

MICROCAPITAL BRIEFS | TOP STORIES

EFSE Lends \$20m to ProCredit Bank Georgia

The European Fund for Southeast Europe, which is registered in Luxembourg, has reported to MicroCapital that it loaned the euro-equivalent of USD 20.7 million to ProCredit Bank Georgia, a member of Germany's 21-member ProCredit Holding. ProCredit Bank Georgia, which works with micro-, small and medium-sized enterprises, reports total assets of USD 488 million, a gross loan portfolio of USD 336 million, return on assets of 2.55 percent, return on equity of 18.1 percent and 49,000 active borrowers. November 16. 2011

responsAbility Lends \$8m in DRC, India, Romania

Switzerland's responsAbility Social Investments recently reported to MicroCapital that it has made loans totaling the following amounts: USD 7 million to India's Bandhan Financial Services Private Limited, which reports total assets of USD 614 million; USD 1 million to FINCA DRC, which is located in the Democratic Republic of the Congo, reports total assets of USD 23.1 million and is part of the US-based FINCA International network; and the local currency equivalent of USD 215,000 to Opportunity Microcredit Romania (OMRO). A member of US-based Opportunity International, OMRO reports total assets of USD 16.9 million. November 15. 2011

Kenyan Farmers Receive \$12m Payout from Kilimo Salama

After a drought struck crops in Kenya, roughly 1,400 farmers each have received USD 9,230 through the Kilimo Salama "safe farming" microinsurance program. Approximately 21,000 farmers have enrolled in the program by paying a 5-percent premium when they purchase seed or fertilizer. Launched in 2010, Kilimo Salama uses data from solar-powered weather stations to determine whether rainfall is high or low enough to negatively impact crop yield. When this occurs, farmers receive payouts through their mobile phones. November 9. 2011

Nordic Development Fund, MIF Commit \$7m to Green Lending in Latin America

The Nordic Development Fund, a Finland-based international finance institution, and the Multilateral Investment Fund, a member of the US-based Inter-American Development Bank Group, have launched Ecomicro, a four-year, USD 7 million program to assist Latin American microfinance institutions in lending for energy efficiency investments and adjusting risk management models to incorporate climate change. November 3. 2011

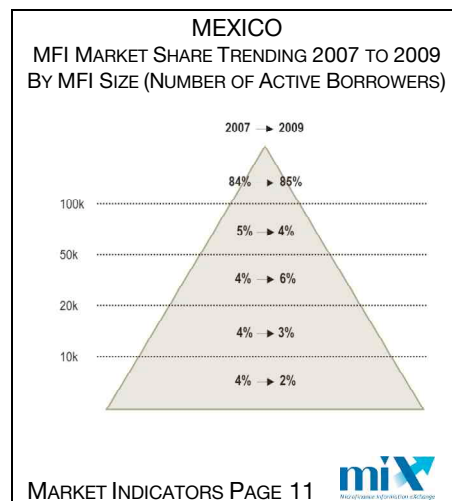
Indian MFIs Call Off Merger After Restructuring Plans Approved

Three Indian microlenders, Spandana Sphoorty Financial, Share Microfin and Asmitha Microfin, reportedly have rejected the idea of a merger, which had been under consideration for several months. The need for the merger has apparently been mooted by the approval of corporate debt restructuring packages for the institutions, whose debt will be recast with an interest rate of 12 percent and repayment periods of up to eight years. The microlenders will also be able to convert part of their debt into optionally convertible, redeemable preference shares. While complete details remain unavailable, India's ICICI Bank Limited is among the wholesale lenders involved in the restructuring of the equivalent of USD 245 million owed by Share Microfin, which reports assets of USD 553 million. October 18 and November 1. 2011

India's Trident Microfin Defaults on Loan from Kotak

After reportedly being late on its repayments since January, Trident Microfin, a microlender based in the Indian state of Andhra Pradesh, has defaulted on a loan it owes Kotak Bank, an Indian commercial bank. Trident had previously registered the equivalent of USD 534,000 in repayments on the loan of USD 821,000. As of June, Trident had total assets of USD 39 million, a gross loan portfolio of USD 29.5 million, return on assets of -3.1 percent and return on equity of -23 percent. October 31. 2011

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MICROCAPITAL BRIEFS

MicroCapital Offers Seats at PlaNet Microfinance Awards

On December 5 at the Musée du Louvre in Paris, PlaNet Finance will be presenting awards recognizing microentrepreneurs in the following categories: arts and crafts, education, environment, innovation, health, entrepreneurship in France, students and general public. Through the end of November, MicroCapital readers are invited to request consideration to receive one of five free pairs of tickets to the invitation-only event. Preference will be given to *MicroCapital Monitor* subscribers. November 17, 2011

Grameen Credit Agricole Loans \$2m in DRC, Asia

The Grameen Crédit Agricole Microfinance Foundation of France recently informed MicroCapital that between May and September it disbursed four loans to microfinance institutions. USD 250,000 was lent to Hekima, which is located in the Democratic Republic of the Congo and reports assets of USD 2.2 million. The following loans were denominated in local currency: the equivalent of USD 480,000 to Chamroeun Microfinance of Cambodia, which has USD 2 million in assets; USD 620,000 to Finance for Development Limited Liability Company of Azerbaijan, which has USD 9.5 million in assets; and USD 690,000 to Thaneakea Phum (Cambodia) Limited, which has USD 31.7 million in assets. November 17, 2011

Dual Return Fund-Vision Loans \$6m in Asia, Latin America, Benin

The Dual Return Fund - Vision Microfinance, which is managed by Austria's Absolute Portfolio Management, has reported that it loaned the equivalent of USD 2 million to KazMicroFinance Limited Liability Company of Kazakhstan, which reports assets of USD 44.3 million. An additional USD 4.2 million was loaned to unnamed microbanks in Kyrgyzstan, Ecuador and two countries that are new to the fund's portfolio: Uruguay and Benin. The fund's volume stands at USD 114 million. November 17, 2011

Prizma of BiH Borrows \$2.6m from BOR, Nova

Microcredit Foundation Prizma of Bosnia and Herzegovina has informed MicroCapital that it recently secured local-currency loans from two domestic banks: the equivalent of USD 1.38 million from Nova Banka and USD 1.31 million from BOR Banka. Prizma reports assets of USD 67.5 million, a loan portfolio of USD 62.9 million, 45,000 active borrowers, return on assets of -0.60 percent and return of equity of 3.08 percent. November 17, 2011

Sharon D'Onofrio to Lead SEEP

The Small Enterprise Education and Promotion (SEEP) Network, a nonprofit association of approximately 120 microenterprise organizations, has appointed Sharon D'Onofrio as its executive director. Ms D'Onofrio has been involved with SEEP for 15 years and previously led a microfinance institution in El Salvador as part of her role with US-based Catholic Relief Services. November 17, 2011

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Triple Jump Invests Equity for ASN-Novib in Africa, Panama

Triple Jump, a Dutch microfinance investment manager and advisor, has made equity investments on behalf of ASN-Novib Microkreditfonds, a Dutch microfinance investment vehicle, in three microfinance institutions operated by Développement international Desjardins, the microfinance arm of the Canadian cooperative Desjardins Group. The unnamed investees are located Tanzania, Zambia and Panama. The sizes of the investments have not been released. November 17, 2011

Myanmar to Spend \$330k on Rural Microcredit

The government of Myanmar (Burma) reportedly is spending the equivalent of USD 333,000 to set up microcredit schemes in the rural regions of Pale, Yinnabbin, Salingyi and Kani. The funds are to be released in December and serve as the first of multiple rounds of funding intended to establish the programs as nonprofits. November 17, 2011

Bangladesh Providing Farmers \$7m in Interest-free Credit

The Bangladeshi government has budgeted the equivalent of USD 7.85 million to provide interest-free loans of up to USD 654 to livestock farmers, with 75 percent of each loan to be disbursed to the animal seller and the remainder set aside to feed the animal. Farmers will have a one-year grace period before repayment begins. November 17, 2011

IFC Syndicates \$40m Loan to Peru's Mibanco

The International Finance Corporation (IFC), the private-investment arm of the World Bank Group, recently has arranged a syndicated loan that will bring USD 40 million in long-term financing from IFC and other unnamed participants to support Peruvian microfinance institution Mibanco. The microbank reports total assets of USD 1.75 billion, a gross loan portfolio of USD 1.41 billion, return on assets of 1.23 percent and return on equity of 14.4 percent. November 17, 2011

EBRD Loans \$10m to UniCredit for MSMEs in Kyrgyzstan

The UK-based European Bank for Reconstruction and Development has distributed a loan equivalent to USD 10 million to UniCredit Bank of Kyrgyzstan for lending to micro-, small and medium-sized enterprises. The loan, of which 30 percent is denominated in local currency, follows a loan of equal size and purpose that was disbursed in February. The UniCredit Group has operations in 22 countries. November 16, 2011

Goodwell West Africa Invests \$1m in Ghana's Nwabiagya

Goodwell West Africa, a fund managed by Dutch Goodwell Investments, Nigeria's Alitheia Capital and Ghana's JCS Investments Limited, has agreed to invest USD 1 million in Nwabiagya Community Bank of Ghana, raising its equity share from approximately 12 percent to 18.9 percent. Goodwell West Africa has agreed to hold the stake for five years and will also provide advisory relating to human resources and lending operations. As of 2009, Nwabiagya reports assets equivalent to USD 13.9 million. November 15, 2011

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MicroCapital would like to recognize the individuals at CGAP, the Microfinance Information Exchange and the Microfinance Gateway for their outstanding work disseminating information on microfinance. Thank you!

Sudan's North Darfur Allots \$10m for Agriculture Microfinance

The government of the Sudanese state of North Darfur has announced that it has allocated the equivalent of USD 10.1 million for microcredit supporting winter agriculture in the state. North Darfur Finance Minister Dr Abdu Daud Suleiman reportedly said that the funding aims to enable 25,000 farmers in the localities of Millit, Kutum, Saraf Omra and Kabkabiya to plant groundnuts, vegetables and gum arabic. It is unclear if loans will be made directly by government agencies or via intermediaries. November 15, 2011

Africa Fellowships Open via Microinsurance Innovation Facility

Four microinsurance fellowships based in Africa have been made available through the Microinsurance Innovation Facility of the UN's International Labour Organization. The program is intended to develop microinsurance professionals by providing mentorship via the following field sites: South Africa's Centre for Financial Regulation and Inclusion, Nigeria's Hygeia Community Health Plan, Ghana's Star Micro and Kenya Orient Insurance Limited. November 15, 2011

responsAbility Funds Ecuador's Solidario, Colombia's Interactuar

Switzerland's responsAbility Social Investments recently reported to MicroCapital that it has made loans to microfinance institutions Banco Solidario of Ecuador and Interactuar of Colombia. Banco Solidario received USD 2.25 million, and Interactuar received the local-currency equivalent of USD 2 million. Banco Solidario reports total assets of USD 317 million, a gross loan portfolio of USD 229 million, return on assets (ROA) of 2.09 percent and return on equity (ROE) of 15.11 percent. Interactuar reports total assets of USD 51.1 million, a gross loan portfolio of USD 42.9 million, ROA of 3.58 percent and ROE of 10.03 percent. November 14, 2011

India's SKS Seeks \$184m as Firm Loses \$78m, Share Price Falls

SKS Microfinance of India has reported a loss equivalent to USD 78.4 million for the quarter ending in September. SKS's share price dropped by as much as 10 percent following the news, and the firm's shares have declined in value by 70 percent since January. The board of directors has approved plans to raise USD 184 million by issuing new shares to sell to institutional investors through a qualified institutional placement. SKS Chairman Vikram Akula reportedly said that regulation in the Indian state of Andhra Pradesh has caused a 5-percent reduction in its loan portfolio. As of 2010, SKS reported assets of USD 1.2 billion and 6.6 million borrowers. November 8 and November 12, 2011

On Mandatory Loan Insurance

In an article published by MicroEnsure, a subsidiary of US-based microfinance network Opportunity International, Kate Waiganjo, MicroEnsure's Country Manager in Kenya, responds to the argument that mandatory loan insurance largely benefits financial institutions rather than customers. Ms Waiganjo uses anecdotes to argue that mandatory loan insurance can be vital in situations in which clients do not fully appreciate a risk, such as the case of a tailor who realized the importance of insurance only after a fire destroyed his workshop. Ms Waiganjo also points out that mandatory coverage can also lower insurance pricing through economies of scale. November 11, 2011

Scotia Group Regroups in Jamaica: CreditScotia Succeeds MEFL

The Bank of Nova Scotia (Scotiabank) Jamaica, a subsidiary of Canada's Scotiabank, has created Scotia Jamaica Microfinance Company Limited to provide microenterprise loans under the brand CreditScotia. Loan sizes will range from the equivalent of USD 700 to USD 10,000. The company will take over the former offices of the nonprofit Micro Enterprise Finance Limited, which was backed by Scotiabank, the Canadian International Development Agency and the nonprofit Kingston Restoration Company. November 10, 2011

EIF Lends \$1.3m to Romania's FAER

The European Investment Fund, a public-private partnership that supports European financial institutions that serve small and medium-sized enterprises (SMEs), has agreed to provide a loan equivalent to USD 1.3 million to Romanian microfinance institution Societatea de Microfinantare Rurala FAER Institutie Financiara Nebancara (FAER IFN) through the European Progress Microfinance Facility. FAER IFN is affiliated with Fundatia Pentru Promovarea Agriculturii si Economiei Regionale (FAER), a nonprofit that supports agriculture and SMEs in Romania. The loan is intended to supply access to finance to 200 enterprises. FAER IFN reports a gross loan portfolio of USD 3.8 million, return on assets of 2.4 percent, return on equity of 8.7 percent and 530 active borrowers. November 9, 2011

Tigo Bima Life Insurance Covers Tanzanian Mobile Phone Users

MicroEnsure, a subsidiary of US-based microfinance network Opportunity International, has teamed up with mobile phone operator Tigo Tanzania and microinsurance service provider Milvik to offer a microinsurance product called Tigo Bima to Tigo customers in Tanzania. Tigo Bima covers the client and one family member against loss of life due to accident or illness and is free for customers spending the equivalent of USD 2.80 or more per month on mobile phone airtime. The level of coverage varies based on each month's usage. Payouts as high as USD 449 have recently been disbursed. The product is underwritten by Tanzanian insurer Golden Crescent; training and administration are provided by MicroEnsure; and technical support is provided by Milvik, which also partners with Tigo to offer a similar service in Ghana. November 9, 2011

Jeffrey Sachs: Mobile Phones Will Reduce African Poverty

Jeffrey Sachs, director of the United Nations Millennium Villages Project, was recently interviewed by the US-based CNN news network regarding the implications of increased mobile phone ownership in Africa: "Poverty is almost equated with isolation in many places of the world. Poverty results from the lack of access to markets, to emergency health services, access to education, the ability to take advantage of government services and so on. What the mobile phone - and more generally [information technology] - is ending is that kind of isolation." November 8, 2011

Filipino Microfinance Borrowing on the Rise

Based on data from 202 microfinance institutions in the Philippines, Bangko Sentral ng Pilipinas reportedly has announced that microfinance borrowing in the country has increased from the equivalent of USD 151 million in December 2010 to USD 170 million as of October. The total number of borrowers at these institutions increased from 932,000 to 979,000 during the same period. In contrast, the 92 microlenders reporting 2010 data to the US-based nonprofit Microfinance Information Exchange served 3 million active borrowers with loan portfolios totaling USD 630 billion. November 7, 2011

iTrends Offers iBanker Software Free to 12 Nigerian MFIs

Nigeria's iTrends Software is accepting applications for free licenses to use its financial management program, iBanker, which will be made available to 12 Nigerian microfinance institutions. The selected microbanks will be responsible for estimated implementation and training costs equivalent to USD 3,640. The standard software license fee is USD 16,900. November 7, 2011

NCR's "Pillar" ATMs to Serve Illiterate Users

The US-based NCR Corporation has developed an automated teller machine with a fingerprint scanner and color-coded buttons that is intended to make the device more accessible to illiterate users. NCR plans to test five prototypes shortly and then rollout the machines within a year. November 7, 2011

UNCDF Seeks Providers to Expand MicroLead Savings Program

Through January 2012, the UN Capital Development Fund, an agency that invests in and provides technical advice to developing countries, is accepting applications for the expansion of its MicroLead program, which seeks to increase the availability of savings services in sub-Saharan Africa. As of October 2011, MicroLead had supplied USD 20.1 million to 13 projects. Funded by Canada's MasterCard Foundation, the MicroLead Expansion Program aims to serve 450,000 low-income people by 2017. The program also endeavors to test whether a savings-led approach creates stronger and more resilient financial service providers. November 7, 2011

EcoBank, ACCION Win Awards in Nigeria, Ghana

EB-ACCION Savings and Loans, a Ghanaian microfinance institution, and ACCION Microfinance Bank (AMfB) of Nigeria have recently won awards for their provision of services to microentrepreneurs. Both organizations count EcoBank of Togo and US-based nonprofit ACCION International as investors. EB-ACCION won the 2011 "Microfinance Project of the Year Award" from *African Banker* magazine for its small loans, remittance products, debit cards and savings facilities, which are offered in Accra. AMfB was given the 2011 Lagos Enterprise Award for "Best Microfinance Bank of the Year" for contributing to the economic development of Nigeria. November 7, 2011

Soap Opera from Banco ADOPEM to Teach Savings

Asociación Dominicana para el Desarrollo de la Mujer (Banco ADOPEM), a microfinance institution in the Dominican Republic, has launched a television series in association with US-based Women's World Banking that is intended to teach women how to manage money. The first episode of the soap opera, entitled *Contra corriente (Going Against the Flow)*, reportedly has been viewed by 150,000 people. Banco ADOPEM will be reinforcing the message of the series with television ads, radio ads, billboards and educational events. Relevant video clips from the show are included in financial education materials created by US-based nonprofit Reach Global. November 6, 2011

Co-operative Bank Looking to Raise \$50m to Finance Coops

In recognition of the year 2012 being designated by the UN as the International Year of Cooperatives, The Co-operative Bank of Great Britain has launched the Global Development Co-operative (GDC) to provide finance to cooperatives in developing countries. GDC is targeted to raise USD 50 million from cooperatives and cooperative federations including All China Federation of Supply and Marketing Co-operatives, Credit Cooperatif of France, Mid-Counties Co-operative of Britain and Indian Farmers Fertiliser Co-operative Limited. Funds will be loaned at annual interest rates of 2 percent to 5 percent with terms of up to seven years. November 5, 2011



Compartamos Seeking Acquisitions in Insurance, Mobile Banking

Fernando Alvarez Toca, CEO of Mexican microfinance bank Compartamos Banco, reportedly has said that the bank is seeking to venture into "alternative products" such as microinsurance and mobile banking during 2012 either "through acquisitions in different countries or through organic growth." Mr Toca declined to name potential acquisition targets. Compartamos reports total assets equivalent to USD 1 billion, a total loan portfolio of USD 920 million, return on assets of 16.3 percent, return on equity of 32.7 percent and approximately 2 million borrowers. November 4, 2011

15 MIVs Join Global Impact Investment Ratings System

An additional 15 investment funds, representing approximately USD 550 million in capital, have committed to utilize the Global Impact Investment Ratings System (GIIRS) to assess their social and environmental impact. In late November, 40 funds will receive the first GIIRS Impact Ratings. While independent of the US-based nonprofit Global Impact Investment Network (GIIN), GIIRS does use the Impact Reporting and Investment Standards, a taxonomy and reporting standard that was developed by GIIN. For a list of the funds newly working with GIIRS, please refer to <http://microcapital.org>. November 3, 2011

97 AFI Members Sign Financial Inclusion Declaration

The Alliance for Financial Inclusion, a Thailand-based network of policymaking institutions that works toward increasing poor people's access to financial services, recently held a meeting in Mexico, where its 97 members representing central banks and financial regulators from developing countries signed the "Maya Declaration on Financial Inclusion." The declaration commits the signatories to: (1) institute a financial inclusion policy that includes the uses of innovative technology to lower the cost of financial services; (2) implement a regulatory framework to promote financial inclusion, stability and integrity; (3) recognize consumer protection and empowerment as key to financial inclusion; and (4) support their financial inclusion policy by collecting and analyzing data on access to financial services. November 3, 2011

EU Publishes "Code of Good Conduct for Microcredit Provision"

The EU's European Commission recently published a "European Code of Good Conduct for Microcredit Provision" that offers standards by which microcredit stakeholders are encouraged to manage: (1) customer and investor relations; (2) governance standards for management and boards of directors; (3) risk management; (4) reporting; and (5) management information systems. A sixth section on social performance reportedly is scheduled to be released in 2012. November 3, 2011



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Digicel Offers Transfers from New Zealand to Tonga, Fiji, Samoa

Digicel Pacific Limited, a unit of Jamaica-based mobile phone network operator Digicel Group, recently launched the Digicel Mobile Money service allowing people living in New Zealand to send money to Digicel mobile phone subscribers in Tonga, Fiji and Samoa for a flat fee equivalent to USD 2.30 per transaction. The recipients are not required to have a bank account as the money that is transferred to their mobile phones can be used as a “mobile wallet” to make purchases or withdraw cash from approximately 300 participating stores and other service agents. Initiative partners include the UN’s Pacific Financial Inclusion Program and New Zealand’s KlickEx currency exchange platform. Digicel Group reports approximately 11 million customers in 32 markets in the Caribbean, Central America and the Pacific. November 2. 2011

Reserve Bank of India Introduces NBFC-MFI Category

The Reserve Bank of India (RBI), the country’s central banking authority, has introduced a standalone category called “non-banking financial company-microfinance institution” (NBFC-MFI) as was proposed by the Malegam Committee, an RBI-appointed panel headed by RBI board member YH Malegam. The creation of the NBFC-MFI category may ease banks’ concerns regarding lending to microfinance institutions (MFIs), thus alleviating the cash flow challenges facing parts of India’s microfinance sector. While details of the NBFC-MFI category have not been released, the Malegam Committee proposed that entities qualifying as NBFC-MFIs should meet requirements including the following: (1) 90 percent of the entity’s assets are loans equivalent to USD 500 or less that are disbursed to borrowers whose annual income does not exceed USD 1,000; and (2) at least 75 percent of the loans are for income generation. November 2. 2011

Standard Bank: Majority of Africans Lack Access to Microfinance

A new report from Standard Bank of South Africa indicates that financial services remain unavailable to the majority of Africans. In Namibia, about 48 percent have access to formal banks; in Zambia, 25 percent of the population has access to a bank; in Mozambique and Tanzania, the number is even lower. Of Nigeria’s 150 million people, 120 million reportedly have no access to formal banking. November 1. 2011

Mint Subsidiary to Lend in UAE, Collect Payments from Paychecks

Mint Technology Corporation, a Canadian provider of prepaid card programs, has created Mint Money, a subsidiary that will seek to offer microfinance loans directly to Mint Technology’s 400,000 cardholders, many of whom receive their wages on the firm’s prepaid cards. Mint Money reportedly will offer advances of up to USD 1,000, with approval and settlement taking place within 24 hours. Repayments will be deducted from the employee’s wages. November 1. 2011

GloMobile Nigeria, TransferTo Launch Airtime Top-up Service

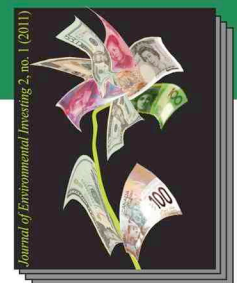
GloMobile Nigeria, a Nigerian telecommunications company, and TransferTo, a Singapore-based global airtime remittances company, have announced the launch of the GloMobile International Airtime Transfer service, which allows for the transfer of prepaid mobile phone airtime between any GloMobile customer in Nigeria and 3.6 billion customers of 230 partner mobile network operators worldwide. While GloMobile airtime cannot be converted to cash, “minutes” are sometimes used informally to barter for other goods and services. There is no immediate word on how much the service will cost. November 1. 2011



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Georgia's Crystal Receives \$2m Equity Investment

An unnamed microfinance vehicle managed by US-based Developing World Markets (DWM) has made an equity investment of USD 2 million in Georgia's Joint Stock Company Microfinance Organization Crystal, which reportedly plans to use the investment to strengthen "corporate governance and management systems...in the way which takes into account social and environmental objectives." Crystal reports total assets of USD 9.2 million, a gross loan portfolio of USD 8 million, return on assets of 8.1 percent, return on equity of 34.7 percent and 7,500 active borrowers. November 1, 2011

MFIs in Nepal Seek Credit Bureau

Microfinance institutions in Nepal reportedly have expressed interest in the establishment of a credit bureau to help them avoid duplicative lending. One microborrower is said to have acquired credit from 10 institutions. Twenty-one Nepalese microfinance and rural banks report total overdue loans equivalent to USD 3.77 million. November 1, 2011

Fairkampaign Seeks Comments on Model Microloan Agreement

Fairkampaign, an initiative of Dutch nonprofit International Legal Alliances Microjustice for All, has announced a call for feedback on the contents of a "fair microfinance loan agreement," which can be viewed at: <http://www.microfinancegateway.org/gm/document-1.9.55371/Faircontractcontent.pdf>. Comments may be directed to Jami Solli of Fairkampaign at jamisolli@gmail.com. November 1, 2011

responsAbility Ventures I Invests in Peruvian Healthcare Provider

Switzerland's responsAbility Social Investments has announced that it is investing an undisclosed sum in private healthcare provider Por Ti, Familia (PTF) of Peru through responsAbility Ventures I, a fund launched in January to invest in small and medium-sized enterprises that serve poor people. Established in 2009, PTF aims to offer affordable healthcare services in the city of Lima using a model with many "spokes" offering simple services and fewer "hubs" offering more specialized services. As of 2010, PTF reports having served 20,000 patients. As of September, responsAbility reports approximately USD 1 billion in assets under management. October 31, 2011

Steve Hollingworth to Lead Freedom from Hunger

Freedom from Hunger, a US-based nonprofit, recently announced that Steve Hollingworth will become president and CEO of the organization after the retirement of Chris Dunford, who has led the organization for 20 years. Mr Hollingworth previously worked with US-based international development organization CARE. October 31, 2011

AMK of Cambodia Wins Giordano Dell'Amore Award

Angkor Mikroheranhvatho Kampuchea Company Limited (AMK), a deposit-taking microbank in Cambodia, has been awarded the second Microfinance Best Practices International Award by the Italian foundation Fondazione Giordano Dell'Amore. This year's award is intended to recognize "transparency, client protection and social impact." AMK reports total assets of USD 43.9 million, a gross loan portfolio of USD 31.7 million, 251,300 borrowers, return on assets of 1.90 percent and return on equity of 6.86 percent. October 28, 2011

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EU Pledges Additional \$7m to EBRD's Small Business Programs

The EU has committed the euro-equivalent of USD 6.9 million to the UK-based European Bank for Reconstruction and Development (EBRD) for its "TurnAround Management" and "Business Advisory Service" programs in Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. The programs offer technical assistance and business advice to micro-, small and medium-sized businesses adapting to free-market competition in formerly state-run economies. EBRD will also work with local governments and regional chambers of commerce to identify and facilitate areas of greater economic and financial cooperation across national borders. At present, one or both of the programs operate in 22 countries funded by donations totaling USD 158 million. October 28, 2011

Nepal to Introduce Microinsurance in 10 Districts

Beema Samiti, the insurance regulatory authority of Nepal, reportedly has been directed by the country's finance ministry to identify 10 rural districts in which microinsurance programs will be implemented. Insurance companies have been encouraged to cover wells, huts, workshops, tea shops, rickshaws and vending carts and their operators with products covering life, health, accidents, crops and livestock. To address distribution challenges, Beema Samiti is considering the engagement of existing microfinance groups to collect premiums. October 26, 2011

BPI Globe BanKO to Launch Microinsurance in the Philippines

BPI Globe BanKO, the mobile microfinance affiliate of the Bank of Philippines Islands (BPI), reportedly is launching three microinsurance products in collaboration with two other affiliates of BPI, BPI-Philam Life Assurance Corporation and BPI/Mitsui Sumimoto Insurance Corporation. PondoKO entitles individuals to life insurance coverage of five times the balance of contributions plus annual interest of 1 percent earned on deposits after the balance reaches the equivalent of USD 46. PuhunanKO provides a life insurance benefit of USD 231 plus the amount of any outstanding loan balance. PaniguroKO offers coverage of USD 1,160 for accidental death and smaller amounts in case of fire or natural disaster. Pricing for the other products has not been disclosed, but PaniguroKO costs USD 8.50 per year. BPI reports assets of USD 20 billion. October 25, 2011

MicroLoan Foundation Launches Solar Pilot Project in Malawi

The MicroLoan Foundation, a UK-based nonprofit that works to promote entrepreneurship among women in Malawi, Zambia and Namibia, has launched a pilot project in Malawi's Kasungu region that is designed to provide women with solar lighting products and mobile phone battery chargers to either sell or rent out. The "solar entrepreneurs" were selected based on their business history, and they have been trained on how the panels work, how to repair faulty units and how to keep records. October 25, 2011

Indian Finance Ministry Bid to Allow MFI Deposits Opposed by RBI

India's finance ministry is drafting a Microfinance Institutions (Development and Regulation) Bill that will allow microfinance institutions to collect deposits from self-help groups (SHGs) and SHG members. India's central banking authority, the Reserve Bank of India (RBI), has reportedly expressed concern about the safety of deposits, indicating that RBI "will not allow thrift to anyone other than NBFCs (non-banking financial companies)." For-profit microlenders in India generally operate as NBFCs, but nonprofit microlenders do not. October 25, 2011

Court Dismisses Petition Against MICROFIS by PlaNet, PlaNIS

Microfinance Investment Services (MICROFIS), a French market platform for investors in "responsible finance," reports that the Paris Commercial Court has dismissed a petition against MICROFIS that was filed jointly by two French organizations: PlaNet Finance, a nonprofit that works to alleviate poverty through microfinance, and social investment advisory firm PlaNIS responsAbility SAS, which is held by PlaNet Finance, Switzerland's responsAbility Social Investments AG and Natixis Asset Management of France. The petition accused MICROFIS of "parasitism and unfair business competition." MICROFIS reports that the court declared the petition void and has instructed PlaNIS to pay for MICROFIS' legal costs. PlaNet Finance has responded that the court dismissed the claims of all involved "without favoring any party" and that PlaNIS has been instructed to pay the legal fees only insofar as is standard practice under French law. MICROFIS President and CEO Cyrille Parant previously was employed under the PlaNet Finance Group. October 25, 2011

Econet, Telecel Zimbabwe Each Launch Mobile Banking Services

Two telecommunications providers, Econet Wireless Zimbabwe and Telecel Zimbabwe, have separately launched mobile banking services in the country. Telecel has partnered on its effort with ZimSwitch, a financial platform based in Zimbabwe that facilitates transactions among banks. Econet has launched an in-house mobile banking platform, EcoCash. Both services allow customers to transfer, withdraw, deposit and receive money using their mobile phones. While Telecel's rates are not available, EcoCash charges fees of two percent to seven percent per transaction. October 24, 2011

Nigerian Microloan Disbursements Grow 24% in First Half of 2011

The Central Bank of Nigeria has released a report indicating that microfinance banks increased their loan disbursement volume to the equivalent of USD 411 million as of June 2011, an increase of 24 percent over December 2010. USD 58.5 million of this amount was sourced from deposits. The report also indicates that microbanks' total assets and liabilities increased 9.9 percent to USD 1.1 billion during the half year. October 24, 2011

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FIELD NOTES

Building a Better Brazil with a Smile and a Smart Phone

I just returned from Rio de Janeiro after a 15-year absence. What a difference 15 years makes! Today's Rio is visited by the likes of Bono and Brangelina, and sushi bars rather than churrascarias are the place to go for dinner. Rio's government has been ridding its *favelas* (slums) of violence to secure a more inclusive Brazil. "Favela tours" have now become tourist attractions. Building a better Brazil is a priority now in particular as all eyes will be on the country during the 2014 World Cup football tournament.

In a country with a vast geography and a population of almost 200 million, achieving scale can be costly. Technology has been an important solution to this challenge. Brazil is fourth worldwide in terms of cell phone usage, with 227 million registered mobile phones. Today, 13.5 million Brazilians have access to high-speed internet, and the government is targeting 35 million homes - 88 percent of the country's land area - by 2014. (How else will they keep track of the World Cup scores?)


So while I was in Rio, I skipped the sushi bars and instead went on my own "tour" to learn about an interesting microfinance program managed by Itaú Unibanco - one of the largest banks in the southern hemisphere - that uses technology to facilitate microcredit in Brazil's low-income urban areas. The favelas are violent at times, but that doesn't usually stop a young loan officer named Daniela from visiting: "If I see police in the area, I know it isn't safe and I stay away."

Daniela has developed close relationships with her clients. One borrower generously drove us to take photos of a scenic area during our visit. An old woman stopped us to hug Daniela as we left the favela. One client

told me: "Itaú has the lowest interest rates of the banks that come to the favela; their service is very good; the loan officer is so nice. I am satisfied."

While Daniela's work is extremely personal on the front end, it is almost completely virtual on the backend; she visits the bank branch only once a month. When she visits new clients, she sends photos of their inventories and documents to a virtual loan committee through her smartphone, which she can also use to punch their basic information into a loan simulator to determine ideal loan size and payment amounts. The loan committee approves or denies the loan within 24 hours. She prints out a payment order and loan payment schedule at an internet café and delivers it to her clients in person. They can make loan payments at non-branch outlets such as lottery stands or small grocers. What I find most interesting about this program is that it relieves the greatest cost pressure banks face: branch traffic. Yet it sticks to the basic premise of microcredit: a triangle of trust among the financial institution, its loan officer and its client.

Why would such a big bank bother climbing around in the favelas to make microenterprise loans of just a few thousand dollars? I suspect there are two reasons. The first is that management sees a future in these clients and their children. And the second is that - to be a truly Brazilian bank - Itaú must help build a Brazil of which it can be proud.

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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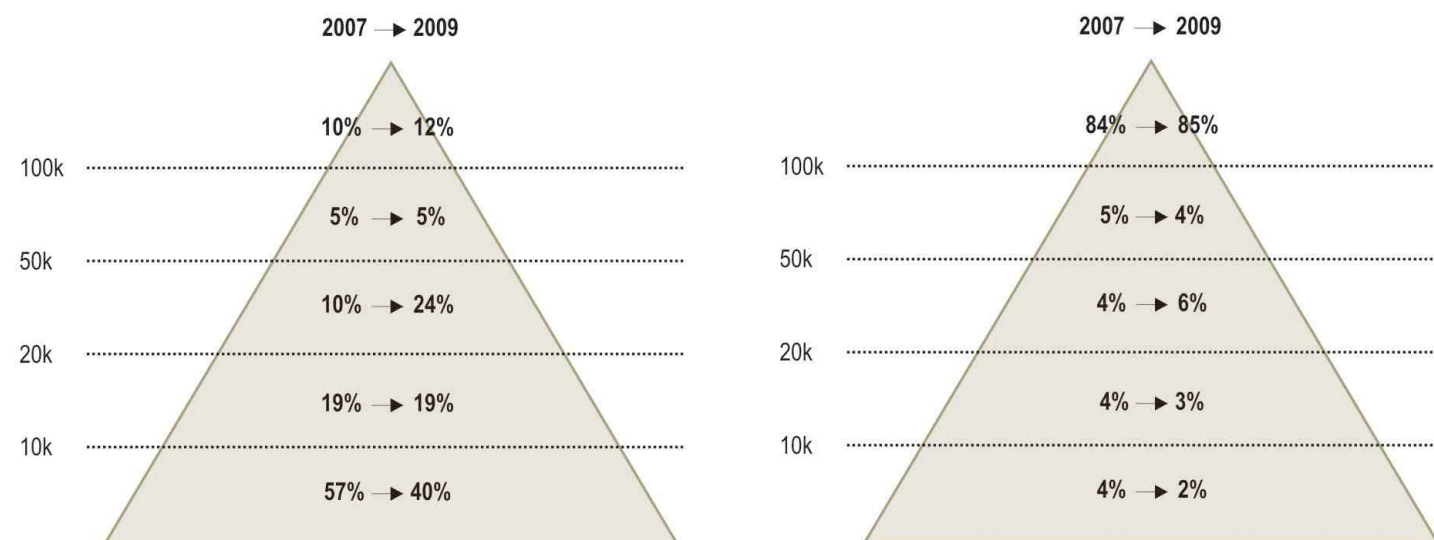
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42 MFIs REPORTING¹

TOP 10 MICROFINANCE INSTITUTIONS (MFIs) BY GROWTH IN GROSS LOAN PORTFOLIO: CHANGE IN USD

MFI NAME	AVERAGE ANNUAL USD INCREASE	AVERAGE ANNUAL % INCREASE	2007	2009
Caja Popular Mexicana	100,937,635	8	1,156,543,744	1,358,419,014
Banco Compartamos SA Institución de Banca Múltiple	99,880,833	24	377,726,848	577,488,515
Financiera Independencia	39,592,399	13	289,290,848	368,475,646
Eurekasol SA de CV	20,152,989	79	18,233,732	58,539,710
Apoyo Económico Familiar SA de CV	17,293,899	74	17,194,592	51,782,389
CAME	8,521,656	38	18,723,832	35,767,143
Solución Asea SA de CV Sociedad Financiera Popular	4,154,991	157	1,485,214	9,795,196
Servicios Financieros Comunitarios	3,894,088	9	43,205,316	50,993,492
FINCA Mexico	3,830,626	16	22,153,334	29,814,585
ASP Financiera	3,685,371	27	12,048,044	19,418,786

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, Inc., November 2011, based on MFIs reporting to MBB or MIX Market.

UPCOMING EVENTS

Citi-Financial Times Financial Education Summit 2011

November 28 - November 29, 2011, Jakarta, Indonesia

This conference will focus on the importance of financial education for poor people and the need for innovation and collaboration to increase financial inclusion and reduce poverty. Topics are to include cost-benefit analyses of investing in client education, focusing on migrant workers, the use of mass media, reaching youth and how financial education interventions can be adapted to Islamic finance. The fee to attend is USD 600. More details may be had via +852 2905 5515, FinEdSummit@ft.com or <http://www.financialeducationsummit.org/>.

Technology Innovation for Banks in Growth Economies

November 29 - November 30, 2011, London, UK

This event aims to cover infrastructure growth strategies, technology, regulation, the role of microfinance banks as a delivery channel and alliances between telecoms and banking providers. The registration fee for representatives of for-profit organizations is GBP 1,699 plus VAT with a rate of GBP 1,049 available to those from nonprofits. Additional fees apply to pre-conference workshops. Those who are unable to attend may purchase an electronic copy of the conference documentation for GBP 499. For additional information, you may contact Christina Leahy via christina.leahy@hansonwade.com or +44 20 3141 8700, or you may visit <http://technologyinnovation-banking.com/>.

3rd Indonesia Microfinance Conference

November 30 - December 1, 2011, Jakarta, Indonesia

This conference aims to address challenges such as product innovation, regulation, technology, staff retention, funding and social performance. Also to be covered is the balance between traditional Indonesian microfinance players such as cooperatives, NGOs and bank *perkreditan rakyat* (people's credit banks) against new actors in the sector such as commercial banks and foreign institutions. The fee to attend is IDR 1 million, with a 50 percent discount for Indonesia Microfinance Association members. While no telephone number is offered, you may email secretariat@indonesiamicrofinance.org for additional information, or you may visit <http://www.indonesiamicrofinance.org/>.

Microfinance is Evolving...is Accounting Keeping up?

December 2, 2011, Greensboro, North Carolina, USA

This event aims to offer discussions on the transformations happening within the microfinance industry, the challenges of balancing profitability and fairness, accountability and the roles of accountants and the effectiveness of reporting standards. The fee to attend is USD 110. More information is available via Sandra Frempong at sfrempong@blassys.com or +1 828 275 8559 or via <http://blassys.com/>.

Microfinance India Summit 2011

December 12 - December 13, 2011, New Delhi, India

This conference will include the release of *Microfinance India State of the Sector Report 2011* by Indian nonprofit Access Development Services and the presentation of the Microfinance India Awards by Access and British bank HSBC. The registration fee is INR 8,800 for Indian nationals and USD 500 for international participants. Discounts are available for students and those also registering for the immediately following Livelihoods India Conference 2011. For additional information, you may make contact via microfinanceindia@accessdev.org, +91 11 2685 0821 or <http://www.microfinanceindia.org/>.

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 proceedings covered in a special issue of the journal *Cost Management*, which is published by the Thomson Reuters news service. The full fee to attend is EUR 300 with discounts available for students, participants from less developed countries and registrations completed during November. 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.

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 other 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/>.

Indian Ocean / South Asia Mobile Payments & Banking Summit (Revised Dates)

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 enquiry@magenta-global.com.sg, +65 6391 2533 or <http://www.magenta-global.com.sg/iosapayments2011/>.

Second Annual Microinsurance Conference of the Institute for International Research

February 20 - February 22, 2012, Johannesburg, South Africa

This event aims to offer discussions on microinsurance in developing economies to explore how microfinance institutions, commercial insurers and NGOs can offer insurance to people with low incomes. Topics to be covered include the microinsurance market in Africa, the 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.iir.co.za/detail.php?e=2405#>.

MORE DETAILS COMING SOON ON...

African Mobile Money Research Conference

April 5 - April 6, 2012, Nairobi, Kenya

2012 Research Conference on Microinsurance

April 11 - April 13, 2012, Enschede, the Netherlands

PAPER WRAP-UPS

Microinsurance: What Do We Know?

By Sabrina Régent, Sophie Chauliac and Benoit Rigollet; published by PlaNet Finance and Planet Guarantee; 2011; 119 pages; available at: http://admin.planetfinancegroup.org/upload/medias/fi/pfgroup-market_study_microinsurance_2011.pdf

This document considers a project funded by Dutch development finance institution Financierings-Maatschappij voor Ontwikkelingslanden that was intended to develop microinsurance products adapted to the needs of low-income people who are unfamiliar with risk management strategies. Conducted in 2008 in Argentina, Colombia, Guatemala, Peru, Egypt, Burkina Faso, Mali and Senegal, the effort was implemented by PlaNet Finance, a French NGO with the mission of alleviating poverty through microfinance, and its microinsurance affiliate, PlaNet Guarantee.

The authors argue that access to credit, savings and insurance is a key to fighting poverty because these services allow people to manage financial risks. Microentrepreneurs often rely on savings as their primary risk management tool, leaving themselves vulnerable to unexpected events such as disease, accidents, death and natural calamities that could threaten their livelihoods. The authors find that neither the insurance market nor local social security systems sufficiently cover the risks of the low-income population in developing countries. While “still an infant compared to microfinance,” the authors state that “microinsurance has huge potential” for assisting low-income people in managing risk.

The project includes market studies; the design and implementation of microinsurance products; and the design and implementation of games, leaflets and other tools for training clients about insurance.

The five phases of the study are: contextual, social and economic study; market survey; study of distribution channels; study of regulatory framework; and analysis, reporting and recommendations.

The authors find that most microentrepreneurs pay an insurance premium with their credit products unknowingly. Consequently, they often do not file claims for which they are eligible. The authors argue that education regarding insurance products is needed among both microentrepreneurs and microfinance institution staff.

The top risks faced by microentrepreneurs vary by region, with theft being a major problem in Latin America and fire heading the list in Senegal. Climatic hazards such as droughts and floods also affect microentrepreneurs, particularly in Peru, Guatemala and Senegal.

Demand for health insurance products is high in all the countries studied except Colombia, where most microentrepreneurs are covered by the public health system. Life and disability insurance are also in high demand. Among microentrepreneurs in Argentina, Peru and Guatemala, there is unmet demand for funeral insurance, particularly in urban areas, whereas this kind of product is already widespread in Colombia. In all countries except Senegal, the majority of microentrepreneurs reported a willingness to pay for a pension scheme to aid in their old age. Endowment products with savings components can also meet a need by assisting people in paying for religious and social events, which can represent a significant part of microentrepreneurs' annual spending.

While life insurance and property insurance are relatively developed, the authors state that the creation of health and crop coverage is likely to require donor funds - perhaps for public-private partnerships to develop innovative mechanisms.

The study suggest that there is a need for better information in the following areas: the risks that poor people face, how they cope with those risks, the ability to pay for insurance and the demand for insurance. Better data in these areas would allow insurers and reinsurers to be more innovative. It is also proposed that intermediaries give clients opportunities to be involved with product design.

'And Who Listens to the Poor?' Shocks, Stresses and Safety Nets in India and Pakistan

By Karishma Huda, Sandeep Kaur and Nicolina Lamhauge; published by the BRAC Development Institute; 2011; 34 pages; <http://www.trickleup.org/solution/andwholistenstothe poor.cfm>

This paper documents the cases of 20 female participants in the “Ultra Poor Pilot Program” that was conducted in 2009 by US-based nonprofit Trickle Up in an effort to “graduate” women from extreme poverty to sustainable livelihoods through the provision of training, mentoring and financial services. The study, which took place in the Indian state of West Bengal and the Sindh province of Pakistan, documents each woman's early childhood, transition to adulthood, experience with the program and progress over the nine months after the program ended.

The investigation led to the following findings: (1) the “life trajectory” of the woman before she began the program had a significant effect on the impact of services offered; (2) women in seemingly similar financial positions sometimes had very different needs for resources such as mentoring and training; (3) the performance of the field worker had a strong bearing on the impact on the individual served; (4) feedback from each individual was a “snapshot” of her current economic situation, which could change rapidly; and (5) a number of saving and credit groups did not continue once the program ended due to infighting caused by power imbalances among members.

Based on the findings, Trickle Up concluded that: (1) programs need to be customized to individual needs; (2) mid-program re-allocation of resources can better utilize resources such as time spent “handholding” by field workers; (3) field workers need more training and support as well as more clearly defined goals; and (4) the sequencing of the program should focus participants first on savings so that the group has time to mature, thereby increasing the chances of it enduring after program completion.





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Microfinance Investment Vehicles in Sub-Saharan Africa: Constraints and Potentials

By Bertrand Moulin, published by the Centre for European Research in Microfinance, August 2011, 20 pages, available at: <http://mpr.ub.uni-muenchen.de/32967/>

To explain the drivers of investment decisions in the African microfinance sector, this paper attempts to shed light on the constraints and potential of interactions between microfinance investment vehicles (MIVs) and the two main African microfinance models: cooperative, which is widespread in West Africa, and commercial, which is common in East Africa. The author particularly considers microfinance institutions (MFIs) that are moving away from self-financing and public subsidies toward attracting more funding from MIVs.

The author reviews various types of MIVs as follows. "Registered mutual funds" such as the Dexia Micro-Credit Fund invest primarily in Latin America and Eastern Europe. "Commercial fixed-income investment funds" such as Incofin's Impulse Microfinance Investment Fund grant relatively large loans, reducing their costs and thus increasing returns. These funds tend to invest in areas where microfinance is most developed such as Latin America and the Caribbean, Eastern Europe and Central Asia. "Structured vehicles" use both direct and indirect securitizations. Direct securitization involves the securitization of a portfolio of microcredits from one MFI such as the BRAC Micro Credit Securitization Series I Trust. Indirect securitization involves the securitization of debts of several MFIs as does BlueOrchard Microfinance Securities I. The majority of these MIVs employ collateralized debt obligations.

Among the types of MIVs more active in Africa, the author cites "blended-value funds," which require lower financial returns and usually pursue social objectives. Private individuals, foundations and NGOs supply these funds with 85 percent of their funding. They often prefer to invest in small and mid-sized MFIs located in underserved areas. Oikocredit, the Dutch cooperative, is an example of this type of vehicle. Due to the smaller size of the loans granted, these structures incur higher operating costs. "Microfinance bank holding companies" such as Germany's ProCredit Holding receive much of their funding from development financial institutions, which also may offer technical assistance. These MIVs supply 31 percent of Africa's microfinance funding. Finally, the author introduces "private equity funds" as relatively new to the MIV landscape. These

funds gather private equity and venture capital and invest equity in MFIs and may offer convertible debt.

The paper assesses whether both MFIs and MIVs can gain from working together. Given the significant funding needs of MFIs, especially in equity and capacity building, the author finds that the African microfinance sector requires external private resources. MIVs can finance the "highly risky" rural and microenterprises segments that require more and longer-term funding to ensure positive impacts. But the author cautions that development finance institutions should limit themselves to playing "the role of catalysts by initiating investments and taking risks that private investors would not dare taking."

The author cites evidence that the African microfinance industry seems to offer an unbalanced risk-return profile, which would explain the relatively low investment level of MIVs in that region. Nevertheless, due to recent repayment downturns in markets outside of Africa, which may have been caused by excessive funding, and also due to a "recent infatuation for socially responsible investments," MIVs are expected to diversify their portfolios in geographical terms, likely benefiting African MFIs.

The author argues that attracting private investors will still require guarantees such as through public-private partnerships, both within and outside of MIVs, whereby the public sector contributors will act as catalysts by: (1) initiating investments in areas with little microfinance experience; or (2) reducing the risks faced by MFIs such as by providing technical assistance.

The author also highlights the debate over whether microfinance can be considered an "asset class" based on claims that microfinance exhibits low correlation with other asset classes while providing attractive returns. Other research finds that "adding microfinance funds to a portfolio of risky international assets does not seem beneficial, especially for the African [MFIs]."

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State of the Microcredit Summit Campaign 2012

By Jan P. Maes and Larry R. Reed, published by the Microcredit Summit Campaign, November 2011, 68 pages, available at: http://www.microcreditsummit.org/state_of_the_campaign_report/

Based on data from approximately 3,600 microfinance institutions worldwide, this annual report determines that 137 million of the world's poorest families received a microloan in 2010, an 18-fold increase from the 7.6 million loans recorded in 1997.

The report also indicates that the number of women reached has increased from 10.3 million in 1999 to 113 million in 2010.

2011 MicroFinance 100: Latin America and the Caribbean

By Renso Martínez Ramírez, published by the Multilateral Investment Fund and the Microfinance Information Exchange, October 2011, 24 pages, available in English and Spanish at: <http://www.themix.org/publications/mix-microfinance-world/2011/10/microfinance-americas-top-100>

This annual ranking of 100 leading microfinance institutions in Latin America and the Caribbean is based on the institutions' performance in the following areas: outreach, efficiency and transparency. The overall picture is deemed "positive" with microfinance activity continuing to grow in the region. The top-ranked institutions include: (1) Caja Nuestra gente of Peru, which achieved a 46 percent increase in lending to microenterprises; (2) Banco FIE of Bolivia, which broadened its market penetration and increased its ratio of deposit accounts to loans to 2.4; (3) Crediamigo of Brazil, which continued to grow its credit offerings while keeping operating costs low; (4) CompartamosBanco of Mexico, which maintained a high degree of market penetration; and (5) Crezcamos of Colombia, which scored very well in terms of efficiency. 