

MICROCAPITAL BRIEFS | TOP STORIES

FMO, Oikocredit Invest \$27m in Acceso of Peru for CNG Vehicles

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

Oikocredit Buys \$4.7m in Equity in Caravela Coffee

Netherlands-based cooperative investor Oikocredit recently invested USD 4.7 million in equity in UK-based coffee trader Caravela Coffee. Caravela sources its product from 4,000 producers in eight countries in Latin America while seeking to “ensure the price [paid to] farmers is enough to secure their commitment and investment in quality for long-term production in the face of a changing climate and to demonstrate a successful business model for the next generation.” Established in 2000, Caravela Coffee sold coffee to 275 roasters in 27 countries during 2018. May 27. 2019

LeapFrog Equity Fund Raises \$700m for Financial, Health Services

LeapFrog Investments, a Mauritius-based private equity firm, recently announced the close of its LeapFrog Emerging Consumer Fund III at a volume of USD 700 million. LeapFrog III will buy equity in financial and healthcare services providers in Africa and Asia. The fund is LeapFrog’s third, with its preceding funds having closed in 2009 and 2014 at USD 135 million and USD 400 million, respectively. LeapFrog III has made investments of unspecified amounts in five businesses to date: WorldRemit, a UK-based digital remittance provider; NeoGrowth, an India-based lender to micro-, small and medium-sized enterprises; Goodlife Pharmacy, a Kenya-based healthcare services provider; Pyramid Pharma, a Tanzania-based distributor of medicine and medical equipment; and Ascent Meditech, an India-based manufacturer of orthopedic products. May 23. 2019

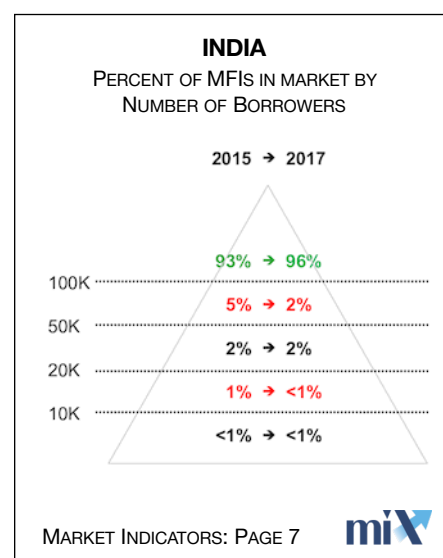
DEG, ShoreCap III, Triple Jump Buy Equity in BRAC Uganda

Deutsche Investitions-und Entwicklungsgesellschaft (DEG), which is owned by the German federal and local governments as part of the KfW Group; ShoreCap III, a fund of US-based Equator Capital Partners; and Dutch investor Triple Jump recently collaborated to purchase minority equity stakes in BRAC Uganda Bank, a provider of microfinance and other services in Uganda. The sizes and prices of the stakes remain confidential. BRAC Uganda, which was founded in 2006, is a unit of BRAC International, an NGO that grew from Building Resources Across Communities (BRAC) of Bangladesh. BRAC Uganda, which recently acquired a license to accept deposits, also offers lending, education, gender-focused, agricultural research and health services. BRAC Uganda has 159 branches and 213,000 financial services clients. During 2017, BRAC International served 110 million people in 13 countries with a range of financial and non-financial services. May 13. 2019

Mobisol, Provider of Pay-as-you-go Solar Systems in Africa, Files for Insolvency

Mobisol, a Germany-based provider of solar-powered products in Kenya, Rwanda and Tanzania, recently completed a court filing to enter a period of “self-administered insolvency.” According to a press release from the firm, “Mobisol is going to continue serving its customers and partners...without any interruption.” Mobisol sells products such as lights and telephone chargers, allowing customers pay for them via mobile payments over as many as four years. When a buyer wishes to delay a payment, Mobisol can temporarily disable the device remotely. Speaking on the challenges Mobisol is facing, its managing director Andrew Goodwin reportedly said, “The view was that we would be able to increase prices over time, which did not turn out to be the case. The second issue is that sales volumes have been affected by the pressure from new competitors.” Mobisol has served about 85,000 customers since it began distributing products in 2013. While its financial figures are private, one estimate places its total equity and debt fundraising at USD 85 million. Its investors included the Finnish government’s Fintfund; the Dutch development bank, which is known by the acronym FMO; the World Bank Group’s International Finance Corporation; and Investec, an asset manager founded in South Africa. May 8. 2019

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MICROCAPITAL BRIEFS

IDB Loans \$40m to Panama for Inclusion of Indigenous Peoples

The Inter-American Development Bank, a US-based development finance institution, recently approved a 24-year loan of USD 40 million to the nation of Panama. The program, co-funded with USD 3 million from the government of Panama, is intended to address the needs of for-profit businesses and other organizations run by indigenous people, including those that improve access to financial services and infrastructure. The implementation will be based on the government's National Plan of Indigenous Peoples, which is referred to by its Spanish acronym PNDIPI. It is expected that "the number of business people who could benefit from [the] program is about 1,400 [and that] 44,178 households... will also see a positive impact...". May 23. 2019

Dual Return Vision Lends to Varthana, Funder of Indian Schools

The Dual Return Vision Microfinance Fund, which is managed by a member of the Austria-based C-Quadrat Investment Group, recently told MicroCapital that it invested an undisclosed amount of funds in Varthana, an India-based lender to private schools with the aim of improving educational access for children from low-income families. Varthana lends to primary and secondary schools for infrastructure, teacher training and working capital. It also offers schools management and educational consultancy. Varthana provides loans as large as the equivalent of USD 290,000, with payback periods as long as eight years. The company also offers insurance services and unsecured loans to students for higher education. C-Quadrat Asset Management disbursed the funds during April, along with bond purchases from - and other loans to - unidentified microfinance institutions in Costa Rica, Ecuador, Indonesia, Kazakhstan, Myanmar and Tajikistan. May 23. 2019

Financial Health Program i3 Expands to China

The UN Capital Development Fund (UNCDF) recently expanded the i3 program to China where it seeks "to leverage digital technology and offer significant insights into low- and moderate-income people's needs, aspirations and behaviors in order to build and deliver financial services for the mass market." The program, whose name derives from the words innovate, implement and impact, is already active in Bangladesh, Malaysia and Vietnam. Funded by the MetLife Foundation, an affiliate of US-based insurer MetLife, i3 is implemented by UNCDF and MicroSave Consulting, an India-based consulting firm. The budget of the program has not been published. May 21. 2019

\$10m NMI Fund to Boost Palm Farmers' Productivity in Indonesia

Through Norway's International Climate and Forest Initiative, the Norwegian Ministry of Climate and Environment recently disbursed the equivalent of USD 10.3 million for a microfinance and technical assistance project meant to help smallholder farmers in Indonesia "increase the production of palm oil without further encroaching on the rain forest." The Nordic Microfinance Initiative (NMI), a Norway-based public-private partnership, will manage the fund, with microloans serviced by existing microlenders in the province of West Kalimantan. NMI CEO Arthur Sletteberg said farmers will be offered "long-term working capital and agricultural professional assistance. In turn, the peasant farmers must commit not to clear the rainforest." Mr Sletteberg added, "Private investors will be invited into the fund as soon as we have proved that the concept works." This would support the program's long-term goal of serving 25,000 smallholders, conserving 20,000 hectares of rainforest. NMI is one-third owned by: Norfund, which is backed by the government of Norway; the Danish Investment Fund for Developing Countries, which is also known by its Danish acronym IFU; and a group of five private companies. May 21. 2019

IFAD, South Korea Partner on "Climate-resilient" Farming

The UN's International Fund for Agricultural Development (IFAD) and the Korea Rural Economic Institute, a quasi-governmental organisation in South Korea, recently signed an agreement to "further develop agricultural value chains, climate-resilient agricultural practices and food security for smallholder farmers in developing countries, by mobilizing financial resources and contributing to the global policy dialogue." IFAD President Gilbert Houngbo described the agreement as a "commitment to draw lessons from Korea's remarkable success in rural transformation...". May 20. 2019

FMO Loans \$30m to BICE to Support Imports by Argentine SMEs

The Dutch development bank, which is often referred to by its acronym FMO, recently agreed to extend a loan of USD 30 million to Banco de Inversion y Comercio Exterior (BICE), a development bank in Argentina. BICE has agreed to on-lend the funds to local importers of Dutch goods, particularly small and medium-sized enterprises (SMEs). The bank, which a subsidiary of the state-owned Banco de la Nación Argentina, provides deposit and lending services to SMEs and financial institutions as well as funding private-sector infrastructure projects, leasing contracts and trade finance. BICE reports total assets equivalent to USD 1.65 billion. May 17. 2019

World Bank Lending \$200m to Egypt for SMEs

The World Bank recently agreed to lend USD 200 million to the nation of Egypt for a project called "Catalyzing Entrepreneurship for Job Creation." The project involves channeling USD 145 million through non-bank financial institutions (NBFIs) and USD 50 million via privately managed risk capital intermediaries to support lending to small and medium-sized enterprises. There is also a business-coaching component. The NBFI funds will include "lending targets for women and youth-led businesses, first-time borrowers, and small businesses in less developed regions across Egypt." May 15. 2019

IIV Mikrofinanzfonds Lends \$2m to ACME of Haiti

Germany-based Invest in Visions (IIV) recently announced that it has disbursed a loan of USD 2 million to the Haitian NGO Association pour la Coopération avec la Micro Entreprise (ACME) from its micro-finance investment vehicle, IIV Mikrofinanzfonds. Launched in 1997, ACME provides microloans to individuals in the "medium and lower part of the informal sector." As of 2016, the most recent available data, ACME had total assets of USD 23 million, a loan portfolio of USD 17 million and 30 branches serving 30,500 clients. ACME does not accept deposits. IIV Mikrofinanzfonds focuses on investing in small and medium-sized microfinance institutions in rural areas. It accepts investments as small as the equivalent of USD 112 and has a volume of USD 770 million. In addition to microfinance, IIV offers services in sectors such as "sustainable" agriculture and social enterprises. May 15. 2019

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Please refer to <http://MicroCapital.org> for the sources of information appearing in this publication. Among these, MicroCapital recognizes CGAP, its FinDev Gateway and the Microfinance Information Exchange for their outstanding work disseminating information on microfinance. Thank you!

GCA Foundation Lends UGAFODE of Uganda \$1.1m

The Grameen Credit Agricole Foundation, whose head office is in Luxembourg, recently granted a loan in local currency equivalent to USD 1.12 million to the Uganda Agency for Development Limited (UGAFODE). UGAFODE, which was established in 1994 as an NGO, became a for-profit institution in 2010. It offers savings, mobile money transfers and bill payment services as well as loan products designed for business, personal development, housing and agricultural purposes. These group and individual loans are provided in amounts as small as USD 27 for as long as 36 months. UGAFODE reports serving 17,300 clients, of whom 80 percent live in rural areas and 20 percent are women. Its largest shareholder, with a 29-percent stake, is the Accion Africa-Asia Investment Company, a subsidiary of the US-based NGO Accion. May 15. 2019

STEP of India Borrows \$200k from BNP Paribas

BNP Paribas, a France-based bank, recently told MicroCapital that it loaned the local-currency equivalent of USD 200,000 to the Sampurna Training and Entrepreneurship Programme (STEP), a nonprofit provider of microfinance and social services in India. STEP clients are all women, and most live in urban areas. Established in 2010, STEP “firmly believe[s] that only providing access to finance is not enough for the holistic development of the disadvantaged families.” In addition to loans, it offers skills training, business counseling, health services and social support services. Its loans are designed for business, education, health needs and housing improvement. The organization’s business loans range in size from USD 14 to USD 710, with terms of up to two years, APRs as low as 28 percent per year and a 1-percent fee for insurance. It has eight branches, 11,000 borrowers and a loan portfolio of USD 2.3 million. May 10. 2019

Trustco of Namibia to Lend to IOL Building-trades Graduates

The Institute for Open Learning (IOL), a member of Namibia’s Trustco Group, recently launched a program to train people in bricklaying, plastering, plumbing and industrial pipefitting. Trustco Bank, another member of the Trustco Group, has agreed to issue loans to IOL trainees to help them become established in their new careers. IOL serves approximately 58,000 students, generally on a part-time basis via remote instruction in the fields of education, technology, policing or business. Nearly all of these students finance their schooling via Trustco Finance, a third member of the Trustco Group. The group was founded in 1992 and now serves South Africa and Sierra Leone in addition to Namibia. Its shares are traded on the Johannesburg and Namibian Stock Exchanges. May 9. 2019

Tugende Borrowing \$6m for Motorcycle Taxi Leasing in Uganda

Tugende, a leasing company in Uganda that specializes in motorcycle taxis, recently agreed to borrow USD 6 million from undisclosed investors to expand its operations. Tugende, which translates as “Let’s Go,” has 10 branches in the country. Since its launch in 2010, it has served 20,000 clients, of whom 8,000 have paid off their “boda-bodas” completely. The requirements to lease a boda-boda include one year of driving experience, two personal guarantors and attendance at a series of training classes. According to Tugende, “When drivers own their motorcycles and stop renting, their take-home earnings double.” An undisclosed portion of the loan will not become accessible to Tugende until it closes a pending equity raise. Verdant Capital, which has offices in the Democratic Republic of Congo, Ghana, Mauritius and South Africa, is advising Tugende on both the loan and equity packages. May 7. 2019

FMO, Oikocredit Invest \$27m in Acceso of Peru for CNG Vehicles

The Dutch development bank, which is often referred to by the acronym FMO, recently arranged a syndicated loan in local currency worth USD 27 million in favor of Edpyme Acceso Crediticio, a financier of vehicles in Peru. The funding, which includes the equivalent of USD 6 million from Dutch cooperative Oikocredit, is specifically earmarked for vehicles powered by compressed natural gas (CNG). FMO’s manager of financial institutions for Latin America, Frouke Hoekstra, said, “Our investment in Acceso’s CNG vehicles supports both our ambition to reduce inequality by providing access to finance and to take climate action with green finance.” Acceso has a loan portfolio of USD 206 million, of which 40 percent funds taxis. May 1. 2019

ACEP Burkina Borrows \$2.6m from GCA Foundation

ACEP Burkina, one of the five members of the Agency for Private Enterprise Credit (ACEP) International, has received a loan approximately equivalent to USD 2.6 million from the Grameen Credit Agricole Foundation, whose head office is in Luxembourg, to support microlending in Burkina Faso. ACEP Burkina specializes in lending to micro- and small enterprises in urban and suburban areas. It was founded in 2012 by ACEP International and Investisseurs & Partenaires (I&P), a France-based investor in small and medium-sized enterprises in sub-Saharan Africa. ACEP International was founded in Senegal in 1989 and has since been replicated - in chronological order - in Madagascar, Cameroon, Burkina Faso and Niger. As of 2017, ACEP Burkina reported total assets of USD 25 million, deposits of USD 4.7 million and a gross loan portfolio of USD 23 million. As of 2018, it serves 12,300 clients, 20 percent of whom are women. May 1. 2019

Business Planning with MICROFIN

June 3-7	Ouagadougou en FRANÇAIS
June 24-28	Standard Web Course
July 8-12	Lagos
July 29 - August 2	East Africa (location TBA)
September 9-13	London

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SPECIAL REPORT

*This vignette is part of a sponsored series demonstrating the value of SAM (the French acronym for African Microfinance Week), a major conference dedicated to financial inclusion in Africa. **The next SAM will take place in Ouagadougou, Burkina Faso, from October 21-25, 2019.** The first three SAMs were in Tanzania in 2013, Senegal in 2015 and Ethiopia in 2017.*

The goal of SAM is to provide a unified platform for addressing issues facing microfinance in Africa by bringing together investors, microfinance institutions (MFIs), researchers, banks, networks, innovators, governments and other stakeholders.

The 2017 SAM hosted 700 participants from 58 (mostly African) countries, including representatives of 200 MFIs; 25 exhibitors at the Innovation Fair; and 26 investors, who made 170 MFI contacts at the Investor's Fair. The proceedings also included conference sessions presented by 60 speakers plus 20 training programs.

MFIs in Mali, Burkina Faso Adopt Microfact for Performance Evaluation, Decision-making After Presentation at SAM

Two NGOs, ADA of Luxembourg and BRS of Belgium, presented their Microfact toolkit at the SAMs in Dakar and Addis Ababa, reaching many MFI leaders representing both MFIs and various membership associations. As a result, several of these organizations hosted trainings on the use of the free toolkit, which includes “monitoring and financial performance analysis” tools used by about 1,000 organizations. Two of these tools are MFI Factsheet, which is used for monitoring the past financial and social performance of MFIs, and Microvision, which creates five-year projections for business planning. Microfact trainings are offered by about 60 certified individuals around the world.

As a result of meeting Basile Kouagou N'Dah, a certified Microfact trainer, at SAM, the Association Professionnelle des Systèmes Financiers Décentralisés du Mali hosted a training on Microfact in November 2017. It was so successful that the organization held a second training in April 2018.

Similarly, a training hosted by the Réseau des Caisses Populaires du Burkina in December 2017 inspired several of the organization's

member credit unions to adopt MFI Factsheet as a decision-making tool. They use it to analyze their financial and social results as well as to organize staff and board meetings around driving sustainable growth.

Amidou Alou, the director of the Caisse Populaire in the Dassasgho neighborhood of Ouagadougou, reports that MFI Factsheet has boosted the performance of his organization. Dramane Eric Conombo, the director of the Caisse Populaire in the Cissin neighborhood of Ouagadougou, says, “MFI Factsheet is our strongest asset when it comes to evaluating our institution's performance.”

The Microfact toolkit, including Microvision, will be presented to attendees at the next SAM, which will take place in Ouagadougou from October 21-25, 2019.

microfact

“MFI Factsheet is our strongest asset when it comes to evaluating our institution's performance.”

- *Dramane Eric Conombo*
Director, Caisse Populaire Cissin

ADA, an NGO based in Luxembourg, co-organizes SAM every two years with the support of Luxembourg's Ministry for Development Cooperation and Humanitarian Affairs. The SAM steering committee members are: ADA, Luxembourg's Ministry of Foreign and European Affairs, the Microfinance African Institutions Network, the African Rural and Agricultural Credit Association, and the Fédération des Association Professionnelle des Systèmes Financiers Décentralisés de l'Union Economique et Monétaire Ouest Africaine. We invite you to learn more about SAM at <http://www.sam.africa>.



EAR TO THE GROUND

Catalyzing Financial Inclusion, One Handshake at a Time

I am reporting again from Mexico, where it is hard to be a digital financial inclusion skeptic these days. The sector here is poised for disruption, bolstered by two main drivers. The first is a new government that is pushing for greater digital financial inclusion to tackle both poverty and corruption. The second is the momentum of fintech startups that have benefitted from money and other supports from various incubators. Through our own startup, MeXCo Soluciones we are excited to begin leveraging both of these drivers in the coming weeks.

On May 27, MeXCo and our partner organization ID Mission arrived at the government-sponsored tech fair for small businesses in the municipality of Gustavo Madera in northern Mexico City. This three-day event connects fintech and other new technology providers to low- and middle-income business owners through a traditional engagement platform: face-to-face. MeXCo's wonderful *nahuis* (trusted digital financial service salesladies or "aunts") are a big part of our strategy. At the tech fair, these "female foot soldiers" chat up members of the community and promote SuperRED, a comprehensive point-of-sale and correspondent network developed by ID Mission in collaboration with Banco Santander. These MeXCo ladies, wearing red bucket hats at the SuperRED table, explain how the network gives small businesses the tools to compete with large convenience store chains.

Among all the fintechs that are so hungry to disrupt the market, we also found another cool partner! Next month, MeXCo will pilot a partnership with MOSABI, which has developed engaging video content for informal businesses. The videos address business management, sales and the use of financial services. Viewers go through bite-sized video

modules and answer questions after each one, unlocking additional levels. One episode that I found especially interesting was related to power dynamics in the community, where young entrepreneurs are sometimes subjected to mockery and scorn by their elder counterparts. This is not a localized problem: a few years ago in Nicaragua, a group of young entrepreneurs told me how they were intimidated by older vendors in the market who made them feel small and pushed them around. The MOSABI story shows younger viewers that they can use what they learn on the platform to reject naysayers with confidence.

As I got started with the videos, I found myself "binge-watching" modules straight through, partly to see if the endearing characters Noemi and Felipe end up together! Along the way, I was "forced" to reflect on the value of loans and other services. Viewers who respond well to the questions between each video are offered a loan from a MOSABI partner, based on an alternative credit score derived from those responses.

MOSABI's team, which found us through this very column (thanks *MicroCapital Monitor!*), is keen to test how MeXCo's face-to-face digital on-boarding might drive uptake and usage of its product. From our perspective, MOSABI's boast that 69 percent of its users report an increase in earnings or savings intrigued us with its significant potential to help promote digital financial inclusion through our female foot soldier model.

About the Author: Ms Barbara Magnoni is President of EA Consultants, a development-consulting firm based in New York. She has 25 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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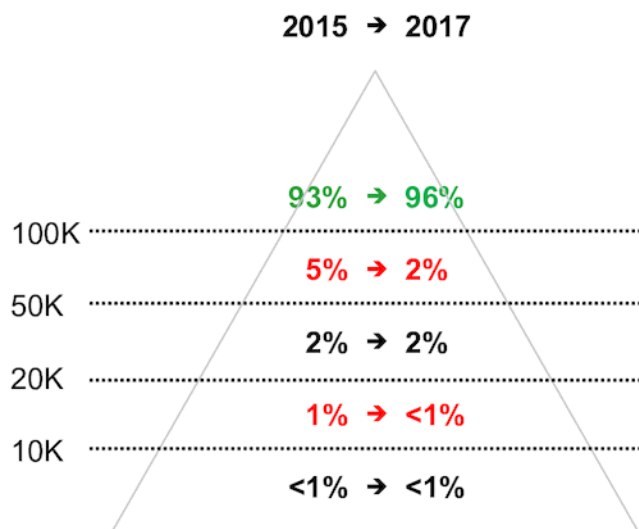


80 MICROFINANCE INSTITUTIONS (MFIs) REPORTING*

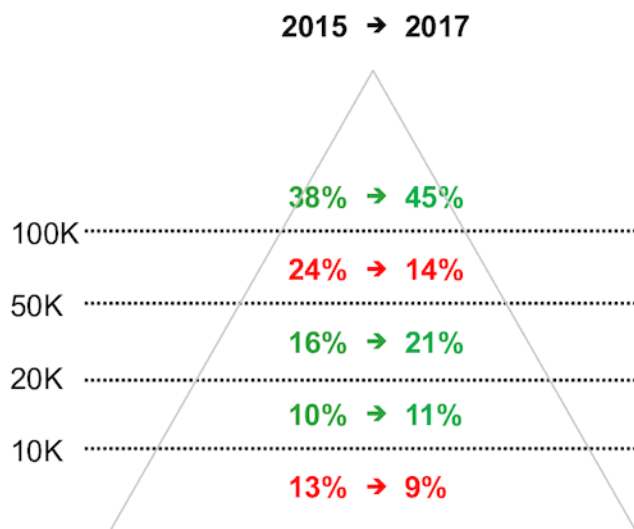
TOP MFIs BY GROWTH IN GROSS LOAN PORTFOLIO: CHANGE IN USD

MFI NAME	AVERAGE ANNUAL USD INCREASE	AVERAGE ANNUAL % INCREASE	2015	2017
Bandhan	1.10 billion	39	2.35 billion	4.56 billion
Bharat Financial (formerly SKS)	357 million	27	1.16 billion	1.88 billion
SKDRDP	270 million	31	755 million	1.29 billion
Muthoot Microfin	175 million	113	99 million	448 million
Ujjivan	169 million	19	822 million	1.16 billion
Satin	143 million	26	494 million	781 million
Utkarsh	128 million	48	216 million	473 million
Arohan	114 million	81	101 million	329 million
Spandana	91 million	26	305 million	486 million
Asirvad	81 million	44	151 million	313 million

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



MARKET SHARE BY MFI SIZE (NUMBER OF ACTIVE BORROWERS)



*Includes only MFIs that reported data for both 2015 and 2017 to the Microfinance Information Exchange (MIX) Market

Source: MIX, May 2019



Leveraging on Alternative Delivery Channels (ADC) is key to achieving cost-effectiveness and greater outreach.

Fern's ADC integration capabilities enable inclusive financial institutions to connect to established mobile money services, ATM networks and mobile devices to increase outreach and improve efficiency.

TOTAL BANKING SOLUTIONS
 Microfinance | Credit Unions | Enterprise Investment & Development | SME Loans | Development Banks | CDFIs / CFDCs | Housing Finance | Loans | Deposits | MIS | CRM | Risk Management | Business Intelligence | SEPA Compliant | Online Payments | Web Processing | Touch Screen Technology | Mobile | Tablets | Online Dashboards |



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- Climate & Renewable Energy Finance
- Climate Adaptation Finance
- Digital Finance
- Agricultural Finance
- Sustainable Finance
- Masterclass on Blockchain in Business Strategy





UPCOMING EVENTS

6th European Research Conference on Microfinance

June 3 - June 5, 2019; Paris, France

The papers to be presented at this event are grouped into categories such as Public and Social Policies; Local and Rural Development; Digital Finance; and Microfinance in Developed Countries, from the Cooperative Movement to Microcredit. The fee to attend is EUR 150. For more information, you may email [ercm2019\[at\]sciencesconf.org](mailto:ercm2019[at]sciencesconf.org), visit <https://ercm2019.sciencesconf.org/> or call +33 01 44 05 44 05.

FinteQC: 2nd Annual Conference on Fintech and Banking Transformation

June 5 - June 6, 2019; Levis, Quebec, Canada

This conference, held in a mix of French and English, includes topics on artificial intelligence, customer on-boarding, blockchain, cybersecurity and social considerations. The attendance fee is CAD 290, with a rate of CAD 150 offered to students and representatives of small companies. More details are available via <https://finteqc.uqar.ca/>, +1 418 723 3368 or [finteqc\[at\]uqar.ca](mailto:finteqc[at]uqar.ca).

16th EMN Annual Conference

June 6, 2019; Vienna, Austria

The 16th European Microfinance Network Annual Conference will focus on topics such as affordable financial technology, artificial intelligence, social entrepreneurship, crowdfunding and sustainability. The fee to attend is EUR 540. For more details, you may visit <https://emnconference2019.com/>, email [emn2019\[at\]aimgroup.eu](mailto:emn2019[at]aimgroup.eu) or call +43 1 402 77 550.

16th Consultative Forum on Climate and Disaster Risk

June 12 - June 13, 2019; Johannesburg, South Africa

This event will explore the role that the insurance sector can play in addressing the risk management needs of poor and other vulnerable people who are most affected by climate risk and natural disasters. This includes how stakeholders can collaborate and innovate to help reduce the “protection gap” and otherwise improve individuals’ resilience. The forum will take place after the 46th Conference and Annual General Assembly of the African Insurance Organisation, which runs from June 9 to June 12. There is no fee to attend, and more information is available via <https://microinsurancenetw.org/civircm/event/info?id=224> or +352 26 29 78.

NpM Seminar on Geodata for Inclusive Finance

June 24, 2019; Nairobi, Kenya

This seminar will focus on “the use of geospatial data for smallholder finance and the topic of data privacy.” The agenda includes presentations from the winners of the NpM (formerly known as the Netherlands Platform for Microfinance) Innovator’s Challenge. Representatives from Argi-wallet, Apollo Agriculture and VanderSat will discuss their firms’ usage of geodata to support financial services for Kenyan farmers. There is no fee to attend. To register or for more information, you may contact Mrinal Verma via +31 (0)30 234 8201 or [mrinal.verma\[at\]inclusivefinanceplatform.nl](mailto:mrinal.verma[at]inclusivefinanceplatform.nl). The event web address is <http://www.inclusivefinanceplatform.nl/events/npm-seminar-on-geodata-for-inclusive-finance-and-food/>.

Africa Insurance and Reinsurance Conference

June 25 - June 26, 2019; Nairobi, Kenya

This ninth iteration of this conference focuses on investment, technology and regulation, including distribution, talent management, access to capital markets, climate change, agricultural insurance, Islamic insurance and “including the excluded.” The fee to attend is USD 1,000. For more information, you may email [info\[at\]aidembs.com](mailto:info[at]aidembs.com), call +254 (0)700 248840 or visit http://aidembs.com/insurance_conference/.

Inclusive Digital Future: A Summit on Responsible Finance in Action

June 25 - June 27, 2019; Nairobi, Kenya

This summit will focus on topics related to the question: “How do we promote inclusion and trust in digital financial services while fostering innovation and growth?” Sessions will include a Data Security Workshop, Digital Finance in Action lecture, Responsible Digital Transformation case study and a presentation on Models for Responsible Digital Transformation. The summit also includes a site visit to a Kenyan microfinance institution that is undergoing “digital transformation.” Registration is officially closed, but you may visit <https://sptf.info/annual-meetings/2019-summit-inclusive-digital-future>, email [info\[at\]sptf.info](mailto:info[at]sptf.info) or call +1 202 744 1777 for more details.

MORE DETAILS COMING SOON ON:

Digital PayExpo Conference

July 9 - July 11, 2019; Lagos, Nigeria

Business Fights Poverty

July 11, 2019; Oxford, UK

Global Sustainable Finance Conference

July 11 - July 12, 2019; Karlsruhe, Germany

Asia-Pacific Housing Forum

July 18 - July 19, 2019; Delhi, India

2nd Annual Africa Agri-Finance Forum

September 17 - September 18, 2019; Nairobi, Kenya

13th Annual Global Youth Economic Opportunities Summit

October 1 - October 4, 2019; Silver Spring, Maryland, USA

Global Money Transfer Summit

October 2 - October 3, 2019; London, UK

9th Annual Central Asian and Caucasus Microfinance Forum

October 3 - October 4, 2019; Tbilisi, Georgia

Global SME Finance Forum

October 7 - October 9, 2019; Amsterdam, the Netherlands

Opportunity Collaboration

October 13 - October 18, 2019; Cancún, Mexico

Cracking the Nut

October 14 - October 15, 2019; Dakar, Senegal

SEEP Annual Conference

October 21 - October 23, 2019; Washington, DC, USA

SAM (Semaine Africaine de la Microfinance)

October 21 - October 25, 2019; Ouagadougou, Burkina Faso

SOCAP19

October 22 - October 25, 2019; San Francisco, California, USA

Social Enterprise World Forum

October 23 - October 25, 2019; Addis Ababa, Ethiopia

European Microfinance Week

November 20 - November 22, 2019; Luxembourg 🇱🇺



Various 2018

USD 60 M
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Debt Capital Raise

East Africa 2018

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Sole Advisor and Arranger

Debt Capital Raise

Botswana 2018

Sole Advisor

Capital Management Plan

South Africa 2018

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PAPER WRAP-UPS

Fintechs and Financial Inclusion: Looking Past the Hype and Exploring Their Potential

By Gayatri Murthy, Maria Fernandez-Vidal, Xavier Faz and Ruben Barreto; published by CGAP (Consultative Group to Assist the Poor); May 2019; 48 pages; available at https://www.cgap.org/sites/default/files/publications/2019_05_Focus_Note_Fintech_and_Financial_Inclusion_1_0.pdf

Amid the rapid growth of financial technology (fintech) companies, particularly in emerging markets, the authors of this paper observe an “excitement that fintechs have generated in the global development community.” The authors suggest a need for better understanding of how fintech innovations can solve “pain points” in achieving financial inclusion.

Through a two-year study of 18 pilot projects supported by CGAP, the authors found the following types of innovation to offer the most potential:

- 1) Communication tools such as SMS (short message service, also known as text messaging) that allow for interactive customer engagement with less effort and cost;
- 2) Smartphone-based payment applications with low data and storage requirements, resulting in reduced account dormancy;
- 3) “Connections-based finance,” which leverages digital records of customers’ social connections to build credit profiles;
- 4) “Location-based finance,” which uses satellite data to predict what products customers are more likely to want, such as crop insurance for people in rural areas; and
- 5) Business models that reduce lending risk, such as by disbursing loan proceeds directly to a retailer for a customer’s one-time purchase rather than disbursing funds to the customer.

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Global Outreach & Financial Performance Benchmark Report – 2017-2018

By Mohita Khamar and the Microfinance Information Exchange (MIX) operations team, published by MIX, May 2019, 42 pages, available at <https://www.themix.org/mixmarket/publications/global-outreach-and-financial-performance-benchmark-report-2017-2018>

This report presents outreach and financial performance data provided to MIX by 762 financial service providers (FSPs) worldwide for FY2017. Year-on-year analysis shows an increase in gross loan portfolio to USD 112 billion from USD 96.6 billion in FY2016 and an increase in active borrowers to 120 million from 115 million in FY2016.

These increases occurred despite a decline in the number of FSP offices to 51,000 from 55,000 in FY2016. The authors attribute this to FSPs “adopt[ing] new methods for product and service delivery” such as the use of “agents, ATMs [automated teller machines] and merchant points-of-sale.”

Though observing an overall positive growth trend, the authors identify regional variations such as: (1) “the impact of inflation rates in Nigeria and the interest rate cap and election cycle in Kenya [driving] a decline in the value of the gross loan portfolio for the Africa region;” and (2) “the Eastern European and Central Asia region [grappling] with the lingering effects of the economic crisis in 2015... [contributing] to slowed growth...”

Small Businesses and Digital Financial Services: Predictive Modelling and Segmentation for Market Sizing and Product Design

By Sinja Buri, Morne van der Westhuizen and Soren Heimann; published by the International Finance Corporation (IFC) and the Mastercard Foundation; April 2019; 27 pages; available at https://www.ifc.org/wps/wcm/connect/industry_ext_content/ifc_external_corporate_site/financial+institutions/resources/small+businesses+and+digital+financial+services+predictive+modelling+and+segmentation+for+market+sizing+and+product+design

The authors argue that individuals and micro-, small and medium-sized enterprises (MSMEs) tend to use the same digital financial services (DFS) for personal and business needs, due to a lack of availability of business-specific DFS. By analyzing DFS transaction data, a distinction may be made between usage by individuals and MSMEs. By combining this analysis with data from MSME surveys, the authors conclude that “MSMEs with an individual mobile money subscription can be identified based on their mobile money transaction behavior...[and] further sub-segmented into meaningful MSME tiers.” This is based on transaction size, number of transactions, transaction types and account balances. Furthermore, “profiles and patterns emerge that help to sub-segment MSMEs based on their usage of mobile money, business characteristics and financial needs.”

Business Planning with MICROFIN

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June 24-28	Standard Web Course
July 8-12	Lagos
July 29 - August 2	East Africa (location TBA)
September 9-13	London

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