

MICROCAPITAL BRIEFS | TOP STORIES

Dual Return Vision Fund Lends to Humo of Tajikistan

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


AFI Loans \$16m to Kinara of India, BRAC Tanzania, FINCA Kyrgyzstan for MSMEs

Agents for Impact (AFI), a Germany-based impact investing company, recently informed MicroCapital that it has issued the following loans: the euro-equivalent of USD 9.2 million to India's Kinara Capital, USD 5 million to BRAC Tanzania Finance and USD 1.5 million to FINCA Bank Kyrgyzstan. Kinara issues collateral-free loans to micro-, small and medium-sized enterprises. The loans, which range in size from the local-currency equivalent of USD 1,300 to USD 40,000, are intended for purposes such as working capital and asset purchases. Although Kinara promises "digital first" loans with decisions within 24 hours, it also provides services at the customer location and via 110 branches. The company reports after-tax profit of USD 1 million on one-year income of USD 31.5 million and total assets of USD 151 million. BRAC Tanzania provides small and medium-sized loans to 195,000 women - about half of whom live in rural areas - via 151 branches. The institution also offers services relating to education, empowerment and solar energy. BRAC Tanzania is controlled by the Dutch NGO Stichting BRAC International. BRAC International provides microfinance, education, agricultural, health, "ultra-poor graduation" and other programming in nine African and Asian countries. The name "BRAC" derives from that of Bangladeshi NGO Building Resources Across Communities. FINCA Kyrgyzstan, a subsidiary of US-based FINCA Impact Finance, was founded in 1995 and serves 147,000 clients with a loan portfolio of USD 116 million. October 7 and October 31. 2021

ReshaMandi of India Raises \$30m for App Serving Silk Value Chain

ReshaMandi, a business-to-business app serving 35,000 farms, manufacturers and retailers in the silk industry, recently raised USD 30 million in debt and equity. Creation Investments, a US-based alternative investment manager, led the funding round, joined by multiple India-based firms. The first-time equity investors in the firm include 9Unicorns and Venture Catalysts, while Omnivore increased its commitment to ReshaMandi. The debt investors include Alteria Capital, Innoven Capital, Northern Arc and Stride Ventures. The sizes of each investment and the amount of shares taken by the equity investors remain confidential. Tyler Day, a Partner at Creation Investments, stated, "With India producing 30 percent of the world's silk and still needing more to meet demand, companies like ReshaMandi can make the whole silk supply chain run more efficiently...from farmers and weavers to clothing manufacturers and buyers." ReshaMandi was founded in 2020 in the city of Bangalore. In March 2021, the firm was valued at USD 5.2 million when it raised USD 1.74 million during its seed funding round. October 19. 2021

CERISE, SPTF Invite MFIs to Join Client Protection Pathway

Two NGOs, Comité d'Echange, de Réflexion et sur les Systèmes d'Épargne-Crédit of France and the US-based Social Performance Task Force, recently announced the Client Protection Pathway, a free service through which financial service providers (FSPs) may access support and receive recognition for improving the ways they serve clients. The first step in the pathway is to agree that "Our organization has reviewed the Client Protection Standards, and we commit to using them to improve our practices over time." The second step is for the FSP to assess its operations and make incremental improvements, supported by the Pathway's documentation, webinars and referrals to consultants. The third step is to share the organization's successes via <https://sptf.info/client-protection/fsps-committed-to-client-protection>. This website also includes a link to the list of participating FSPs, which number 27 as of October 2021. October 4. 2021 

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WE WISH YOU HEALTH!

We recognize the significant health and business impacts that COVID-19 is having on communities around the world. Thank you for your efforts to minimize the risks that we all are facing. While each of us at MicroCapital is lucky enough to be able to work from home, we understand that not all of our colleagues are able to do so. We wish you and your loved ones good health and resilience during this time.

MICROCAPITAL BRIEFS

EU Donates \$9m for TA to Rural-focused Huruma Fund

The Huruma Fund, which holds commitments equivalent to USD 139 million to invest in rural financial services providers (FSPs) in low- and middle-income countries, recently accepted a donation of USD 8.9 million from the EU for technical assistance (TA) to support FSPs and their clients over 10 years. Gawa Capital and Compañía Española de Financiación del Desarrollo (COFIDES), both of Spain, are arranging the TA fund, which is to support activities such as developing products for farmers, back-office technology for FSPs, training FSP staff in credit and farm management, supporting value chains, and promoting access to savings and insurance. November 1, 2021

Deetken Buys 40% of Adobe Capital to Boost LatAm Impact

Canada's Deetken Impact recently acquired a 40-percent stake in Mexico's Adobe Capital. The two impact fund managers have a total of 24 staff in six countries, overseeing investments in 45 companies in 14 countries in the Americas. Adobe specializes in mezzanine financing, and both firms seek to make progress toward the UN Sustainable Development Goals. The two firms plus Deetken Impact's other joint venture partner, Deetken Impact Sustainable Energy, manage investments valued at a total of USD 150 million. October 31, 2021

Funding Platform CredAvenue of India Raises \$90m in Equity

CredAvenue of India recently raised USD 90 million in Series A funding to support its facilitation of lending in India. The lead funder was Sequoia Capital India, with participation from CRED of India, Lightspeed India Partners III, US-based Lightstone Global Fund and TVS Shriram Growth Fund III of India. The equity raise values CredAvenue at USD 410 million, with India-based Vivriti Capital Private Limited retaining 58.5 percent of the firm's shares. Vivriti, in turn, is controlled by US-based alternative investment manager Creation Investments. CredAvenue reports facilitating 12,000 daily transactions for 500 lenders and 1,000 institutional borrowers. Since its inception in 2017, it has brokered debt flows totaling USD 7.3 billion. October 30, 2021

"Super App" to Unite Financial, Delivery, Health Tools in Indonesia

Logiq, a US-based technology services provider, recently unveiled plans to launch an as-yet unnamed "super app" in Indonesia to unify several planned new functions along with its existing payment service PayLogiq and food delivery service GoLogiq. Among the future services is a micro-lending platform, for which Logiq recently received approval from the Indonesian government. Each loan, which may be for personal or business purposes, may range up to 20 percent of the borrower's annual salary. Other planned elements of the super app are virtual mental health appointments; access to insurance; payments for driver license tests; and CreateApp, a platform that helps small and medium-sized enterprises create apps. Logiq is a publicly traded company that reports total assets of USD 39 million. October 26, 2021

Khan Bank of Mongolia Borrows for MSME, Green Efforts

Khan Bank of Mongolia recently agreed to borrow a package of USD 120 million arranged by Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden (FMO), a Dutch public-private partnership. FMO is funding half of the loan directly, with participation from Atlantic Forfaitierungs, a Swiss member of Germany's Oetker Group; the multilateral International Investment Bank; and development finance institutions of the French and German governments. An unspecified portion of the loan package is to fund Khan Bank's micro-, small and medium-sized enterprise lending and efforts to reduce carbon emissions. Established in 1991, Khan Bank provides microfinance and traditional banking services to 2.5 million clients via online channels and 547 branches. The bank is privately owned by Sawada Holdings of Japan and Tavan Bogt Trade of Mongolia. Khan reports the equivalent of USD 4.3 billion in total assets, USD 2.7 billion in savings held and USD 1.87 billion in customer loans. October 20, 2021

Microinvest of Moldova, FINCA Armenia Borrowing \$14m from AFI

Germany-based impact investing company Agents for Impact (AFI) recently informed MicroCapital that it is issuing the following loans: the equivalent of USD 12 million in two tranches to Microinvest of Moldova and USD 2.5 million to FINCA Armenia, a unit of US-based FINCA Impact Finance. AFI has disbursed the entire loan to FINCA Armenia and 30 percent of the loan to Microinvest, with the remainder to be released in December 2021. Microinvest offers collateral-based and collateral-free loans ranging in size from USD 120 to USD 240,000 for business, agriculture, housing, vehicles and consumption. The lender has a portfolio of USD 114 million outstanding to 35,000 clients, of whom two thirds live in rural areas and half are women. FINCA Armenia has a loan portfolio of USD 43 million - delivered to 33,000 people digitally and in-person - for small business, agriculture and solar equipment. FINCA Impact Finance is for-profit entity partially held by the US-based NGO FINCA International, which was launched in 1984 as the Foundation for International Community Assistance. FINCA Impact Finance comprises 20 institutions serving 2.6 million people. October 18, 2021

Produbanco of Ecuador to Borrow \$150m, Part for Women's Firms

Banco de la Producción (Produbanco) of Ecuador recently agreed to borrow USD 150 million from the government-backed US International Development Finance Corporation (DFC). One half of the total is for on-lending to small and medium-sized enterprises (SMEs) to support them in adjusting to the COVID-19 pandemic. USD 45 million is aligned with the 2X Women's Initiative, which supports "projects that are owned by women, led by women, or provide product or service that empowers women." The remaining USD 30 million is for Produbanco's Green Lines Program, which lends to companies with carbon-neutral and energy-efficient certifications. Produbanco was founded in 1978, and it was acquired in 2014 by the Promerica Financial Corporation (Grupo Promerica), a Panama-based holding company that operates banks in nine countries in Latin America and the Caribbean. Produbanco offers savings, loans and investment accounts through 115 branches and 12,000 agents. It reports total assets of USD 5.5 billion, deposits of USD 4.5 billion, a loan portfolio of USD 3.4 billion and one-year return on assets of 0.5 percent. October 13, 2021

Financiera Desyfin of Costa Rica Borrowing \$22m from FMO

Financiera Desyfin, a non-banking financial institution that provides loans, asset leases and factoring services in Costa Rica, recently agreed to borrow USD 22.5 million from Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden, a Dutch public-private partnership also known as FMO. A portion of the funds is for "green" projects, such as increasing "energy efficiency, recycling and clean transportation activities." Desyfin serves 3,000 individuals as well as small and medium-sized enterprises via six branches. The organization reports total assets equivalent to USD 319 million. September 28, 2021

MicroCapital Monitor - © 2021 MicroCapital - ISSN 1935-505X

The MicroCapital Monitor is published monthly by MicroCapital

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Special thanks to Alíz Crowley, Karen Doyle and Sidonia Summers

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Please refer to [MicroCapital.org](https://microcapital.org) for the sources of the information appearing in this publication. Among these, we recognize CGAP's FinDev Gateway for its outstanding work disseminating information on financial inclusion. Thank you!

Kestra, TriLinc to Expand Retail Access to Impact Investments

Two US-based firms, Kestra Financial and TriLinc Global, recently agreed to collaborate to give Kestra's 1,800 registered representatives access to TriLinc's impact funds, which target low- and middle-income countries and have a total volume of USD 1.2 billion. The intent of the new agreement is to give retail investors - via Kestra's representatives - "access to alternative investment opportunities seeking low market correlation, competitive returns and stable income." TriLinc's impact metrics address issues such as resource conservation, waste reduction, and employee benefits, including compensation levels and family leave. Established in 1997, Kestra reports 2020 revenue of USD 608 million on USD 41 billion in assets under management. TriLinc has term loans and trade finance valued at USD 544 million deployed in sub-Saharan Africa, USD 415 million in Latin America, USD 220 million in Southeast Asia and USD 59 million in Europe. October 12, 2021

SuperZop of India Borrows \$4m from Incofin for Agri-commerce

Incofin Investment Management, a Belgium-based investor in financial inclusion and agriculture in developing countries, recently agreed to lend USD 4 million from its India Progress Fund to SuperZop, whose app helps "small retailers and restaurants buy staples directly from farmers and food processors." Among the app's functions is to use artificial intelligence to analyze the quality of grains offered for sale on the platform. SuperZop co-founder Darshan Krishnamurthy said the firm plans to use the new funding to "build on [its] data science and enhance systems for greater scale." SuperZop works with 20,000 retailers in 13 states in India. The purpose of the India Progress Fund, which has commitments of USD 60 million, is to invest private equity and debt in "companies with high social performance management practices" that are active in "financial inclusion for rural entrepreneurs in India." October 11, 2021

Dual Return Vision Fund Lends to Humo of Tajikistan

C-Quadrat Impact Asset Management (IAM), a member of the Austria-based C-Quadrat Investment Group, recently announced it has disbursed a subordinated loan through its Dual Return Vision Microfinance fund to Micro Deposit Organization Humo of Tajikistan. The loan amount remains undisclosed. Humo provides micro-loans, deposits, money transfers and advisory services to individuals and small businesses. Its consumer, livestock and planting loans range in size from the equivalent of USD 70 to USD 7,000. The microbank serves 73,000 clients, of whom 75 percent live in rural areas, with a loan portfolio of USD 55 million and by holding deposits of USD 15 million. The Dual Return sub-funds are Vision Microfinance, whose USD and EUR share classes generated one-month returns of 0.14 percent to 0.23 percent, respectively, during August 2021, and Vision Microfinance Local Currency, whose USD and EUR share classes generated returns of 0.85 percent to 0.97 percent during the same period. October 8, 2021

Eskala Placing Microequity in Central American Cooperatives

Eskala, a for-profit entity recently launched by Golden Brigades, which is registered as a charity in five countries, focuses on using microequity to support *cajas rurales* - rural banking cooperatives. Eskala has invested in 100 coops in Honduras, Nicaragua and Panama, and the firm plans to expand to Ghana. The equity investments range from about USD 500 in Panama to USD 4,000 in Honduras. In addition to microequity, Eskala provides coops with technical assistance and loans. These investees subsequently have on-lent a total of USD 800,000 to their members. Eskala reports having raised USD 1.3 million in equity. Golden Brigades promotes access to health systems, economic development, and clean water and sanitation in the above countries as well as Greece. During 2020, the group spent USD 7.9 million. September 27, 2021



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NEWS FROM AFRICA

AVPA, Investorflow.org Partner to Boost Impact Funding in Africa

African Venture Philanthropy Alliance (AVPA), a Kenya-based “Pan-African network for social investors,” and Investorflow.org, a US-based platform that helps impact investors find co-investors, recently announced a partnership. AVPA CEO Dr Frank Aswani stated that the tie-up “will allow AVPA to add another 500-plus investors onto the AVPA Deal Share Platform and... enable greater co-investment and flow of financial, human and intellectual capital into African social investments,” particularly from North America. Founded in 2018, AVPA is headquartered in the city of Nairobi and also has offices in Nigeria and South Africa. AVPA is associated with the Asian Venture Philanthropy Network; the European Venture Philanthropy Association; and Latimpacto, which is active in Latin America. Established in 2017, Investorflow.org is a program of the US-based NGO Realize Impact. October 28, 2021

Yehu of Kenya, ASA Rwanda Borrow \$1.5m from GCA Foundation

The Grameen Credit Agricole (GCA) Foundation, whose head office is in Luxembourg, has announced the disbursement of the following local-currency loans: the approximate equivalent of USD 888,000 to Kenya's Yehu and an amount approximately equivalent to USD 580,000 for ASA Microfinance Rwanda. Founded in 2016, ASA Rwanda has a loan portfolio of USD 2.8 million in group and individual microloans outstanding to 18,000 female entrepreneurs, about half of whom live in rural areas. The lender's parent company is ASA International, which serves 2.5 million clients in 13 countries in Africa and Asia. Yehu is a microfinance institution that was founded in 1998 as a savings program of the US-based NGO Choice Humanitarian. Yehu now offers loans for agriculture, education, working capital and asset purchases as well as insurance, training and mobile banking. The institution serves 28,000 people, mainly in rural areas, with a portfolio of USD 7.9 million. October 25, 2021

Oikocredit Lends \$9m to Sidian Bank for SMEs in Kenya

Oikocredit, a cooperative investor based in the Netherlands, recently lent the local-currency equivalent of USD 8.9 million to Kenya's Sidian Bank for on-lending to small and medium-sized enterprises (SMEs). Sidian is a commercial institution with 42 branches offering corporate services, SME loans, microloans and personal loans as well as savings and insurance. For the 12 months ending March 2021, the bank reported after-tax income of USD 322,000 on total assets of USD 298 million. Sidian, formerly known as K-Rep Bank, evolved from an NGO that was launched as K-Rep in 1984 to promote micro- and small enterprise. Oikocredit Investment Manager Caroline Mulwa said Sidian “has demonstrated the ability to package trade solutions to the emerging SME clientele... and thus contribute to the creation of sustainable jobs, which is in line with the mission of Oikocredit to create a lasting social impact on the low-income sections of society. During the investment period, Oikocredit will work with the bank to mainstream social impact and its measurement into its lending activities.” October 10, 2021

African Guarantee Fund, Oikocredit Boosting Tie-up by \$25m

Oikocredit, a Netherlands-based cooperative investor, recently signed an agreement valued at USD 25 million with the African Guarantee Fund for Small and Medium-sized Enterprises (AGF). The deal increases the parties' 10-year loan guarantee volume to USD 43 million, allowing Oikocredit to boost its lending to African businesses in a range of categories, including microfinance institutions, small and medium-sized enterprises (SMEs), and firms led by women. Among the sectors Oikocredit will continue to support are agriculture and renewable energy. In addition to the guarantee, AGF will grant approximately USD 400,000 to the Stichting Oikocredit International Support Foundation to train staff, deploy risk assessment tools, perform market studies and support product development. The purpose of the foundation is to fund both “Oikocredit in the various activities it deploys in low-income countries and also assist Oikocredit partners in those countries.” AGF CEO Jules Ngankam noted, “With the current guarantee enhancement, Oikocredit can now further extend its intervention towards facilitating financing of women-led and women-owned businesses... through the AFAWA [Affirmative Finance Action for Women in Africa] Guarantee for Growth program, which is implemented by AGF.” AGF, a non-bank financial institution, was founded in 2012 by the African Development Bank and the development finance institutions of eight European countries. As of year-end 2019, AGF has outstanding guarantees totaling USD 682 million. October 14, 2021

Grameen Credit Agricole Foundation Lends \$3.7m in Togo, Zambia

Two microfinance institutions (MFIs), Togo-based Assilassimé Solidarite and Agora Microfinance Zambia (AMZ), have agreed to borrow the local-currency equivalents of USD 2.5 million and USD 1.2 million, respectively, from the Grameen Credit Agricole Foundation, whose head office is in Luxembourg. Assilassimé is a nonprofit that offers savings, loans and training services to 17,500 women and 1,700 men “experiencing exclusion or extreme poverty.” The MFI reports a loan book of USD 3.4 million and client savings of USD 2 million. Entrepreneurs du Monde, the parent organization of Assilassimé, is a French NGO active in microenterprise, energy and agriculture in 11 low- and moderate-income countries. AMZ is an MFI in Zambia that “aims to serve customers who have previously been excluded from the formal financial market, mainly because of their poverty or their place of residence.” It offers loans, insurance and mobile money services. AMZ has approximately 80,000 borrowers - mostly women - of whom 92 percent live in rural areas. The MFI reports total assets of USD 7 million, an active loan portfolio of USD 5.5 million, and one-year return on equity of 12 percent. Agora Microfinance, the parent company of AMZ, also owns Agora Microfinance India Limited and recently sold its stake in AMK Microfinance Institution, a Cambodian entity formerly known as Angkor Mikroheranhvatho Kampuchea. Agora Microfinance is managed from offices in Mauritius, the Netherlands and the UK. As of year-end 2020, Agora Microfinance reported total assets of USD 43 million. October 6, 2021

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SPECIAL FEATURE

*This feature is part of a sponsored series on **European Microfinance Week 2021**, which will be held online from November 17 to November 19. MicroCapital has been engaged to promote and report on the conference each year since 2012.*

Christoph Pausch on an Expanded European Microfinance Week

MicroCapital: European Microfinance Week (EMW) 2021 - like in 2020 - will be virtual. How is it possible to make an online conference a success?

Christoph Pausch: Like last year's successful first virtual conference and in the years before it, EMW2021 remains primarily a member-led event, and the programme is developed based on what members propose and consider important. This is as true as ever. There are things we learned from last year's event, and there will be some changes based on what we observed - and based on feedback from attendees, of course. But fundamentally the idea remains the same: a programme covering a wide range of topic streams and presented via a whole array of different session models, chosen depending on the subject matter, the audience and the objectives of the session. That means plenaries, traditional panels, workshops, topic lounges, publication launches and action group meetings - among others. As much as possible, we help our members put together sessions that are current, relevant, important and interactive. Beyond this, there are other improvements in the online conference platform which will make networking more accessible and meaningful: attendees will be able to join different groups of attendees based on their role or region or subject focus - or set up one-on-one meetings as well. So, we will replicate that richness of the in-person conference as much as we can.

MC: What choices of sessions can attendees expect?

CP: The conference will have four plenaries this year, focusing on: climate change post-COP26 and its implications for the financial inclusion sector; three approaches to facilitating access to inclusive health care (the topic of the European Microfinance Award 2021), including the launch of the e-MFP Award publication; the impact of the pandemic and the response of investors; and a closing plenary that is both retrospective on the past 18 months and looks to the changes that will endure.

Alongside these plenaries are almost 50 other sessions covering diverse themes such as smallholder finance; climate and green finance; social performance, with a strong focus on outcomes and impact management; digital financial inclusion; COVID-19 and financial inclusion; health care; and women's financial inclusion. Other topics covering the most relevant issues of the sector include remittances, WASH, child labour, capacity building and youth - among others. As always, we have lined up top experts - practitioners, academics, investors, TA providers and others - to lead these sessions and extensive Q&A and audience engagement activities as well. Finally, e-MFP's incredibly active Action Groups all will be hosting sessions during EMW2021.

MC: The European Microfinance Award ceremony was virtual last year; will that stay the same?

On Thursday, November 18th, there is - as every year - the European Microfinance Award ceremony. This year it will use a hybrid model, with an in-person ceremony at the European Investment Bank live-streamed to an international audience, plus live feeds from the three Award finalists - CRECER IFD from Bolivia, Dreamlopmments Ltd from Thailand and Fonzoque from Haiti - as well as short films on their health care initiatives. And, of course, the ceremony will include the announcement of the winner of the EUR 100,000 prize.

“...for the first time, on November 15th and 16th, EMW will include two Training Days, with paid online trainings hosted by several e-MFP members on a range of topics: digital transformation, new business models for the post-COVID world, building customer-centric institutions, social impact management, risk management and organisational resilience - among others.”

-Christoph Pausch, e-MFP

MC: And there is a major new addition to the programme this year, correct?

CP: Yes, for the first time, on November 15th and 16th, EMW2021 will include two Training Days, with fee-based online trainings hosted by several e-MFP members on a range of topics: digital transformation, new business models for the post-COVID world, building customer-centric institutions, social impact management, risk management and organisational resilience - among others. The trainings are open to anyone who wishes to register, but the initiative is intended as a benefit particularly for the hosts' fellow e-MFP members, so they'll receive a discount - as will attendees from low-income countries. e-MFP is inviting, registering and co-ordinating the participants, but the trainings themselves are all conducted by the subject-matter experts. This first Training Days event is a sort of pilot initiative; if the demand is high, we plan to develop events like this even outside of the annual conference.

Christoph Pausch serves as the Executive Secretary of e-MFP. 🇪🇺

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EAR TO THE GROUND

When Women Leave: Rethinking Our Staff Policies

Last week, Andares, a network of over 380 women working in the financial inclusion space in Latin America, co-hosted a webinar with CGAP's FinEquity about a topic that has been of great concern to me. Before I get into the topic, I want to point out a connection I have observed over the years: If you become an expert on designing financial services for women, you become an expert on designing them for everyone. In saying this, I borrow from the concept of "designing for extremes," whereby designing for the most difficult segments of a population helps those segments as well as your average clients. Designing financial services for extremes means you make the services more accessible, easier to understand, easier to pay for and overall much more user-friendly for segments that you weren't reaching optimally.

During last week's webinar, we discussed a concern that has been expressed by the World Bank, the US government and others: Since the COVID-19 pandemic, women worldwide have been leaving their jobs at alarming rates. This isn't to say that men aren't leaving the labor force too, but the reality is that many women were burdened even more than men with their dual responsibilities as caretakers and workers during the pandemic. Taking care of sick relatives, keeping families safe from contagion, supervising online school, etc has become more than a part-time job for many.

This broad employment trend has impacted the microfinance sector as well. We at Andares find this concerning because we have strongly advocated for women's leadership in the sector, and most leaders in our sector grow from within their institutions. If we lose women at the bottom of the staff hierarchy, there will be fewer women to become leaders in the future. And women's leadership is critical; plenty of research documents that diverse leadership - and women's leadership in

particular - offers institutions greater profitability and lower risk. Another dimension to this problem stems from the fact that most of the clients served by MFIs are women. If an MFI can't show that women flourish working within its ranks, then why would women clients believe the MFIs can help *them* grow and flourish?

Our webinar panelists - from Banco Solidario in Ecuador, MiCrédito in Nicaragua, and MiBanco in Peru and Colombia - understand this. Some were able to implement preventative measures to stop the outflow of women staff; others are tackling this now, with innovations such as gender empowerment training, more flexibility in hours and commission structures, and support for physical and mental health. The most inspiring part is that the MFIs are all reacting - and that their responses will benefit both men and women staff.

For decades, I have questioned the quality of life of MFI staff across the globe. The hours are long, and the work is often dangerous, as loan officers ride motorcycles alone to remote places or walk through dangerous neighborhoods unarmed. The paperwork can be excessive (although digitization is helping with this aspect of the job). The pressure can be excruciating. The pandemic - and the outflow of women in particular - may offer an opportunity for the microfinance sector to rethink the way it manages its human resources and shift toward a more responsible and ethical approach. This will not be cheap or easy, but we believe that it will lead to more stability, less staff rotation and greater productivity over time.

About the Author: Ms Barbara Magnoni is President of EA Consultants, a development-consulting firm based in New York. She has more than 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), and you may follow her on Twitter at [BarbaraatEA](https://twitter.com/BarbaraatEA).

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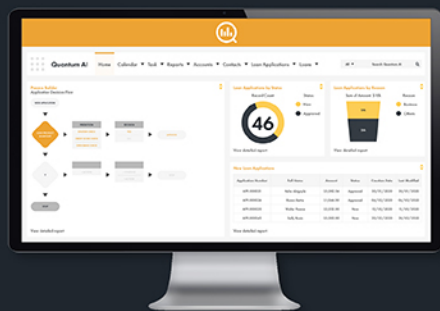


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UPCOMING EVENTS

Ethical Enterprise Conference

December 6 - December 7, 2021; Melbourne, Australia

This conference - available either in-person or online - will address the capacity of social enterprises, "ethical businesses" and other purpose-driven organisations to create the impact and change needed for a more sustainable future. The agenda topics include financial sustainability, building new revenue streams, change management, developing a commercial mentality, social procurement, transformational leadership and social innovation. Tickets range in cost up to AUD 676 plus tax, with discounts available for various groups, one-day passes and attendance only to the awards dinner on December 7. For more information, you may email [info\[at\]moralfairground.com.au](mailto:info[at]moralfairground.com.au), visit <https://www.moralfairground.com.au/eec-2021> or call +61 (0) 409 943 254.

World Finance Banking Symposium

December 17 - December 18, 2021; Budapest, Hungary

This event promotes the exchange of ideas in financial research, teaching and managerial practices through presentations of research and discussions. Sample topics include: "Credit or Not? Access to Finance for SMEs: Evidence from the West Balkan Market"; "Supporting Microfinance via Professional Associations: Analysis of the Tanzanian Case Through the Lens of Ostrom's Institutional Design Principles"; "Regulatory Constraint and Small Business Lending: The Role of FinTech Alternative Lenders"; and "Banking Systems and Their Effects on Regional Wealth and Inequality." Tickets to the event range up to EUR 475, with various discounts available, including a virtual option that costs EUR 150. For more information, you may call +351 961 317 366, email [worldfinanceconference\[at\]gmail.com](mailto:worldfinanceconference[at]gmail.com) or visit <https://www.world-finance-conference.com/conference.php?id=22#>.

MORE DETAILS COMING SOON ON:

Invest In Africa Summit

March 3 - March 4, 2022; Amsterdam, the Netherlands

Finovate Europe: Tech to Succeed Today. Vision to Thrive Tomorrow.

March 22 - March 23, 2022; London, UK

Skoll World Forum

April 5 - April 7, 2022; Oxford, UK

Africa SACCOs Week

April 25 - April 27, 2022; Nairobi, Kenya

Finovate Spring: Discover Tomorrow's Solutions to Today's Challenges

May 18 - May 20, 2022; San Francisco, California, USA

7th European Research Conference on Microfinance

June 20 - June 22, 2022; Glasgow, UK

World Finance Conference

August 1 - August 3, 2022; Turin, Italy

Finovate Fall: Cutting-edge Fintech in the World's Financial Capital

September 12 - September 14, 2022; New York, New York, USA

Opportunity Collaboration

September 25 - September 29, 2022; Miches, Dominican Republic

Mondato Summit Africa

Dates to be determined; Maputo, Mozambique 🇲🇵



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PAPER WRAP-UPS

Building Financial Resilience: How Financial Service Providers Can Help Low-income Customers to Manage Risk

By Alexandra Sanchez, Pete Sparreboom and Hanna Laufer; published by the Savings at the Frontier program of Oxford Policy Management Limited; October 2021; 21 pages; available at <https://www.findevgateway.org/paper/2021/10/building-financial-resilience-how-financial-service-providers-can-help-low-income>

The authors propose that financial services providers (FSPs) seek to enhance the resilience of users of informal saving mechanisms (ISMs), such as rotating savings and credit associations (ROSCAs). They define *resilience* as “the ability to sustain one’s livelihood by preventing or reducing the impact of financial shocks on income and expenditure.”

When unpredictable financial shocks occur, such as natural disasters or high inflation, all members of an ISM are negatively impacted. Thus, members are very limited in their ability to support each other. Regarding the potential for FSPs to address this problem, the authors cite as examples two financial technology (fintech) firms in Ghana, Emergent Payments and DSS Platform.

Emergent Payments offers a mobile group funding and savings platform called Maximus that has enabled five FSPs to reach 20,000 people in rural and peri-urban areas with the ability to save and receive funds from ISMs and FSPs electronically. Emergent also offers pensions as well as life and health insurance.

DSS Platform offers savings services as well as microloans to 56,000 *susu* customers. *Susu*, a popular ISM in Ghana, involves payment collectors visiting markets and homes periodically to collect small deposits, with the sum of the deposits returned at the end of each cycle, less a fee. By digitizing *susu* activities, DSS has increased the resilience, efficiency and transparency of these ISMs and allowed *susu* enterprises to provide microloans that low-income households can use to manage shocks.

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The Opportunity for Digital and E-commerce Payments in the Pacific Region

By Chris Statham, Konstantin Schroeter, Marius Siebert and Samuel Chari; published by the UN Capital Development Fund; September 2021; 56 pages; available at <https://www.findevgateway.org/paper/2021/09/opportunity-digital-and-e-commerce-payments-pacific-region>

Among the obstacles to digital payment systems in countries such as Fiji, Papua New Guinea, Samoa, Solomon Islands, Tonga and Vanuatu are low financial literacy rates, high transaction costs, poor network coverage and lack of modern financial regulation. Furthermore, most consumer protection policies do not cover online consumers. In most countries, interbank transfers remain slow because they are paper-based. As a result, the authors project modest growth for e-commerce over the next five years: 7.2 percent in Fiji and 9.2 percent in Papua New Guinea.

The authors also suggest promoting digital payment systems via the development and usage of: (1) government-led, pan-regional central payment infrastructure; (2) open banking practices, including APIs that allow banking applications to interact with each other; (3) interoperable QR codes for making payments; (4) national digital identification systems; and (5) improved regulations addressing a range of issues, including consumer protection and cybersecurity.

Determinants of Financial Well-Being: Evidence from Latin America

By Sebastián Cárdenas; published by the Development Bank of Latin America, also known as CAF; September 2021; 52 pages; available at <https://scioteca.caf.com/bitstream/handle/123456789/1794/Determinants%20of%20Financial%20Well-Being%20Evidence%20from%20Latin%20America.pdf>

The authors outline an index for financial well-being using a *graded response model*, with the data linearly transformed to a score from 0 to 100. The countries in the sample, in order of declining score, are Chile, Colombia, Bolivia, Peru, Ecuador, Paraguay and Argentina.

The study indicates: (1) Adults, especially in the age range 51 to 70, experience the highest level of financial well-being; (2) Savings represents one of the most crucial components of increasing financial well-being; (3) Those who compare financial institutions before engaging in transactions experience higher levels of financial well-being; (4) Higher levels of financial knowledge are correlated with higher levels of financial well-being; and (5) Income and education level do not correlate heavily with financial well-being.

The paper closes with the following policy recommendations: (1) Education programs should focus on savings and comparing financial institutions; (2) Financial literacy programs should be implemented by both public and private entities; and (3) Extensive data on financial products and services should be provided to help citizens evaluate their choices. 📌

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