 1996 to offer credit to small-scale entrepreneurs via investments in microfinance institutions. The group running the fund also includes Actiam, an asset management subsidiary of Dutch insurer Vivat Verzekeringen, and Triple Jump, a Dutch fund advisor specializing in investments in developing countries. The fund holds assets worth the equivalent of USD 257 million. December 25. 2015.

Dai-ichi Life Buys \$100m in Microfinance Bonds from EBRD

The UK-based European Bank for Reconstruction and Development recently announced that it has sold a package of 10-year bonds worth the equivalent of USD 100 million to Japan's Dai-ichi Life Insurance Company to support lending to micro- and small enterprises in Eastern Europe, Central Asia and North Africa. The arranger of the transaction, which is denominated in Mexican pesos, was Crédit Agricole Corporate and Investment Bank, an arm of the France-based Crédit Agricole Group. Kazuyuki Shigemoto, the general manager of the global fixed income investment department of Dai-ichi Life, said that “Dai-ichi Life follows investment principles that combine attractive investment opportunities with social, environmental, and governance (“ESG”) considerations.... We also believe the bonds offer [a] solid and attractive investment opportunity.” December 19. 2015



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EAR TO THE GROUND

Migrants and Financial Services: Including the Billion

When I was in Jordan recently, I was asked whether there are opportunities for microfinance institutions to serve the droves of Syrian refugees entering the country. While I am a “glass half-full” person, this is not an easy thing to imagine. Refugees often have no identification documents or official addresses. They may not have much of a community in their host country to provide references; and by nature of their situations, they may reside in a community only temporarily.

With the complexities of refugees and migration still on my mind, I spent a few days in Milan, where I saw able-bodied, working-age migrants lining up for free lunches at a church. Alas, there is little available work in Italy. I thought about their family members back home, who may no longer be receiving remittances, or perhaps, might be receiving some at the expense of these men’s nutrition.

Shortly after, I participated in a consultation of donor organizations in Geneva at the International Office of Migration (IOM), seeking to address some of the needs of migrants. Refugees, and migrants more broadly, have two key characteristics that should turn our heads. They have huge financial needs, and they are extremely vulnerable to shocks. These characteristics should have us rushing to create refugee savings products and migrant insurance and pensions galore! Yet these same characteristics make these groups particularly difficult to serve. Migrants require different channels of communication, language choices and products to meet their needs. They might prefer products that are more liquid and portable (often cash). Also, they lack knowledge of and trust in institutions in their host countries. Many are also poor, which adds to the challenge. Finally, traditional channels for complaints and recourse

in cases of consumer abuse often exclude migrants, sometimes explicitly, making them especially vulnerable to predators.

There are currently 1 billion migrants worldwide, one quarter of these residing outside of their home countries. IOM Director General William Lacy Swing noted last month that research points to countries with migrants doing better financially than those without significant migrant populations. He noted that “Migration is not a problem to be solved, it is a human reality to be managed.”

Migrants’ inclusion in financial services will test the true meaning of globalization, and it will challenge efforts to protect against tax evasion and money laundering. It also will push stakeholders interested in promoting financial inclusion to address these new challenges.

Product development and innovation will be critical, yet improved regulation is even more so. In New York, for example, a foreign insurance company may not sell policies, even to people temporarily displaced from its home country. Similarly, know-your-customer laws have made it tougher to offer even simple savings products or remittance services to new residents. Until some of these systemic issues are addressed, we cannot expect any one institution to take on this challenge alone.

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](https://twitter.com/BarbaraatEA).

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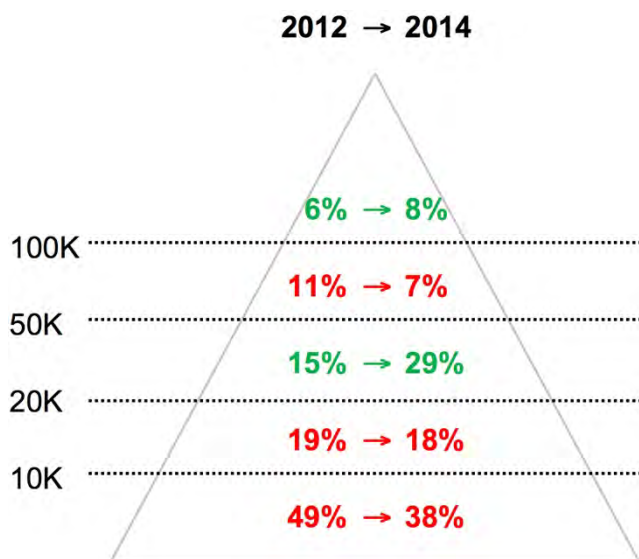


98 MICROFINANCE INSTITUTIONS (MFIs) REPORTING*

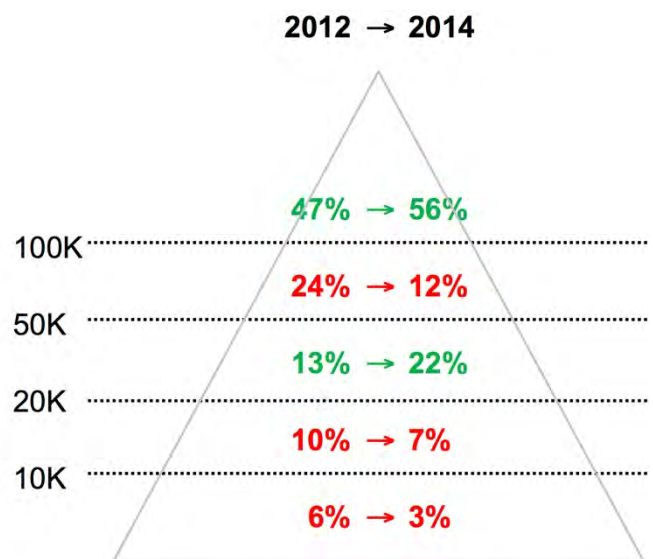
TOP MFIs BY GROWTH IN TOTAL ASSETS: CHANGE IN USD

MFI NAME	COUNTRY	AVERAGE ANNUAL USD INCREASE	AVERAGE ANNUAL % INCREASE	2012	2014
Faulu Microfinance Bank	Kenya	51,443,958	66%	58,681,069	161,568,984
Lift Above Poverty Organization	Nigeria	36,393,908	29%	108,410,676	181,198,493
Kenya Women Microfinance Bank	Kenya	29,245,104	18%	152,949,094	211,439,303
Equity Bank Rwanda	Rwanda	24,767,583	86%	20,123,583	69,658,749
MicroCred Cote d'Ivoire	Cote d'Ivoire	21,309,175	74%	21,133,998	63,752,347
Grooming Centre	Nigeria	20,966,980	41%	42,087,790	84,021,749
AccessBank Tanzania	Tanzania	19,329,292	48%	32,596,119	71,254,703
Fortis Microfinance Bank	Nigeria	12,990,646	29%	38,829,582	64,810,874
MicroCred Senegal	Senegal	12,499,271	23%	48,554,457	73,552,999
AB Microfinance Bank	Nigeria	9,867,526	29%	29,947,205	49,682,256

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, January 2016



Andares

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UPCOMING EVENTS

International Forum on Islamic Finance

February 9 - February 10, 2016; Khartoum, Sudan

One of the three goals of this event is to “spur funding for micro-, small and medium-sized enterprises” in a manner consistent with Islamic law. The fee to attend is USD 500, with various discounts available. Details may be sought via [partnerships\[at\]meglobaladvisors.com](mailto:partnerships[at]meglobaladvisors.com), <http://ifif2016.com/> or +971 4 441 4946.

GSMA Mobile World Congress

February 22 - February 25, 2016; Barcelona, Spain

This conference will address “the current and future mobile industry, highlighting specific areas of growth as well as the latest technological developments, next generation services and growth strategies.” Attendance fees range from EUR 749 to EUR 4,999 depending on the range of sessions to be visited. More information is available via <http://www.mobileworldcongress.com/>, +44 (0)20 7356 0601 or [info\[at\]gsma.com](mailto:info[at]gsma.com).

Cracking the Nut: Regenerating Rural & Agricultural Development

March 1 - March 2, 2016; Washington, DC, USA

The three themes of this event are: Regenerating Rural and Agricultural Landscapes, Financing Environmentally Sustainable Development and Encouraging Investment in Climate-Smart Agriculture. The fee to attend is USD 795. More details may be sought from Shannon Smith at +1 703 914 5533 or [ssmith\[at\]connexus.email](mailto:ssmith[at]connexus.email), or you may visit <http://www.crackingthenutconference.com/>.

SPTF Social Investor Working Group Meeting

March 2 - March 3, 2016; New York, New York, USA

This meeting of the Social Performance Task Force welcomes investors seeking to achieve both financial and social returns. The topics will include updates on the initiatives of working groups, issues shaping the responsible inclusive finance field and exchanges among inclusive finance and other impact sectors. While there is no fee to attend the meeting, pre-registration is required. To learn more, you may visit <http://sptf.info/sp-task-force/http-www-sptf-info-sp-task-force-social-investors-working-group>. Additional details may be requested from Leticia Emme at [leticiaemme\[at\]sptf.info](mailto:leticiaemme[at]sptf.info). The task force does not publish its telephone number.

Mifos TechDays 2016

March 9 - March 11, 2016; Amsterdam, the Netherlands

This event is for those interested in Mifos, an open-source microfinance management information system. The fee to attend is USD 300. More information is available via <http://techdays.mifos.org/> or [conference\[at\]mifos.org](mailto:conference[at]mifos.org). No telephone number is offered.

18th Microcredit Summit

March 15 - March 17, 2016; Abu Dhabi, United Arab Emirates

Held in conjunction with the Arab Gulf Fund Program for Development (AGFUND), this program of the Microcredit Summit Campaign will explore “how microfinance and financial inclusion strategies can create clear pathways out of poverty for the most vulnerable segments of society across the globe.” The proceedings will include the presentation of USD 500,000 in AGFUND International Prizes for Pioneering Human Development Projects, which this year are themed “Alleviation of Unemployment Among Youth.” The fee to attend is USD 500, with a range of discounts available. For more information, you may refer to <http://18microcreditsummit.org/> or contact Ahmed Aldaij at [ahmedd\[at\]agfund.org](mailto:ahmedd[at]agfund.org) or +966 561 811 392.

7th Conference on Innovative Trends Emerging in Microfinance

March 15 - March 17, 2016; Shanghai, China

Known as “ITEM7,” this event will address microfinance, crowdfunding and community development finance. The full fee to attend is EUR 300, but various discounts are available. More details may be sought via <http://www.bmicrofinance.org/item7.html> or [ITEM7\[at\]escdijon.eu](mailto:ITEM7[at]escdijon.eu). No telephone number is offered.

Uniglobal's Global Microfinance Forum

March 17 - March 18, 2016; Berlin, Germany

This forum is scheduled to address: how opportunities for microfinance institutions differ by region, microfinance from the investor's perspective, encouraging faster development through financing small and medium-sized enterprises, and challenges in using credit scoring. Admission to the forum costs EUR 1000 plus 19-percent tax. For more information, you may visit <http://www.uni-global.eu/en/event/2016-195>, email [registration\[at\]uni-global.eu](mailto:registration[at]uni-global.eu) or call +420 226 538 100.

Microfinance Egypt

March 23 - March 24, 2016; Cairo, Egypt

This event offers panel discussions on risk management, microfinance law, credit scoring, account monitoring, client creditworthiness, microinsurance, licensing, mobile payments, Islamic microfinance and programs to empower women. The fee to attend is USD 2,999 with a rate of USD 1,699 offered to representatives of firms headquartered in Egypt. For more information, you may contact Lakshyadeep Nival by email at [register\[at\]iqpc.ae](mailto:register[at]iqpc.ae) or by phone at +971 4 364 2975. The event website is located at <http://www.microfinanceegypt.com/>.

Program on Strategic Leadership in Inclusive Finance

March 28 - April 2, 2016; Boston, Massachusetts, USA

This program offers management training relating to challenges in microfinance such as “succeeding in highly competitive financial sectors; balancing a social focus in a commercial setting; reaching new business segments; and evolving products and delivery channels.” Applications may be found at <http://www.centerforfinancialinclusion.org/collaborators-a-sponsors/harvard-business-school-accion/hbs-application>. For additional information, you may email [hbsaccion\[at\]accion.org](mailto:hbsaccion[at]accion.org) or call +1 617 495 6555.

MORE DETAILS COMING SOON ON...

Latin American MicroInsurance Summit 2016

March 29 - March 30, 2016; Miami, Florida, USA

Sixth Annual Banking & Finance Conference

April 13 - April 14, 2016; Accra, Ghana

13th European Microfinance Network Annual Conference

June 16 - June 17, 2016; Warsaw, Poland

Microfinance Centre's 19th Annual Conference

June 22 - June 24, 2016; Tirana, Albania

2nd Microfinance and Rural Finance Conference

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

SOCAP16

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

2016 Global Youth Economic Opportunities Summit

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

European Microfinance Week

November 16 - November 18, 2016; Luxembourg 🇱🇺

2.5 billion adults lack access to formal financial services.



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PAPER WRAP-UPS

Payment Aspects of Financial Inclusion

Prepared for the Committee on Payments and Market Infrastructures and the World Bank Group, September 2015, 69 pages, available at: <https://consultations.worldbank.org/consultation/payment-aspects-financial-inclusion>

This report delineates the role of payment and settlement services - mechanisms that facilitate electronic monetary transactions - in expanding formal financial access to people with low incomes in developing countries. Additionally, the authors provide an overview of retail payments systems, discuss a framework for measuring the effectiveness of payment services and introduce “guiding principles” for expanding financial access.

Electronic payment services allow consumers to conduct monetary transactions using mobile devices via transaction accounts held with banks and other payment service providers. Such accounts - which allow users to store value as well as to send and receive payments - may serve as a gateway toward the use of a wider range of financial services. Higher usage of such accounts also ushers investments into countries’ payment systems, leading to increases in efficiency.

Despite advances in improving the digital ecosystem, actual usage of these transaction instruments is “relatively low” according to the report. Barriers to the adoption of financial services include: (1) high fees and indirect costs; (2) consumer preference for economic informality; (3) inconsistency of products with cultural or religious norms; (4) lack of consumer financial literacy; (5) poor product design; and (6) consumer concerns regarding safety.

According to the report, increasing access to transaction accounts is a critical step in advancing financial inclusion. The authors also stress the importance of protecting consumers

through a regulatory framework that balances innovation with safety - mitigating risks from fraud and liquidity constraints - and increasing transparency on terms and conditions.

The authors outline seven conditions that can help expand financial access through payment systems: (1) strong commitment from public- and private-sector organizations; (2) effective regulation; (3) efficient financial and telecommunication infrastructures; (4) transaction accounts and payment products that meet consumer needs; (5) a wide network of access points; (6) promoting financial literacy; and (7) leveraging large-volume and recurring payment streams to increase the number of transaction accounts. The report concludes by highlighting the importance of collecting data to measure progress, identify obstacles and make better policy decisions.

ShelforShield: Insure Women to Better Protect All

Published by International Finance Corporation, AXA Group and Accenture; September 2015; 184 pages; available at: http://www.ifc.org/wps/wcm/connect/a2d8348049d01b0c82a5a3e54d141794/ShelforShield_Final-Web2015.pdf?MOD=AJPERES

This report analyzes the insurance markets of Brazil, China, Colombia, India, Indonesia, Mexico, Morocco, Nigeria, Thailand and Turkey, where “insurance growth is outpacing growth in developed markets.” Based on in-person interviews, surveys and desk research, the authors argue that women customers have been neglected by the insurance industry. The report identifies “insights about women and their protection needs,” including preferences and behaviors exhibited by women from different marketing segments. It also lays out recommendations for how insurers, governments and NGOs can “unlock the potential within women’s markets.” (1) “Build intelligence on women’s insurance needs;” (2)

“Develop targeted value propositions;” and (3) “Improve distribution and proximity to women clients.”

In closing, the report projects that women’s spending on insurance could grow to three times its current size, to an estimated USD 1.4 trillion to USD 1.7 trillion by 2030.

Mapping Pathways Out of Poverty: The State of the Microcredit Summit Campaign Report, 2015

Published by the Microcredit Summit Campaign, December 2015, available at: <http://stateofthecampaign.org/read-the-full-2015-report/>

This report analyzes the progress that global microfinance providers have made toward two goals set at the Global Microcredit Summit in 2006: (1) “help 175 million of the world’s poorest families with microfinance;” and (2) “help 100 million families lift themselves out of extreme poverty.” Surveys of the participating microfinance organizations indicate that as of 2013, the “global microfinance community [had] reached 211 million borrowers,” the highest number since the Microcredit Summit Campaign began tracking these data in 1997. Of these borrowers, 114 million were living in extreme poverty, a decrease of 2 million from the year before.

The authors conclude that the poorest segments of society are not benefitting from microfinance enough to reach the goal of ending extreme poverty. They outline six financial services “pathways” to help advance financial inclusion for this group: (1) “Addressing health needs;” (2) Building savings groups; (3) Expanding “graduation programs” intended to move clients out of poverty over three years; (4) “Expanding agricultural value chains;” (5) “Providing a conditional cash transfer program;” and (6) “Advancing digital finance.”



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Global Financial Development Report 2015/2016

Published by the World Bank, September 2015, 211 pages, available at <http://www.worldbank.org/en/publication/gfdr/report>

This report presents how long-term finance may lead to growth and prosperity in developing economies. According to the authors, the use of funding with terms exceeding one year is more restricted in developing countries, especially for smaller firms and poorer households. The availability of equity is limited for firms of all sizes in these countries.

In order to encourage longer investment maturities, the authors argue that policy makers need to focus on institutional reforms, such as promoting macroeconomic stability, improving the framework for capital markets and institutional investors, and establishing a legally enforceable banking and investment system to boost protections for creditors and borrowers.

As institution building is a long-term process, the authors also suggest strategies that can offer quicker results. For small firms, they advise leasing. Larger firms should tap foreign investment, since evidence suggests that domestic investors hold less long-term domestic debt than foreign investors, even though the authors concede that this will make

these firms more vulnerable to external shocks. Finally, to increase long-term finance among households, stakeholders may seek to improve the flow of information that can help increase individuals' awareness of issues such as consumer protection.

Financial Inclusion, Education, and Regulation in the Philippines

By Gilberto M Llanto, published by the Asian Development Bank, August 2015, 29 pages, available at: <http://www.adb.org/publications/financial-inclusion-education-and-regulation-philippines>

This paper discusses the status of financial inclusion, financial education and financial regulation in the Philippines, where the most important microfinance services have been microcredit, mobile money and micro-insurance. Mr Llanto cites data from the

World Bank indicating that most of the population lacks access to loans from formal institutions. However, he argues that microfinance has become an important part of financial inclusion for the poorest segments, with the value of microloans rising from USD 86 million to USD 197 million from 2002 to 2013. Mr Llanto attributes this growth to increased technology usage and the popularity of microfinance in other Asian countries. Among the possible obstacles to further growth, he cites political intervention.

To sustain growth in the sector, Mr Llanto suggests increased financial education, better consumer protection policies and allowing the government to play a role in developing "back-end infrastructure...creating broader and more interconnected ecosystems for safe and efficient product delivery to the poor." 📱



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