



EUROPEAN MICROFINANCE AWARD 2020

Encouraging Effective & Inclusive Savings



Application Guidelines

The European Microfinance Award 2020 'Encouraging Effective & Inclusive Savings' highlights the crucial role that savings can play for low-income and excluded populations, and how financial providers can encourage their effective and widespread use.

Organised by:



THE EUROPEAN MICROFINANCE AWARD 2020

The European Microfinance Award 2020 aims to highlight organisations and programmes that are **innovating in the encouragement and delivery of savings to low-income and excluded populations**. There are three components in this topic that applicants should aim to demonstrate:

1. Encouraging

Financial and non-financial institutions can encourage savings by lowering barriers (making savings accounts/groups easy to open or join). But access alone is insufficient. Just as important is for institutions to show that their savings programme is built with a holistic understanding of clients' behaviour - to take advantage of incentives, group coordination, and teachable moments for awareness-building to promote positive savings behaviour.

2. Effective

Savings are effective when they are: well matched to clients' specific goals and needs, are affordable, accessible, secure, easy to understand and wherever possible take advantage of technological innovations at the client and institution side to expand outreach, lower costs and improve service quality. These products will be affordable for the client and sustainable for the institution, highly transparent, and will see genuine client usage (rather than, for example, programmes that prioritise the opening of many new accounts that end up dormant). Finally, an effective savings programme will be based on - and drive - strong trust relationships between the client and provider.

3. Inclusive

Savings are inclusive when they reach un(der)banked and excluded segments - with a special focus on women and youth. Successful savings programmes should also include a focus on the protection of those most vulnerable to shocks, and do so within a comprehensive client protection framework, recognising that taking poor clients' savings is a moral as well as a financial responsibility - to not only safeguard their money, but to do so affordably and with high levels of transparency.

Finally, the EMA 2020 will look where possible for evidence of programmes that promote a more amorphous concept - the development of a **culture of savings**. This concept includes evidence of active usage, high customer value, security and trust, a genuine focus on financial education, and engagement (where relevant) with regulators and policy-makers, all sufficiently widespread and with the institution having played a role in the promotion of this savings culture.

To learn more on the Award topic, please check the [Award Concept Note](#).

ELIGIBILITY CRITERIA

- Eligible applicants are organisations active in the financial inclusion sector that play an *integral* role in encouraging and/or providing effective and inclusive savings within low income, vulnerable and excluded groups. This includes many different types of financial services providers (FSPs) that provide savings directly to clients, but also includes non-financial institutions that play an integral role in the provision or mobilisation of savings (for example, via partnerships or other relationships)¹.
- Eligible institutions have to be based and operate in a Least Developed Country, Low Income Country, Lower Middle Income Country or an Upper Middle Income Country as defined by the Development Assistance Committee (DAC) for ODA Recipients. A list of Eligible Countries of ODA Recipients as defined by the DAC can be found at: <http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/DAC-List-of-ODA-Recipients-for-reporting-2020-flows.pdf>
- Relevant products and services must be fully operational for at least one year. ‘Fully operational’ does not require that relevant products and/or services must be offered in all branches or locations.
- Eligible institutions must be able to provide audited financial statements.

e-MFP member support

Every applicant invited to apply for Round 2 (please see section ‘Award timeline and process’) must provide written support from an e-MFP member, e.g. a short message or a letter from the member addressed to the e-MFP Secretariat. A list of e-MFP members can be found at <http://www.e-mfp.eu/about-us>

HOW TO APPLY

Applications must be **submitted online** on the following website:

<http://www.european-microfinance-award.com/>

The Award is launched in three languages: **English, French, and Spanish.**

¹ NGOs that facilitate formation of savings groups, developers of mobile apps whose products are deployed by financial institutions to facilitate more effective savings, or other organizations that play a meaningful role in the provision or mobilization of savings

AWARD TIMELINE & PROCESS

AWARD LAUNCH	9th MARCH 2020
ROUND 1	March - May 2020
Deadline for applications	15th April 2020, 23:59 pm CET
Round 1 application assessment	April – May 2020
Communication to shortlisted applicants	1 st half of May
ROUND 2	May-November 2020
Deadline for applications	End of May 2020 (exact date to be confirmed)
Preselection Committee	June – July 2020
Selection Committee	September 2020
Announcement of finalists and semifinalists	First half of October
High Jury	November 2020
Winner announcement at Award Ceremony	19th November 2020

ROUND 1

Organisations interested in applying are required to submit the short Round 1 application form outlining the programme they are presenting to the Award and provide their audited financial statements.

Selection for Round 2 will be based on verification of applicant eligibility and initial assessment of the relevance, quality, innovation and effectiveness of the programme presented in Round 1.

ROUND 2

Applicants successfully selected for Round II will be invited to complete Round II application form explaining the programme in greater detail, as well as providing supporting documentation.

These applicants will also be required to submit an e-MFP member support letter. For applicants successfully selected for Round 2, but who do not have a relationship with an existing e-MFP member, the e-MFP Secretariat will assist in connecting with a member at that stage.

Preselection Committee

Applicants will be evaluated by the Preselection Committee on the basis of the relevance and effectiveness of the programme presented in addressing the specific goal of the award, their financial performance and the quality, clarity and transparency of the application.

Selection Committee

Preselected applicants will be evaluated by the Selection Committee in order to select 7 to 10 semi-finalists and from among those, the 3 finalists.

High Jury

A High Jury selects the winner from among the 3 finalists.

Winner announcement

The winner is announced at the [Award ceremony on 19th November 2020](#) at the European Investment Bank (EIB) in Luxembourg. The Award ceremony takes place during the [European Microfinance Week](#), 18th – 20th November 2020. In previous years the Award has been presented by the Luxembourg Minister for Development Cooperation and Humanitarian Affairs.

Winner follow up report

The Award winner will be requested to provide a follow up report by the 31st of January 2022 describing how the Award funds were used. The instructions on how to prepare this report will be provided to the winner by the end of 2020.

Important information

During both Rounds, applicants might be contacted and asked to supply additional information on a case-by-case basis if deemed necessary.

All the information provided during the application process will be treated as confidential and only be used for the purposes of the Award.

The Organisers regret that information relating to the on-going evaluation of applications will not be released.

The judges' decision is final and not subject to appeal. Neither the judges nor the organisers will enter into any correspondence relating to the decision.

The three finalists will be invited to attend the Award Ceremony and [agree to ensure the presence of a senior management representative of the Applicant organisation at the Award ceremony](#). Travel costs will be covered by Award organisers.

AWARD BENEFITS

WINNER

- €100,000 (one hundred thousand Euro)
- Winner's Certificate
- Short video highlighting the winner's programme produced at the organisers' expense²; it will be featured during the Award Ceremony and available online afterwards
- Two press releases (September and November), circulated worldwide
- Media coverage by the Award organisers' partners as well as by media covering the Ceremony and the European Microfinance Week
- Attendance at the Award Ceremony with travel and lodging covered by the organisers
- Two free registrations (value €1250) to the European Microfinance Week with unique networking opportunities
- Programme presented for the Award featured in several publications

FINALISTS

- €10,000 (ten thousand Euro)
- Finalist's Certificate
- Short video highlighting the finalist's programme produced at the organisers' expense³; it will be featured during the Award Ceremony and available online afterwards
- One press release (September), circulated worldwide
- Media coverage by the Award organisers' partners as well as by media covering the Ceremony and the European Microfinance Week
- Attendance at the Award Ceremony with travel and lodging covered by the organisers
- Two free registrations (value €1250) to the European Microfinance Week with unique networking opportunities
- Programme presented for the Award featured in several publications

SEMI-FINALISTS

- Semi-finalist Certificate (electronic version)
- One press release (September), circulated worldwide
- Programme presented for the Award featured in a publication

All applicants participating in Round II will receive a Certificate of Participation

² Note: This short video is produced independently by the Award organisers; applicants agree to have their organisation and programme featured in it.

³ Ibid.

ABOUT THE EUROPEAN MICROFINANCE AWARD

The European Microfinance Award is a prestigious annual award with €100,000 for the winner and €10,000 for the runners-up, which attracts applications from organisations active in financial services around the world that are innovating in a particular area of financial inclusion. It serves two parallel goals: rewarding excellence, and collecting and disseminating the most relevant practices for replication by others.

The Award was launched in 2005 by the Luxembourg Ministry of Foreign and European Affairs – Directorate for Development Cooperation and Humanitarian Affairs. It is jointly organised by the Ministry, the European Microfinance Platform (e-MFP), and the Inclusive Finance Network Luxembourg (InFiNe.lu), in cooperation with the European Investment Bank (EIB).

The Award is presented in a ceremony which in the past has been in the presence of Her Royal Highness the Grand-Duchess of Luxembourg and the Luxembourg Minister for Development Cooperation and Humanitarian Affairs. The ceremony takes place during the European Microfinance Week in Luxembourg.

Previous editions and winners

2019, Strengthening Resilience to Climate Change - *APA Insurance (Kenya)*, for its Index Based Livestock Insurance (IBLI) and Area Yield Index Insurance (AYII) for pastoralist and smallholder farmers

2018, Financial Inclusion through Technology - *Advans Côte d'Ivoire (Ivory Coast)*, for its digital savings and payment solutions for cocoa farmers and cooperatives, and their small digital school loans for farmers

2017, Microfinance for Housing - *Cooperativa Tosepantomin (Mexico)*, for its holistic housing programme serving rural communities and promoting environmental responsibility

2016, Microfinance and Access to Education - *Kashf Foundation (Pakistan)*, for its programme to serve low-cost private schools

2015, Microfinance in Post-disaster, Post-conflict Areas & Fragile States - *Crédit Rural de Guinée S.A (Guinea)*, for its innovative response to the Ebola outbreak in Guinea

2014, Microfinance and the Environment - *Kompanion (Kyrgyzstan)*, for its Pasture Land Management Training Initiative

2012, Microfinance for Food Security - *ASKI (The Philippines)*, for serving smallholder farmers and fostering effective market linkages

2010, Value Chain Finance - *Harbu (Ethiopia)*, for its initiative financing a soybean value chain

2008, Socially Responsible Microfinance - *Buusaa Gonofaa (Ethiopia)*, for the development of its client assessment system

2006, Innovation for Outreach - *The Zakoura Foundation (Morocco)*, for its rural tourism programme