MicroCapital Monitor
THE MICROFINANCE NEWSPAPER

DECEMBER 2011 | VOLUME.6 ISSUE.12

MICROCAPITAL BRIEFS | TOP STORIES

UK Commits $102m for India's Samridhi "Patient Capital" Fund

The British government has committed the equivalent of USD 102 million over eight years to partner with the Small Industries Development Bank of India to create Samridhi, an entity that will provide "patient capital" to entrepreneurs that will service an estimated 12 million poor people in the Indian states of Bihar, Madhya Pradesh, Orissa and Uttar Pradesh. December 22. 2011

World Bank Loaning Mexico $100m for Financial Inclusion

The World Bank has approved a loan of USD 100 million to support Mexico's "Financial Consolidation and Inclusion Project," which seeks to improve the performance of the country's credit and savings institutions and help them expand into underserved rural areas. Areas of focus are to include technical assistance, investment in operational systems and financial education. Additional project costs of USD 94 million are to be financed by Mexico's Treasury and Public Credit Ministry with about USD 15 to be financed by beneficiary institutions. December 22. 2011

In Turkey, EBRD Commits $520m to Ag SMEs, $31m to Sekerbank

The UK-based European Bank for Reconstruction and Development (EBRD) recently announced that it has committed the equivalent of USD 520 million to increase financing to small and medium-sized enterprises (SMEs) in Turkey's agribusiness sector. USD 65 million of this amount is to be disbursed to the privately owned Industrial Development Bank of Turkey, which reports assets of USD 4.2 billion. Separately, EBRD is investing the local-currency equivalent of USD 31 million in an asset-guaranteed bond programme established by Sekerbank, a Turkish private commercial bank that lends to microenterprises and SMEs. Sekerbank reported assets of USD 6 billion as of 2009. December 20. 2011

Nigeria's Fortis Preps Mobile Banking for 180 MFIs

Nigeria's National Association of Microfinance Banks, Lagos State Chapter (NAMBLAG) has signed an agreement with Fortis Mobile Money, a mobile money operator licensed by the Central Bank of Nigeria, to enable NAMBLAG's 180 members to offer mobile banking services to their customers. Mr Olufemi Babajide of NAMBLAG was quoted as saying, "All MFBs [microfinance banks] would provide financial transactions to all registered mobile phone users, thereby increasing financial inclusion." MFBs are expected to begin offering mobile banking in January 2012. Fortis Mobile Money, an affiliate of Nigeria's Fortis Microfinance Bank, has so far facilitated the equivalent of USD 48,000 in transactions. Fortis Microfinance Bank has 13 branches and reports having loaned a total of USD 31 million since its inception. December 20. 2011

BlueOrchard Spends $1.6m on CHF DFI Stake, Focus Is on Middle East

BlueOrchard Private Equity Fund, a microfinance investment vehicle managed by Switzerland's BlueOrchard, recently acquired a 20-percent stake in CHF Development Finance International, a holding company established by US-based nonprofit CHF International to own and manage CHF's commercially oriented microfinance subsidiaries. BlueOrchard's investment of USD 1.6 million represents a 30-percent premium over book value. CHF International Vice President for Development Finance Elissa McCarter said that BlueOrchard has "shown needed flexibility during this early stage investment in recognition of the challenging environments in which we work, particularly in the Middle East, which is a region of focus for the company." With operations in 29 countries, CHF reports net assets of USD 101 million. December 5. 2011

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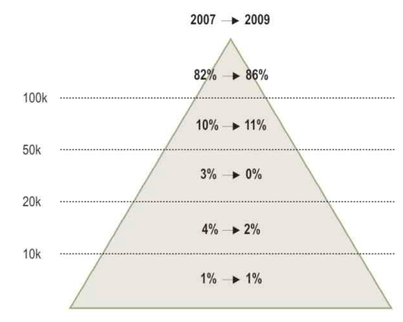
MicroCapital

KENYA
MFI MARKET SHARE TRENDING 2007 TO 2009
BY MFI SIZE (NUMBER OF ACTIVE BORROWERS)



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MICROCAPITAL BRIEFS

Vietnamese Microfinance Plan Supported by $1.3m from France

The Agence Francaise de Developpement has provided the equivalent of USD 1.3 million to the State Bank of Vietnam to build a supportive legal framework for microfinance, boost monitoring efforts and increase the capacity of policy makers and practitioners in Vietnam. The government of Vietnam recently approved a microfinance strategy that focuses on all of these points plus financial education. December 22. 2011

OPIC Lending $10m to MicroEnergy Credits

MicroEnergy Credits, a US-based firm that reports having brought "clean" energy to 80,000 households, will be borrowing USD 10 million from the US government's Overseas Private Investment Corporation to support microfinance institutions in offering loans for devices such as high-efficiency stoves, solar lighting and water purifiers. MicroEnergy Credits also sells carbon credits, which are purchased from micro-entrepreneurs who reduce their pollution emissions. December 22. 2011

Dual Return Fund Disburses $3m in Ecuador, Central Asia

Austria's Absolute Portfolio Management has reported that its Dual Return Fund - Vision Microfinance Local Currency loaned the tenge-equivalent of USD 1 million to an unspecified microfinance institution in Kazakhstan in November. The Dual Return Fund - Vision Microfinance loaned USD 2 million to unspecified microfinance institutions in Kyrgyzstan and Ecuador. The two sub-funds report volumes of USD 28.1 million and USD 110 million, respectively. December 22. 2011

Armenia Invests in SMEs

The Central Bank of Armenia's Small and Medium Business Credit Support Corporation has invested the equivalent of USD 2.6 million in the European Fund for Southeast Europe's new Armenia Local Currency Facility, which will support small and medium-sized enterprises in Armenia. The German Federal Ministry for Economic Cooperation and Development (BMZ in German) will also support the facility with an undetermined sum. December 22. 2011

BlueOrchard to Open Offices in Singapore, South Africa

BlueOrchard and Bamboo Finance, affiliated impact investment asset managers based in Switzerland, have reported that they will boost their office network to nine with the addition of locations in Singapore and Johannesburg. December 22. 2011

CORRECTION

A story in the November issue of this newspaper on Microcredit Foundation Prizma of Bosnia and Herzegovina included outdated information on the organization. As of November, Prizma reports that it has 70,000 active borrowers and has disbursed loans totaling the equivalent of USD 362 million since its inception in 1998.

Zimbabwe Microfinance Wholesale Fund Goes Live

Publicly-traded CBZ Bank and the Zimbabwe Microfinance Wholesale Fund, which is affiliated with the Zimbabwe Association of Microfinance Institutions, reportedly have begun offering loans of up to USD 50,000 to lenders that serve small enterprises. The fund has been capitalized by donors including the Netherlands' Humanist Institute for Development Cooperation (Hivos in Dutch). The target size of the Zimbabwe Microfinance Wholesale Fund is USD 1.9 million. December 22. 2011

EBRD, FMO Fund $9m Syndicated Loan to Mol Bulak of Kyrgyzstan

Mol Bulak Finance, a microfinance institution in the Kyrgyz Republic, will receive a syndicated local-currency loan equivalent to USD 9 million arranged by the UK-based European Bank for Reconstruction and Development (EBRD). The public-private Netherlands Development Finance Company (FMO in Dutch) will provide USD 6 million of the funding, with EBRD providing the remainder. Mol Bulak reports total assets of USD 34 million, a gross loan portfolio of USD 25 million, return on assets of 4.24 percent, return on equity of 26.8 percent and 59,100 active borrowers. December 22. 2011

EBRD to Loan $43m in Serbia, Tajikistan

The UK-based European Bank for Reconstruction and Development (EBRD) recently announced that it will loan the euro-equivalent of USD 39 million to ProCredit Bank Serbia, which provides banking services to micro-, small and medium-sized enterprises in Serbia and is a member of Germany's ProCredit Holding. ProCredit Bank Serbia reports total assets of USD 897 million, a gross loan portfolio of USD 618 million, 85,800 borrowers, return on assets of 0.59 percent and return on equity of 4.68 percent. EBRD also will loan the local-currency equivalent of USD 4 million to First MicroFinance Bank of Tajikistan, which reports total assets of USD 44 million and is an affiliate of the Switzerland-based Aga Khan Development Network. December 21. 2011

Smart Campaign Calls for Input on Client Protection Certification

The Smart Campaign, which is backed by US-based nonprofit ACCION International, is accepting input from the public through the end of December on its Client Protection Certification Program, which will enable microlenders to acquire third-party verification of their adherence to the Smart Campaign's Client Protection Principles. For details, you may visit http://smartcampaign.org/about-the-campaign/2011-11-21-16-36-33. December 20. 2011

EIF Offering Technical Assistance Under JASMINE

Through April 15, 2012, the European Investment Fund, a public-private partnership that supports financial institutions in Europe that serve small and medium-sized enterprises, is accepting applications from microcredit providers to receive technical assistance under the Joint Action to Support Microfinance Institutions in Europe program. Financed by the EU's European Commission, the program will support up to 30 microlenders. December 20. 2011

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Please refer to http://MicroCapital.org for information sources for all briefs. MicroCapital recognizes the individuals at CGAP, the Microfinance Gateway and the Microfinance Information Exchange for their outstanding work disseminating information on microfinance. Thank you!

Mexico to Connect 6m with Insurance, Bank Accounts

President Felipe Calderon of Mexico recently announced that the 6 million families participating in Mexico's public benefit program Oportunidades will be offered bank accounts with prepaid debit cards and the option to purchase life insurance. In towns with no banks, recipients will be able to access benefits via retailers such as Liconsa and Conasupo. December 20. 2011

Financial Inclusion Drops in South Africa?

South Africa's FinMark Trust has released the 2011 results of its annual FinScope South Africa survey, which indicates that 73 percent of adults use formal financial products and services, compared with 77 percent recorded in 2010. The surveyors argue that, "Attitudes and perceptions towards financial institutions may be a barrier to financial inclusion. The FinScope survey indicates that South Africans are concerned about bank charges and fees, while financial illiteracy and a lack of knowledge about other financial institutions are evident." December 20. 2011

Nigeria's NDIC Hopes Mergers Can Minimize Liquidations

The Nigeria Deposit Insurance Corporation reportedly is offering Nigerian microfinance banks the option to execute mergers and acquisitions in an effort to create strong players in the industry and to minimize liquidations. Due to a range of problems, scores of microbanks in the country have been on the edge of insolvency. December 20. 2011

Stymied in AP, Indian MFIs Look North

Since October 2010, when the Indian state of Andhra Pradesh (AP) began requiring microlenders to acquire government approval of every microloan issued, microlenders based in AP have began expanding into northern India. In one year, the microfinance industry in southern India reportedly shrank from USD 6.3 billion to USD 2.1 billion. The microloan recovery rate in AP fell below 10 percent, while it stands at 92 percent in other states. AP-based microlender Share Microfin Limited has added 108,900 new borrowers outside AP. Asmitha Microfin Limited, another microlender based in AP, has added 30,000 borrowers in other states. As of March, Share reports assets of USD 553 million and 2.84 million borrowers. Asmitha reports assets of USD 321 million and 1.34 million borrowers. December 20. 2011

IFC, MFIN Promote India's Credit Information Bureau

With support from global banks HSBC and Citigroup as well as US-based social investment firm Omidyar Network, the World Bank Group's International Finance Corporation recently held an event encouraging Indian microlenders to report to the Credit Information Bureau, which is owned by a group of domestic and international banks and business information tracking companies. Although microlenders are required to report to credit bureaux, it is said that most have not yet adopted the practice. India's 46-member Microfinance Institutions Network recently mandated that its members participate in the Credit Information Bureau. December 20. 2011

Nepal Gets Microinsurance Fund, Tough Love for Unlicensed MFIs

Beema Samiti, the insurance regulatory authority of Nepal, is reportedly planning to contribute the equivalent of USD 119,000 to a reinsurance fund for microinsurance providers in the country. Funding of USD 179,000 is anticipated from member insurance companies, which may include any domestic non-life insurance provider. Beema Samiti is also said to be on the verge of releasing a directive instructing all microinsurers to work as agents of government-authorized insurance companies. Some such programs are being deemed illegal as Nepal's Insurance Act requires companies involved in the insurance business to be licensed, which is intended to ensure that the firm has adequate reserves, among other stipulations. December 19. 2011

Vittana Receives $250k Grant to Expand Education Microfinance

Vittana, a US-based nonprofit that allows individuals to fund microloans for higher education in developing countries, has received a grant of USD 250,000 from US-based internet company Google to expand its work over two years. Via its website, Vittana accepts interest-free loans as low as USD 25, which are issued via 19 microfinance institutions in 12 countries. Vittana reports a gross loan portfolio of USD 430,000 and by 2015 aims to reach 1 million students. December 16. 2011

Prevoir Kampuchea Micro-life Insurance Launches in Cambodia

Prevoir Kampuchea Micro-life Insurance Public Limited Company has been launched in Cambodia by French insurer Groupe Prevoir. Prevoir Kampuchea so far has partnered with one unnamed Cambodian microfinance institution (MFI) and is currently in negotiations with other MFIs and banks. Groupe Prevoir, which reports having written the equivalent of USD 628 million in premiums during 2010, also operates in Brazil, Poland, Portugal and Vietnam. December 16. 2011

The Economist: VSLAs Are "Hottest"

A recent article in British weekly news magazine *The Economist* describes village savings and loan associations as the "hottest trend in microfinance." In such savings groups, members can pool savings, buy a share in a fund from which they can borrow, and contribute to a social fund, which acts as a form of microinsurance. Accounting is simplified by distributing all accumulated funds to members on a periodic basis. Such savings groups can be especially effective in rural areas that microfinance institutions do not reach. Nonprofits such as CARE International, Plan International, Oxfam US, Catholic Relief Services and the Aga Khan Foundation have promoted such schemes, which have now spread to an estimated 4.6 million members in 54 countries. December 15. 2011

Incofin Lends $6m in Paraguay, Georgia, Mongolia, Russia

Belgium's Incofin Investment Management recently disbursed loans through microfinance investment funds it manages to four microfinance institutions. Vision Banco of Paraguay, which reports assets of USD 652 million, a gross loan portfolio of USD 457 million, return on assets of 2.02 percent and return on equity of 25.2 percent, borrowed USD 3 million. The following institutions each borrowed USD 1 million: Lazika Capital of Georgia, which reports total assets of USD 13.9 million; Credit Mongol LLC of Mongolia, which reports total assets of USD 10.7 million; and Forus Bank of Russia, which reports total assets of USD 47.9 million. December 14. 2011

Bank Negara Malaysia Launches MobileLINK Vehicle

Bank Negara Malaysia (BNM), the central bank of Malaysia, recently launched MobileLINK, a customer service vehicle from which staff offer basic banking services, advisory services, personal credit information from the Central Credit Reference Information System and information on BNM. The service is an extension of BNM LINK (Laman Informasi Nasihat dan Khidmat), which provides information and advice through BNM's offices, mobile counters and a call center. December 13. 2011

34 MFIs Operating Under Uzbekistan Microcredit Law

As of October, 34 microfinance institutions reportedly operate in Uzbekistan under the country's law "On Microcredit Institutions" with microloans to individuals amounting to the equivalent of USD 12.6 million and microloans to organizations amounting to an additional USD 1.6 million. Between January and September, microleasing services provided by microcredit institutions totaled USD 62,000. Data from the US-based nonprofit Microfinance Information Exchange, which includes banks engaged in microlending, indicate that lenders in Uzbekistan had loans of USD 149 million outstanding to 96,000 micro-borrowers as of December 2010. December 13. 2011

IDB to Loan $50m to Ecuador for Microcredit

The Inter-American Development Bank (IDB), a US-based multilateral finance institution, will loan USD 50 million to expand microlending in Ecuador, especially for poor women. The loan will be disbursed to the National Program for Finance, Entrepreneurship, and Economic Solidarity, a government agency that provides loans to organizations in high-poverty areas. IDB Specialist Rosa Matilde Guerrero said, "We expect that by 2015 the program will provide loans to approximately 25,000 microentrepreneurs. We also anticipate that these credits will lead to the creation of at least 5,000 new jobs over the next four years." December 13. 2011

Samrudhi Cuts Out Middleman with Microlending Website

Samrudhi Microfin Society, an Indian nonprofit microlender, has launched WeCareIndia.org, a website that allows individuals to lend as little as the equivalent of USD 2 for the benefit of Samrudhi borrowers. Because the website is owned by a microlender, no third-party field partners are necessary to carry out loan servicing. As repayments are made, lenders may access their principal with interest of 3 percent to 4 percent calculated at a flat rate or 7 percent to 8 percent annualized. Borrowers are charged interest of 18 percent per year, and some receive life insurance in conjunction with their loans. December 13. 2011

Prizma of BiH Borrows $680k from Privredna Banka Sarajevo

Microcredit Foundation Prizma of Bosnia and Herzegovina has reported to MicroCapital that it received a local-currency loan equivalent to USD 680,000 from Bosnian commercial bank Privredna Banka Sarajevo dd. Prizma reports that it has 70,000 active borrowers and has loaned a total of USD 362 million since its launch in 1998. It operates 50 branch offices with a staff of 250. December 12. 2011

Vikram Akula Resigns from India's SKS

Vikram Akula, the founder and chairman of Indian microfinance institution SKS Microfinance, resigned from its board of directors shortly after the firm announced losses of USD 81.5 million for the quarter ending September 30. SKS earned profits of USD 17 million during the corresponding period a year ago. As of 2010, SKS Microfinance held assets of USD 1.2 billion. December 12. 2011

Philippines May Raise Loan Ceiling, Launch Credit Bureau in 2011

Bangko Sentral ng Pilipinas (BSP) reportedly is considering increasing the ceiling for microfinance loans to an undisclosed level from the current maximum, which is equivalent to USD 3,445. BSP is also said to be pushing to open the much-delayed Central Credit Information Corporation (CCIC) before the end of the year. Mandated by a 2009 law, CCIC is to be 60-percent government-owned, with other shareholders including the Bankers Association of the Philippines, the Chamber of Thrift Banks, the Rural Bankers Association of the Philippines, the Philippine Credit Reporting Alliance and the Credit Card Association of the Philippines. December 12. 2011

Pakistan to Launch Microinsurance Framework by June 2012

The Securities and Exchange Commission of Pakistan reportedly is set to launch a microinsurance regulatory framework by June 2012. The commission has been drafting rules in consultation with domestic stakeholders and with support from the World Bank with the aim of creating a transparent, enabling environment in which more poor people are covered against natural disasters. The insurance industry in Pakistan amounts to 0.7 percent of gross domestic product, a level that the initiative intends to double in three years. December 12. 2011

WOCCU Replicating Model in Colombia with $2.5m Effort

The World Council of Credit Unions (WOCCU), a US-based organization representing 41 country-level credit union trade groups, is launching a USD 2.5 million program to use mobile technology in an effort to bring financial services to 100,000 previously unbanked people in Colombia. Credit union field officers will travel from their offices to nearby communities to bring savings-based financial services directly to members in a group setting. The approach is based on WOCCU's Semilla Cooperativa model wherein field officers use portable electronics to enroll new members, process loan applications and record savings and loan payments onsite. December 9. 2011

responsAbility Lends $6.2m in Costa Rica, Honduras, Nigeria

Switzerland's responsAbility Social Investments recently reported to MicroCapital that it has disbursed loans totaling the equivalent of USD 6.2 million to Mutual Alajuela of Costa Rica, Cooperativa Mixta Mujeres Unidas Limitada (COMIXMUL) of Honduras and Lift Above Poverty Organisation (LAPO) of Nigeria. Mutual Alajuela, which reports total assets equivalent to USD 794 million, borrowed USD 4 million. COMIXMUL, which reports total assets of USD 29 million, received USD 300,000. LAPO, which reports total assets of USD 65.3 million, received the local-currency equivalent of USD 1.87 million. December 9. 2011

SACCOs in Rwanda Grow Deposits to $60m, Regulators Notice

The National Bank of Rwanda recently set up an array of local technical control units to monitor and supervise savings and credit cooperatives (SACCOs) in the country. During the year ending in June, deposits held by SACCOs in Rwanda reportedly increased from USD 35 million to USD 60 million. During the same period, loans were up from USD 51 million to USD 54 million. Speaking in support of the sector, Finance Minister John Rwangombwa was quoted as having said that "SACCOs not only give small loans to small investors at their level but they also create big deposits that are given to big investors." December 8. 2011

Grameen to Launch Mobile Data Service for Colombian Farmers

MasterCard Worldwide, a Canadian global payments company, has disbursed a grant of USD 540,000 to the US-based Grameen Foundation to launch mobile agricultural and financial information services for farmers in Urabá and Santa Marta, Colombia. December 7. 2011

IFC Buys 18% Stake in ACCION Microfinance China for $1m

The International Finance Corporation, the private sector arm of the World Bank Group, has agreed to invest USD 1 million to purchase an 18.9-percent stake in ACCION Microfinance China, an affiliate of US-based nonprofit ACCION International. The investment will enable ACCION China to expand financial services in its primary region of operation, inner Mongolia, including offering loans as small as USD 150. While no financial information is available on ACCION China, ACCION International reports a loan portfolio of USD 3.81 billion and 3.18 million active clients in 22 countries. December 7. 2011

HDFC Bank, Vodafone Launch Mobile Banking Service in India

India's HDFC Bank and Vodafone India, a subsidiary of UK-based telecom provider Vodafone Group, have launched a "MobileBank Account with Vodafone m-paisa" service that allows customers to perform banking transactions such as deposits and withdrawals using mobile phones. The service has been launched in the state of Rajasthan, where 2,200 retailers in 374 towns are participating. The program is to be rolled out nationwide within 15 months. Vodafone has 142 million subscribers in India. December 7. 2011

EFSE Lends $13m to Intesa Sanpaolo Banka of BiH

The European Fund for Southeast Europe (EFSE), a microfinance investment fund incorporated in Luxembourg, recently reported to MicroCapital that it has made a loan equivalent to USD 13.4 million to Intesa Sanpaolo Banka, a commercial bank in Bosnia and Herzegovina. Intesa Sanpaolo Banka is controlled by Italy's Intesa Sanpaolo Group, which has operations in 43 countries. With an outstanding investment portfolio of USD 982 million, EFSE has been certified by LuxFLAG as actually investing in the microfinance sector. December 6. 2011

WCCN Loans $1.2m to Pro Mujer for Nicaragua, Peru

Working Capital for Community Needs, a US-based nonprofit, has loaned the equivalent of USD 1.2 million in local currency to support microfinance institution Pro Mujer, with equal parts allocated to its operations in Nicaragua and Peru. Pro Mujer Peru reports USD 18.9 million in assets, a gross loan portfolio of USD 16.6 million, 50,606 active borrowers, return on assets of 4.58 percent and return on equity of 7.93 percent. Pro Mujer Nicaragua reports USD 8.7 million in assets, a gross loan portfolio of USD 6 million, 26,000 active borrowers, return on assets of 5.6 percent and return on equity of 8.67 percent. Pro Mujer, which provides healthcare as well as business services, has administrative offices in Bolivia and New York and also operates in Argentina and Mexico. December 6. 2011

Andhra Pradesh Introduces Interest-free Loans for SHGs

In January, the government of the Indian state of Andhra Pradesh plans to introduce Vaddi Leni Runnam, a scheme that will provide interest-free loans up to the equivalent of USD 9,500 to women in self-help groups (SHGs). SHGs are units of 10 to 20 individuals that pool their savings, apply for group loans and lend internally to their members. To encourage repayment, the interest waiver will be sustained only for members who make timely repayments. A budget of USD 268 million has been set aside for this project. December 6. 2011

Fundación BBVA, AMPYME to Promote Microfinance in Panama

The Panamanian government and Fundación BBVA Microfinanzas, an affiliate of Spanish bank BBVA that has microfinance operations in six countries in the Americas, have agreed to jointly create new financial products for micro- and small enterprises in Panama as well as to develop training programs in areas such as good governance, transparency and financial education. December 4. 2011

Imp-Act Re-launches Social Performance Website

The Imp-Act Consortium, a nine-member, UK-based organization that encourages improved social performance in microfinance, has launched its new website, which focuses on practitioner stories. December 3. 2011

Incofin Invests $3m in Equity in India's Arman

Arman Financial Services Limited, a non-bank finance company based in India, has announced that it will accept an equity investment from Belgium's Incofin Investment Management. Incofin will subscribe to equity shares worth the equivalent of USD 1.48 million, with a similar amount acquired as compulsorily convertible debentures. Aditya Bhandari, Regional Director of Incofin South Asia, said, "Arman is a solid company with an attractive business mix of secured and unsecured products. On one hand it offers a very high rural-cum-social angle and on the other hand it delivers well-accepted commercial returns.... Like our other investee companies, Arman is also focusing on controlled growth rather than irrational exponential growth." Unitus Capital represented Arman in the transaction as financial advisor, structurer and arranger. December 2. 2011

Applications Open for $66k Giordano Dell'Amore Award

Fondazione Giordano Dell'Amore of Italy and the European Microfinance Network have announced the fourth edition of the Giordano Dell'Amore Microfinance Good Practices Europe Award, which aims to increase the understanding of microfinance and promote the sharing of good practices. The award includes prize money equivalent to USD 66,500 and is open to all European microfinance organizations. Entries, which are due February 10, 2012, will be judged on innovation, sustainability, impact and replicability. For more details, you may visit http://www.fgda.org/eventiuk.php. December 1. 2011

Uganda's Ugafode Receives Deposit-taking License

Ugafode Microfinance of Uganda reportedly has received a license from the Bank of Uganda to act as a Microfinance Deposit-Taking Institution, enabling it to accept deposits from non-borrowers. Ugafode reports total assets of USD 2.81 million, 6,000 active borrowers, return on assets of 8.11 percent and return on equity of 17.97 percent. November 30. 2011

GP, Linked, Fonkoze Support Women's Health in Haiti

Global Partnerships (GP), a nonprofit that supports microfinance institutions (MFIs) in Latin America and the Caribbean, recently announced that it has partnered with Haitian MFI Fonkoze and the US-based Linked Foundation to design a financially sustainable package of health services and education to reach Fonkoze's 50,000 female clients over three years. Fonkoze Director Carine Roenen said, "In 2010, 15 percent of the poor market women served by Fonkoze left our program because of expenses related to health issues." GP, which has offices in the US and Nicaragua, has USD 36 million invested in 30 MFIs in eight countries. November 30. 2011

Goodwell West Africa Buys $1m Stake in Ghana's Nwabiagya

Goodwell West Africa, an investment fund managed by JCS Investments of Ghana and backed by Goodwell Investments of the Netherlands, has agreed to raise its equity share in Nwabiagya Community Bank of Ghana from 14.03 percent to 18.9 percent with an investment of USD 1 million. Goodwell West Africa reportedly has agreed to hold the shares through 2016 and is advising Nwabiagya regarding staff training and organizational growth. Nwabiagya's assets total the equivalent of USD 16.9 million. November 30. 2011

MTN to Offer Visa's Mobile Prepaid Product in Nigeria, Uganda

Visa Incorporated, a US-based payments technology company, has announced that it is offering under-banked consumers in developing countries prepaid electronic payment accounts. The product will enable users to send and receive international remittances, withdraw funds from automated teller machines and make online and in-person purchases. Jim McCarthy, head of product for Visa, said "Mobile technology has become the single most important driver of financial inclusion...." South Africa-based MTN (Mobile Telecommunications Network) Group will be the first to offer the new product to its mobile money customers, initially in Nigeria and Uganda. MTN reports 141 million subscribers in 21 countries in Africa and the Middle East. November 29. 2011

"The Bahamas Doesn't Really Have That Yet"

Tomas Miller of the US-based Multilateral Investment Fund (MIF) was quoted recently as saying, "Based on our definition of a microfinance institution, the Bahamas doesn't really have that yet." The interview was precipitated by the Third Caribbean Microfinance Forum, which was held recently in the Bahamas by the Caribbean Microfinance Capacity-building Project, which is funded by MIF, the Barbados-based Caribbean Development Bank and the EU's European Commission. Winsome Leslie, also of MIF, reportedly said that plans are afoot for one or more Bahamian institutions to begin offering microfinance services during 2012. November 28. 2011

EFSE Loans $34m to Banca Intesa Beograd of Serbia

The Luxembourg-registered European Fund for Southeast Europe (EFSE) recently reported to MicroCapital that it has agreed to loan the euro-equivalent of USD 34 million to Banca Intesa Beograd, a Serbian commercial bank, to boost the availability of financing to micro- and small enterprises in Serbia. The loan will finance investments and working capital via loans of up to USD 135,000. Managed by Oppenheim Asset Management Services of Luxembourg and advised by Finance in Motion GmbH of Germany, EFSE has an outstanding investment portfolio of USD 982 million. Italy's Intesa Sanpaolo Group, which has operations in 43 countries, is the parent of Banca Intesa Beograd, which holds USD 4.7 billion in total assets and has 1.5 million corporate and retail customers. November 24. 2011

Bank Loans to Indian MFIs Slow in First Half of Fiscal Year

Data released by the Reserve Bank of India indicate that bank loans to Indian microfinance institutions (MFIs) and self-help groups dropped from April to September to the equivalent of USD 4.35 billion. This is a decline of 16.4 percent and contrasts with a 7.5-percent increase during the same period of 2010. For the 12 months ending September, credit to the segment declined 4 percent, in contrast to growth of 27 percent during the previous fiscal year. The CEO of Indian MFI Trident Microfin Private Limited, Puli Kishore Kumar, was quoted as having said, “The bankers are not able to digest the impact of the [Andhra Pradesh repayment] crisis...and refrain from lending to us…. The authorities need to convince boards of commercial banks about the need to lend to MFIs.” November 23. 2011

OPIC Offering $400m to Emerging Markets Funds

The Overseas Private Investment Corporation (OPIC), an agency of the US government, has launched a request for proposals from fund managers to invest OPIC funds in new, expanding or privatizing companies. Through January 12, 2012, OPIC will consider applications to provide up to USD 150 million per fund. OPIC CEO Elizabeth Littlefield said, “Opening the Global Engagement Call to a wide range of sectors and countries, as well as to growth equity, private equity, credit and funds-of-funds, will enable OPIC to…create capacity and new financing tools for sustainable development.” For more details, you may visit http://www.opic.gov/global-engagement-call/overview. November 23. 2011

Five Ethiopian MFIs Submit Pricing Data to MFTransparency

MicroFinance Transparency, a US-based nonprofit that publishes information on microcredit pricing, has reported to MicroCapital that the following institutions have submitted microloan pricing data as part of its “Transparent Pricing Initiative in Ethiopia:” Digaf Microfinance, Harbu, Metemamen, Poverty Eradication and Community Empowerment (PEACE), and Wasasa Microfinance. Thirteen additional microlenders in the country have begun the process of submitting their data to MicroFinance Transparency, which was founded in 2008 and has so far collected data from 30 countries. November 22. 2011

Grameen Crédit Agricole Backs Loan to Madagascar’s TIAVO

Grameen Crédit Agricole Microfinance Foundation, which was founded by French bank Crédit Agricole and Bangladeshi nonprofit Grameen Trust, has reported to MicroCapital that it provided a 50-percent loan guarantee in favor of Tahiry Ifamonjena Amin’ny Vola (TIAVO), a microfinance institution based in Madagascar. The guarantee backs a three-year loan disbursed in local currency equivalent to USD 659,000 by BNI Madagascar, a subsidiary of Credit Agricole. TIAVO reports total assets of USD 8.4 million, a gross loan portfolio of USD 5.4 million, 8,000 active borrowers, return on assets of 0.62 percent and return on equity of 3.01 percent. November 22. 2011

IFC Launches $60m Cleantech Facility for Small Firms

The International Finance Corporation (IFC), the private-investment arm of the World Bank Group, has launched the Cleantech Innovation Facility, a USD 60 million equity fund to provide capital and technical assistance to small companies that assist in the mitigation of carbon emissions. Most investments from the fund are to range from USD 3 million to USD 4 million per company. Mohsen Khalil, global head of IFC’s Climate Business Group, said, “This initiative is a practical way to address a market gap within climate finance. It will support clean-tech companies originating from or moving to developing countries - companies that have the potential to be scaled up and make a real impact, but cannot access commercial risk capital.” Private investors may be invited to invest in the fund if its model proves effective. November 22. 2011

RBI Relaxes Money Transfer Rules

The Reserve Bank of India, India’s central banking authority, has relaxed several guidelines on domestic money transfers, including allowing walk-in customers without bank accounts to transfer funds to the bank accounts of others. Fund transfers among domestic debit, credit and prepaid cards will also be permitted under the new guidelines. All of these transactions will be subject to a maximum equivalent to USD 97 per transaction and a monthly cap of USD 487 per remitter. For funds being transferred from bank accounts to walk-in customers, the cap has been doubled to USD 194, with the same monthly cap of USD 487 per beneficiary. November 21. 2011

RBI Recommends Against Local Regulation of Microfinance

The Reserve Bank of India recently released the “Trend and Progress of Banking in India 2010-11” report, which expresses concern over state governments regulating microfinance institutions: “If other States also come out with legislation similar to the [Andhra Pradesh] Government, it will raise concerns not only about multiple regulations but also about client protection, as borrowers would then be subject to different regulations.” Conflicting regulations could allow institutions operating in a given state to take undue advantage by choosing which rules to follow. Regulators and financial institutions operating in multiple states would also find their business overly complicated. November 17. 2011

Barefoot Power Funded to Expand Renewables in Rural India

The Sustainable Enterprise Fund, an Austrian impact venture fund managed by Ennovent; Oikocredit, a Dutch cooperative investment fund; and Grace Foundation, a Christian organization in Australia that invests in enterprise-based solutions to poverty, have made an investment of undisclosed size in Barefoot Power, an Australian for-profit that manufactures and sells lighting products and solar phone chargers as well as offering business development services for low-income populations. Barefoot Power will use the funds to provide renewable energy and lighting to off-grid communities in India. Barefoot Power reports having served one million people. November 17. 2011

FIELD NOTES

To Focus on Clients...Invest in Staff

Having broken my ankle this month, I am fortunate that one of our most active projects is taking place in New York City, where I can still hobble around and do some interesting work. My team and I have spent some time in local banks to learn about how they serve the local immigrant community. Over the past week, I have spent a few hours at several branches of Citibank, which has kindly offered us access to their staff for a study. One branch I visited is in a formerly low-income area that - over the past 20 years - has turned into a booming, expensive neighborhood where artists and bankers buy million-dollar-plus apartments and housing projects seem like colorful relics. Another branch I visited is in a still-depressed community, where credit access is scarce and businesses struggle to make ends meet.

I expected the Citibankers to have their sights set on middle- and upper-class customers with little to say about the low-income people who may live and work nearby. What I found was a much more nuanced story. Both wealthy and poor clients walk through Citibank's doors. Both receive attention and very friendly service. The difference is the products they are offered and which staff spend the most time with them. Bankers, whose compensation depends more on performance bonuses, spend less time with low-income prospects. Business lenders in particular don't "waste" too much time on these customers because few of them are credit worthy under today's tough lending criteria. However, tellers and customer service representatives, who are paid a fixed salary, spend a lot of time answering immigrants' questions, translating and offering advice. It seems compensation plays a role in how immigrants are served. As I sat with a sweet Dominican customer service representative, she greeted by name all of the Latinos who walked into the bank, often followed by "Hola, mi amor" ("Hello, my love"). Customers come in with questions, many of which could have been answered by calling a nationwide phone number and pressing "2" for Spanish, but they prefer to come in and ask in person.

I am fascinated by the parallels between offering immigrants financial services in New York and serving their counterparts in their home countries. On both sides of the border, customers want to be listened to. They need solutions and appreciate a face-to-face contact when discussing how to protect their hard-earned income. CGAP (The Consultative Group to Assist the Poor) has recently been calling attention to the need for "client-centered" microfinance. Understanding the needs of low-income clients is key; we have based a huge part of our work at EA Consultants on it. But understanding what drives staff is also critical. There is no point in developing products and services for customers without aligning incentives to support these services. In many microfinance institutions, aggressive performance targets based on sales and delinquency don't leave staff enough time to actually help clients plan their financial futures. That is a huge missed opportunity for all of us in the industry. Perhaps we can do a better job selecting, training and fairly compensating staff rather than setting them up to undermine clients' long-term goals.

About the Author: Ms Barbara Magnoni is President of EA Consultants, a development consulting firm based in New York. She has 15 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@eac-global.com, or you may follow her on Twitter at BarbaraatEA.

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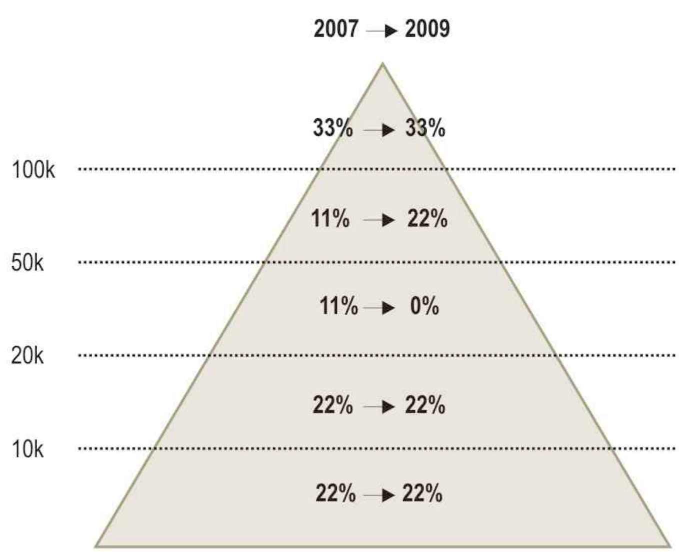
MICROCAPITAL MARKET INDICATORS I KENYA

9 MICROFINANCE INSTITUTIONS (MFIs) REPORTING[1]

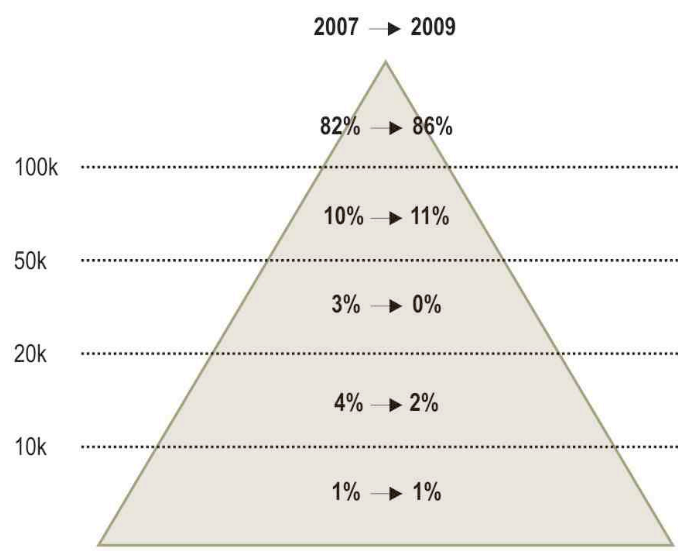
MFIs BY GROWTH IN GROSS LOAN PORTFOLIO: CHANGE IN USD

MFI NAME	AVERAGE ANNUAL USD INCREASE	AVERAGE ANNUAL % INCREASE	2007	2009
Equity Bank	234,576,662	53	348,948,192	818,101,516
Kenya Women Finance Trust	37,054,573	49	60,131,420	134,240,567
Faulu Kenya	6,118,085	20	27,407,324	39,643,494
Small and Micro Enterprise Project	1,405,482	14	9,574,105	12,385,069
Opportunity Kenya Limited	766,567	35	1,843,881	3,377,015
Micro Africa Limited	314,368	19	1,517,802	2,146,539
Kenya Agency for the Development of Enterprise and Technology	54,853	1	6,178,392	6,288,097
Business Initiative and Management Assistance Services	-37,070	-1	2,705,961	2,631,820
K-Rep Bank	-5,170,450	-7	81,469,008	71,128,108

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



MARKET SHARE BY MFI SIZE (NUMBER OF ACTIVE BORROWERS)



(1) Denotes only MFIs that report data for 2007 - 2009 to MicroBanking Bulletin (MBB) or MIX Market.
Source: Microfinance Information Exchange Incorporated, December 2011

UPCOMING EVENTS

Institutional and Technological Environment for Microfinance
January 4 - January 7, 2012, New Delhi, India
This event will focus on cost management and social performance issues in global microfinance operations, with the proceedings to be covered in a special issue of the journal *Cost Management*, which is published by the US-based Thomson Reuters news service. The full fee to attend is EUR 300 with discounts available for students and for all participants from less developed countries. Additional fees apply to the pre-conference workshop. For additional information, you may e-mail microfinancechair@escdijon.eu or visit http://item3.weebly.com/. No telephone number is provided.

Skoch Group Financial Inclusion Awards 2012
January 5, 2012, New Delhi, India
The Skoch Group, an India-based management consulting firm, will recognize best practices within the financial services sector for promoting inclusive growth and poverty alleviation in India. The fee to attend is INR 10,000. For additional information, you may email info@skoch.in, visit http://www.financialinclusion.in/ or telephone +91 124 42 22 760 or +91 124 42 22 761.

Scalable Business Models for Islamic Microfinance
January 30 - February 1, 2012, Istanbul, Turkey
This conference aims to address access to finance for unbanked Muslims, the role of the Islamic Development Bank in advancing Islamic microfinance, case studies, attracting commercial funding and ensuring the authenticity of Islamic microfinance products. The full fee to attend is USD 2,299 with various special rates available including a 15-percent discount for MicroCapital readers citing the priority code "MicroCapital." Additional fees apply for add-on workshops or for electronic copies of the conference documentation for non-attendees. For additional information, you may email info@hansonwade.com, telephone +44 (0) 203 141 8700 or visit http://islamicmicrofinance-summit.com/.

Mobile Money APAC (Asia Pacific) Conference and Expo
January 30 - February 2, 2012, Singapore
This event will cover topics such as mobile money as a driver of socio-economic development, mobile money in the insurance market and securing customers through government-to-person payments. The cost to attend is USD 2,299, with additional fees applicable to a pre-conference workshop and post-conference site visits. For more details, you may contact Sonum Puri via sonum.puri@clarionevents.com or Steven Clarke via steven.clarke@clarionevents.com. Alternatively, you may telephone +44 (0) 20 7370 8623 or +44 (0) 20 7370 8478 or visit http://www.mobile-money-transfer.com/apac.

Indian Ocean / South Asia Mobile Payments & Banking Summit
January 31 - February 1, 2012, Colombo, Sri Lanka
This event will cover retail payments and cross-border remittances including business models for banks and network operators as well as various payment platforms that can enhance value-added services. The fee to attend is USD 1,199 for retail merchants, USD 1,999 for representatives of telecom operators and banks, and USD 1,499 for others. Additional information is available via +65 6391 2533, http://www.magenta-global.com.sg/iosapayments2011/ or enquiry@magenta-global.com.sg.

Second National Islamic Microfinance Conference: POSTPONED
~~February 4 - February 6, 2012~~, Lahore, Pakistan

Second Annual Microinsurance Conference
February 20 - February 22, 2012, Johannesburg, South Africa
This event will cover topics such as the microinsurance market in Africa, potential for growth, how to create a sustainable business model, the role of partnerships, innovative distribution channels, the role of reinsurance, educating consumers and an overview of microinsurance in the agricultural sector. The fee to attend is ZAR 113,999 including VAT. For additional information, you may contact Rosalind Hinchcliffe via rhinchcliffe@iir.co.za or +27 11 771 7000, or you may visit http://www.iirconferences.co.za/microinsurance.

Making Finance and Insurance Markets Work for the Poor
March 1 - March 3, 2012, Jamshedpur, Jharkhand, India
This event will address models of inclusive financial innovation, field-level data analysis and policy and regulatory constraints. The registration fee is INR 5,000. More information is available via Dr H K Pradhan via +91 0657 398 3333 or pradhan@xlri.ac.in, or you may visit http://111.93.2.3/c4p.htm.

2nd Annual Africa Banking & Finance Conference 2012
March 6 - March 7, 2012, Nairobi, Kenya
This event will consider the finance sector in Africa with an eye on the financially excluded population, the growth of middle-class consumers, infrastructure development needs and the growing external interest in Africa. The fee to attend is USD 1,000 with a rate of USD 750 available through December 23. For more information, you may visit http://www.aidembs.com/banking_conference/, or you may contact info@aidembs.com or +254 20 221 8114.

Microinsurance Summit Latam 2012
March 26 - March 28, 2012, Miami, USA
Highlights of this event include discussions on reducing operating costs, product innovation and financial education. The standard registration fee is USD 2,299 with discounts for microfinance institution representatives and for registrations completed before January 27. Add-on fees apply for an agricultural focus day and various workshops. More details are available via http://microinsurance-latin.com/, +44 (0)20 3141 8700 or register@hansonwade.com.

MORE DETAILS COMING SOON ON…

Mobile Money Americas 2012
March 27 - March 28, 2012, Mexico City, Mexico

Financing Low Cost Housing Africa
March 28 - March 29, 2012, Nairobi, Kenya

African Mobile Money Research Conference
April 2 - April 3, 2012, Nairobi, Kenya

2012 Research Conference on Microinsurance
April 11 - April 13, 2012, Enschede, the Netherlands

Mobile Payments & NFC World Summit 2012
April 19 - April 20, Hong Kong, China

Association of the Luxembourg Fund Industry Socially Responsible Investing / Microfinance Conference
May 9 - May 10, 2012, Luxembourg

TBLI Conference Asia 2012
May 24 - May 25, 2012, Hong Kong, China

PAPER WRAP-UPS

Too Much Microcredit? A Survey of the Evidence on Over-Indebtedness

By Jessica Schicks and Richard Rosenberg, published by CGAP (Consultative Group to Assist the Poor), September 2011, 44 pages, available at: http://www.cgap.org/p/site/c/template.rc/1.9.55377/

The authors of this paper discuss over-indebtedness from the perspective of microborrowers and examine its prevalence, causes and consequences. Over-indebtedness is defined as when borrowers have serious problems repaying their loans. While the authors assert that the objective should be to reduce the prevalence of over-indebtedness, they acknowledge that complete elimination is not a practical goal, as there is often a trade-off between over-indebtedness on one hand and access to credit on the other. The only way to eliminate over-indebtedness completely is to stop lending.

The authors make a case for intensifying the resources devoted to reducing over-indebtedness, noting that evidence suggests that it is more prevalent and that its consequences may be more serious than previously believed. India and Morocco are among the countries cited as becoming more competitive and saturated - and thus more exposed to the risks of over-indebtedness.

Behavioural economics suggests that "borrowers don't always make smart choices" and raises doubts about relying on microborrowers' prudence to keep their borrowing levels healthy. Additionally, strong repayment statistics do not necessarily mean that there is no problem, as even a borrower who repays a loan faithfully may encounter very serious problems in making the payments.

Aside from its negative impact on borrowers, over-indebtedness can also lead to political backlash and regulatory overreaction. Furthermore, the authors note that there is less confidence recently in the impact of microcredit on borrowers. If the sector's benefits are lower, there must be a lower tolerance for downside risks, such as over-indebtedness.

The authors find that lender practices, borrowers' behaviour and external factors can all contribute to the problem. For instance, over-indebtedness may ensue from a lack of transparency in advertising loan conditions, which reduces a borrower's ability to make an informed decision. A heavy focus on growth may also push a microfinance institution (MFI) to relax lending standards. Aggressive collection methods may result in lenders adding to borrowers' struggles. Borrowers, on the other hand, may put too much weight on immediate gratification and pay little attention to future consequences, such as loan repayments. In other cases, external factors such as a job loss, accident, natural disaster or changes in government policies may also contribute to over-indebtedness.

The authors examine various definitions and measurable proxies of over-indebtedness and determine that all suffer from limitations. For survey work, the authors recommend an indicator that is based on the struggles and sacrifices that borrowers make to repay loans. On the other hand, the authors caution against automatically concluding that struggling to repay loans means the borrower is worse off because of his or her borrowing.

The authors also investigate the results of six empirical studies that were intended to quantify over-indebtedness levels and over-indebtedness risk. While the levels of over-indebtedness appear distressing across the studies, the countries studied were not representative of worldwide microcredit markets; indeed they were selected precisely because of local concerns about over-indebtedness.

Finally, the authors offer a non-exhaustive survey of potential responses to over-indebtedness. MFIs can change product design or modify the sales processes, loan under-writing and collections. For funders, the authors recommend an explicit assessment of over-indebtedness risk as part of the evaluation of potential grantees or investees.

Group Lending or Individual Lending? Evidence from a Randomised Field Experiment in Mongolia

By Orazio Attanasio, Britta Augsburg, Ralph De Haas, Emla Fitzsimons and Heike Harmgart; published by the European Bank for Reconstruction and Development; December 2011; 48 pages; available at: http://www.ebrd.com/downloads/research/economics/workingpapers/wp0136.pdf

The results of the experiment discussed in this paper indicate that access to group loans has a positive impact on food consumption and entrepreneurship, while individual borrowing is not associated with significant change in these factors. This supports theories on the disciplining effect of group lending.

Borrowers in group-lending villages were also found to be less likely to make informal transfers to families and friends while borrowers in individual-lending villages were more likely to do so. The authors suggest that the groups may be taking the place of some informal financial networks, although further analysis is needed to make this conclusion.

Capital Structuring and Equity Valuation Toolkit

By Srikanth Geedipalli, Marcelo Lando, Diana Lewin, Christian Novak and Christoph Sielfel; published by MicroSave; November 2011; 131 pages; available at: http://microsave.org/toolkit/capital-structuring-and-equity-valuation

This manual covers a range of instruments for accessing debt and capital financing, how to select optimal capital structures, techniques in valuing microbanks and issues to consider when approaching various types of investors.

Implementing Client Protection in Microfinance: State of the Practice, 2011

By Daniel Rozas, Isabelle Barres, Charlotte Connors and Elisabeth Rhyne; published by the Center for Financial Inclusion; November 2011; 48 pages; available at: http://centerforfinancialinclusionblog.files.wordpress.com/2011/11/111116_smart-campaign_implementing-client-protection-principles-in-mf-state-of-the-practice-2011_final.pdf

This report covers how the Smart Campaign and other industry players are working to move from an initial phase of raising awareness regarding client protection to a new phase of capacity building, implementation and certification. The authors address how the industry is progressing in terms of the Client Protection Principles, which include appropriate product design and delivery, prevention of over-indebtedness, transparency, responsible pricing, fair treatment of clients, privacy of client data and mechanisms for complaint resolution.

Poverty, Income Inequality, and Microfinance in Thailand

By Kelly Bird, Kelly Hattel, Eiichi Sasaki and Luxmon Attapich; published by the Asian Development Bank; November 2011; 23 pages; available at: http://beta.adb.org/sites/default/files/poverty-income-inequality-microfinance-thailand.pdf

The authors of this paper provide an overview of the level of poverty and income inequality in Thailand and discuss the potential role that Thailand's "undeveloped" microfinance sector can play in addressing these issues.

In 2008, the Thai government conducted a Household Socio-Economic Survey that found Thailand's poverty rate declined from 33 percent in 1988 to 9 percent in 2008. However, the survey indicates that Thailand's Gini index of household income - a measure of income inequality - stands at 0.51, signaling that income distribution remains skewed toward a small share of the population. Moreover, high rates of poverty are concentrated in low-per-capita-income regions of the Northeast where the majority of households are engaged in the agriculture sector. Savings and asset distributions in Thailand follow a pattern similar to that of income distribution.

The authors find that Thailand's microfinance sector is small and undeveloped, ranking at the bottom of the scale in both regional and global terms based on an evaluation of the country's microfinance regulatory framework, investment climate and institutional development. Regulations identified as impediments to the development of the microfinance sector include a 15-percent interest rate ceiling for loans disbursed by non-banking financial institutions, licensing restrictions to market entry for microfinance institutions and government-subsidized programs that cause an oversupply of credit.

The authors offer the following recommendations to support the use of microfinance as a strategy to promote financial inclusion: (1) open the microfinance sector to greater private-sector participation; (2) strengthen the supervisory capacity of the Bank of Thailand's microfinance division; (3) limit the government's operations in microfinance; (4) develop a microfinance credit information bureau; (5) create an enabling environment for mobile phone banking and mobile branches; (6) develop a regulatory framework to promote the growth of microinsurance; and (7) develop a national financial literacy program aimed at low-income households.

Over-Indebtedness of Microborrowers in Ghana

By Jessica Schicks, published by the Center for Financial Inclusion, November 2011, 21 pages, available at: http://centerforfinancialinclusionblog.files.wordpress.com/2011/11/111108_cfi_over-indebtedness-in-ghana_jessica-schicks_en_final.pdf

This paper explores the gap between providers' and clients' perceptions of indebtedness. The author: (1) discusses the experiences of microborrowers in repaying their loans; (2) measures the prevalence of repayment struggles; (3) suggests possible drivers of over-indebtedness; (4) sheds light on the phenomenon of over-indebtedness from a customer protection perspective; and (5) identifies opportunities for preventing over-indebtedness.

Rethinking Development Strategies in Africa: The Triple Partnership as an Alternative Approach - The Case of Uganda

By Johnson Makoba, published by Peter Lang International Academic Publishers, 2011, 269 pages, available for purchase at: http://www.peterlang.com/index.cfm?event=cmp.ccc.seitenstruktur.detailseiten&seitentyp=produkt&pk=52848

This book considers how development-oriented NGOs and microfinance institutions (MFIs) can offer an alternative approach to state- or market-based strategies for achieving sustainable development and poverty reduction. The author covers development strategies in Africa, particularly the role of NGOs and MFIs in Uganda, and analyzes how these organizations can work together with the public and private sectors in a triple partnership to reduce poverty in Uganda and other African countries.