

# EUROPEAN MICROFINANCE PLATFORM

Activities in 2012

Report of the e-MFP Secretariat



EUROPEAN  
MICROFINANCE  
PLATFORM

NETWORKING WITH THE SOUTH

## GENERAL MATTERS

### e-MFP attracting new members

In 2012 the Secretariat continued its activities to attract new members with a particular focus on European countries in which our organisation so far, was not well represented (e.g. Spain, United Kingdom). One of e-MFP's priorities is to increase its membership and be representative of all sectors of the microfinance community active in developing countries. As a result, e-MFP has expanded its membership during the last year to 145 members from 18 European and 8 non-European countries.

e-MFP welcomed in 2012 the following organisations and individuals as new members:

**Full members:** AECID (E)  
CDC (UK)  
ILO - Social Finance Programme  
Luxembourg Ministry of Foreign Affairs - Directorate for Development Cooperation  
ILCU Foundation (IRL)

**Associate members:** Luxembourg Round Table on Microfinance, LRTM  
Russian Microfinance Center, RMC  
Fern (UK)  
MCF EKI (Bosnia)  
remEX (E)

**Individual members:** Christopher G. Linder (USA)  
Fedde Potjer (NL)  
Dirk Lebe (D)  
Daniel Rozas (USA)  
Hannah Siedek (D)

### e-MFP staff

e-MFP continued in 2012 to serve its members with an extremely light structure.

In total only three persons were serving around 140 e-MFP members:

- Christoph Pausch, Executive Secretary (cpausch@e-mfp.eu)
- Niamh Watters, Information Officer (nwatters@e-mfp.eu)
- Juana Ramírez, Microfinance Expert (jramirez@e-mfp.eu)

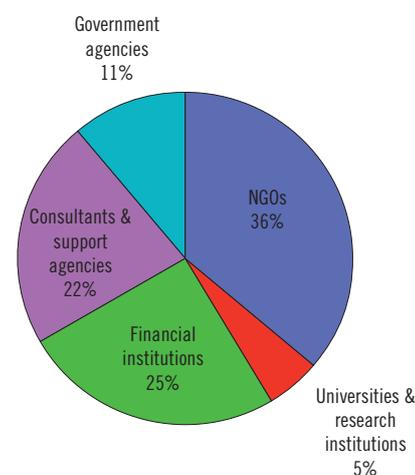
### Board meetings

The e-MFP Secretariat organized four Board meetings in 2012 (two in Luxembourg, one in Brussels and one in Paris) and took responsibility for the preparation, organisation, minutes and follow-up of activities.

In addition the Board and the Secretariat had in February a one-day meeting in Luxembourg on the revision of the Business Plan and at the beginning of May, a one-day meeting in Brussels on communication.

Peer Group	Number (organisations only)
NGOs	43
Universities & Research institutions	6
Financial institutions	30
Consultants & support agencies	26
Government agencies	13
<b>Total</b>	<b>118</b>

*e-MFP Member Organisations by Peer Group*



## Board members

At the General Meeting of Members which was held during European Microfinance Week 2011 Erna Karrer-Rüedi (Credit Suisse) and Anne-Françoise Lefèvre (WSBI) resigned from the Board.

François Duroillet (Planet Finance), Mamadou Diallo (WSBI) and Emmanuel de Lutzel (BNP Paribas) left the Board in the second half of 2012 and were replaced by Joël Pain (until the end of François Duroillet's Board term in November 2012), Ian Radcliffe (until the end of Mamadou Diallo's term in November 2012) and Guy Rosa (until the end of Emmanuel de Lutzel's term in November 2013). e-MFP would like to take this opportunity to thank the out-going Board members for all their hard work during their terms.



*The e-MFP Board at the GMM 2011*

The 2012 Board is composed of:

- Marc Bichler nominated by ADA, ATTF, Innpact, Lux Development, SOS Faim - Chairman
- Cécile Lapenu nominated by Cerise - Deputy Chairwoman
- Perrine Pouget nominated by the EIB – Secretary
- François Duroillet/Joël Pain nominated by PlaNet Finance – Treasurer
- Mamadou Diallo/Ian Radcliffe nominated by WSBI-ESBG
- Pierre van Hedel nominated by Rabobank Foundation
- John Blied nominated by TRIAS
- Hans Dieter Seibel nominated by DGRV
- Jean Pouit nominated by MyTransfer
- Emmanuel de Lutzel/Guy Rosa nominated by BNP Paribas

The e-MFP Secretariat would like to thank the Board members in office during the year 2012 for their support and commitment.

## Strengthening of internal procedures

e-MFP has been continuously strengthening its internal procedures. Following the development of a Code of Conduct in 2010 which provides a framework and guide lines for e-MFP Board members, the Board and the Secretariat developed in 2011 an internal procedure for the approval of new Action Groups and a document with clearer criteria for the assessment of membership applications. In 2012, in response to the high number of applications for membership from MFIs from developing countries, the Secretariat and the Board defined the conditions under which MFIs from the South should be accepted as e-MFP member.

The conditions are the following:

- 1) Concerning new members from the South, e-MFP should focus on networks and not on individual MFIs. e-MFP does not actively solicit MFIs from developing countries as new members, but concentrates on strengthening its links with the South through the existing national networks based there.
- 2) In the case where a MFI proactively applies for Associate membership, the application will be discussed by the Membership Committee (as is done for every application). The Southern MFI should as a minimum requirement, be listed with four diamonds on the Mix Market and have asked for a rating. When considering its eligibility for Associate membership any possible risks to the reputation of e-MFP should also be taken into account.

The above-mentioned criteria have been in use for the screening of potential new members from the South since May 2012.

## e-MFP Business Plan Review

Following a decision made at the General Meeting of Members 2011, the e-MFP Business Plan has been revised. The review of the Business Plan resulted in the following conclusions for the European Microfinance Platform.

The current review of the Business Plan found that many of the actions recommended in 2009 were implemented and have been successful. Some of the services have been modified to reflect the reality of needs when these services were launched and some of the actions were postponed due to a lack of resources (time, human and financial).

e-MFP has identified the following as priorities:

At the operational level	At the organisational level
<ul style="list-style-type: none"><li>• Communication</li><li>• Directory/Who's Who</li><li>• Action Groups</li><li>• European Microfinance Week</li></ul>	<ul style="list-style-type: none"><li>• Additional funding sources</li><li>• Recruitment of additional resources</li></ul>

### *Communication*

Communication is key to ensuring e-MFP achieves its vision of becoming the microfinance focal point in Europe. In order to achieve this goal, e-MFP needs to concentrate more efforts on increasing its visibility and influence within and outside the microfinance sector. Assistance from a communications professional is required to draw up a comprehensive strategy supported by an annual communications plan. Additional resources are needed (human and financial) to focus on this important issue.

### *Directory/Who's Who*

e-MFP has a unique resource in its European Microfinance Actors Directory and the online version Who's Who. The data collected produces an excellent periodic 'state of the sector' but this information is also a key asset to facilitate e-MFP's objectives: creating synergies and facilitating communication. By having regular updated information on the membership, e-MFP can facilitate the identification of specific expertise, business opportunities, joint ventures etc. The Directory should be kept updated and intensely promoted.

### *Action Groups*

High profile Action Groups encourage membership and give added-value to members. Action Group activities increase e-MFP's visibility, reinforce e-MFP's status as a legitimate microfinance voice and advance the microfinance sector. The activities of the Action Groups are key to implementing e-MFP's mission.

### *European Microfinance Week (EMW)*

EMW is one of the largest and certainly the most significant microfinance event in Europe. Organised by e-MFP it gathers members and other important actors in microfinance. It brings the industry together to discuss important developments in the sector and its outcomes help to shape the global approach to microfinance. The annual event gives excellent visibility, supports e-MFP's role of information dissemination / professional reinforcement / networking platform and provides income in the form of registration fees and sponsorship. EMW is perceived as a high quality event (in terms of participants, content and facilities) and every effort should be made to maintain this.

### *Additional funding sources*

More and more professionals are members of the Platform, the success of the EMW increases every year, and the increasing number of Action Group proposals are good indicators to show the recognition of the Platform as a major player. But this has a cost and it is now a key challenge for the Platform to find additional sources of funding to financially support these developments. In that sense, the Fund Raising Committee will play a crucial role.

### *Additional human resources*

In line with the growing number of activities and publications, it is now necessary to adequately staff the Secretariat with the most appropriate profile. This of course goes hand in hand with having the additional funding required to support these resources.

The full version of the revised e-MFP Business Plan is available at [www.e-mfp.eu](http://www.e-mfp.eu). A copy was sent with the invitation to the General Meeting of Members 2012; additional copies can be obtained from the Secretariat.

## **e-MFP signs agreement with the Luxembourg Ministry of Foreign Affairs – Directorate for Development Cooperation and the Ministry of Finance**

The European Microfinance Platform is delighted that the Luxembourg Ministry of Foreign Affairs – Directorate for Development Cooperation and the Luxembourg Ministry of Finance signed on 25 September 2012, a new agreement (Convention) with e-MFP, supporting the Platform on the basis of its revised Business Plan from 2012 until the end of 2016 with a total of 3,5 Million Euro.

This support shows the strong commitment of the Luxembourg Government to microfinance and gives our organisation a good basis for further improving its activities and the services for e-MFP members.

## **e-MFP PARTICIPATION AND ADVOCACY ACTIVITIES**

### **e-MFP letter in New Europe**

In December New Europe (a leading weekly European publication) published an article written by e-MFP, entitled “Microfinance provides the perfect partner for sustainable development” which gave details of one of the European Microfinance Week sessions which show-cased several projects from e-MFP members demonstrating the compatibility of microfinance and rural energy.

### **Interview with e-MFP on Le Portail Microfinance**

At the end of February e-MFP's Executive Secretary, Christoph Pausch was interviewed by the French language service, Le Portail Microfinance, [www.lamicrofinance.org](http://www.lamicrofinance.org). After outlining e-MFP's aims and activities, Christoph discussed aspirations for the future and forthcoming events for 2012. e-MFP welcomed the opportunity to further reach out to the French speaking microfinance community.

### **e-MFP at microfinance seminar of the Netherlands Platform for Microfinance (NPM)**

On 6th March Christoph Pausch participated in a microfinance seminar of the Netherlands Platform for Microfinance (NPM) and ING on the ‘Dutch contributions to the microfinance sector’. At this seminar a study was presented and discussed evaluating the Dutch offering and the trends and initiatives that will be decisive for an increased focus on social performance. This event was also a good occasion to meet most of the Dutch members of e-MFP.

### **Meeting with the Netherlands Platform for Microfinance (NPM)**

On 7th March Christoph Pausch made a visit to the Netherlands Platform for Microfinance (NPM) at their office in Utrecht. In talks with Josien Sluijs, the NPM Executive Secretary, issues such as better exchange of information and further possible cooperation were discussed.

### **e-MFP at Child & Youth Finance International “Reshaping the future of finance’ summit in Amsterdam**

On 3rd and 4th April, Juana Ramirez participated in the Child & Youth Finance International “Reshaping the future of finance’ summit in Amsterdam. In the framework of this event the Youth Action Group of e-MFP also organized a meeting.



*Ab Engelsman, NPM*

## e-MFP reacts to draft EU regulation

Sophie Auconie, French Member of the European Parliament and rapporteur on social entrepreneurship funds at European level issued her draft report which challenged seriously the impact such regulation would have on MIVs. In fact, she added an amendment according to which social businesses are required to have their headquarters in Europe. In case of adoption, the regulation would exclude all projects directed to emerging countries. At the end of March e-MFP sent Mrs. Auconie a letter, explaining the problem of such a rule for social business and microfinance in the South and asking her to withdraw the amendment.

## e-MFP meeting with Craig Churchill, ILO

e-MFP participated on 20th March, in a meeting at the House of Microfinance, Luxembourg on updates from the Microinsurance Innovation Facility with Craig Churchill, ILO.

## e-MFP at ALFI Responsible Investing Conference

e-MFP participated in the Responsible Investing Conference 2012, which was organised by the Association of the Luxembourg Fund Industry (ALFI) on 10 May in Luxembourg.

## e-MFP co-organises Infopoint session of the European Commission

On the 15th May the European Microfinance Platform presented the issue of value chain finance at the European Commission in Brussels during an Infopoint session. Infopoint sessions are lunch break sessions organized by the Commission on European external cooperation topics aimed both at the staff of the European institutions and at the general public. The title of the session was "Value chain finance as a tool for development: combining donors' and investors' actions to support agricultural lending".

At this event the concept of value chain finance in addition to two concrete case studies - the winner of the 3rd European Microfinance Award, Harbu Microfinance, and the Peruvian cooperative Norandino which was one of the 10 short-listed candidates for the European Microfinance Award - were presented. After a welcome by Stefaan Pauwels (Microfinance Focal Point at the Commission at that time) and a short introduction to e-MFP by Christoph Pausch, Mariel Mensink from Terrafina Microfinance presented the case of Harbu and then Bernard Ornila from Alterfin presented the case of Norandino.

The session attracted more than 50 participants. Due to the success of the session the European Commission (DG DEVCO) and e-MFP are planning to organize further Infopoint sessions on the microfinance topics on which our Action Groups are currently focusing.

## e-MFP meeting with Robert Christen, Boulder Institute of Microfinance

e-MFP participated on 5th June in a special meeting of the Luxembourg Round Table on Microfinance at the House of Microfinance with Robert Christen, President of the Boulder Institute of Microfinance. In July e-MFP had another meeting with Rosa Moreno from the Boulder Institute.



*Mariel Mensink, Terrafina Microfinance*



*Bernard Ornila, Alterfin*

## e-MFP at SPTF 2012 annual meeting in Jordan

The e-MFP Secretariat and two Board members participated in the Social Performance Task Force (SPTF) meeting and pre-meetings 4th – 8th June, 2012 at the Dead Sea in Jordan. The SPTF has over 1000 members from all over the world from every microfinance stakeholder group: practitioners, donors and investors, global, national and regional associations, technical assistance providers, rating agencies, academics and researchers. e-MFP members are active in these groups as well as in the steering committee of the task force; with Incofin and Oikocredit representing social investors, CERISE representing the microfinance industry and support organizations and CGAP representing donors. The e-MFP Secretariat was present inter alia during the social performance working group meeting for networks where representatives from Africa, Asia, Central Europe, and Latin America shared experiences and action plans to further communicate on social performance issues and especially on the newly launched Universal Standards for Social Performance Management, an initiative from the SPTF and its working groups. These standards define the guidelines and benchmarks any double or triple bottom line institution should be accountable to.

In the framework of the SPTF conference e-MFP held meetings with several organisations from the South as well as with CGAP and SEEP. In talks with Sharon D'Onofrio and Cara Forster, Executive Director and Program Manager of SEEP, issues such as improving the exchange of information between SEEP and e-MFP and possible further cooperation were discussed.

## e-MFP meets with Jordan microfinance leaders

During the visit to Jordan in June, Christoph Pausch, the e-MFP Executive Secretary, met with two leading microfinance institutions of the country, Microfund for Women (MFW) and Tamweelcom. In talks with Fatina Abu Okab, Deputy General Manager of MFW and Ziad Al-Refai, Executive Director of Tamweelcom, he learned more about the two organisations and discussed the general situation of the Jordan microfinance sector, recent achievements in terms of new products, services and initiatives, as well as short and long term strategic plans.

## e-MFP actively endorses The Smart Campaign and is the European voice in The Smart Steering Committee

In line with e-MFP's active promotion of socially responsible microfinance, e-MFP continued in 2012 its endorsement for The Smart Campaign and the Principles of Client Protection in Microfinance. e-MFP is represented on the International Steering Committee (SC) of The Smart Campaign. Mr. Ben Simmes, Oikocredit, is our strong voice for European microfinance actors. The Smart Campaign is a global effort to unite microfinance leaders around a common goal: to keep clients as the driving force of the industry.

Updates from The Smart Campaign appear regularly in the e-MFP Newsletter. As in 2011, Isabelle Barres, CEO of The Smart Campaign was invited to European Microfinance Week 2012.

## e-MFP and MFTransparency

e-MFP continued its collaboration with MFTransparency and invited the organization to give an update on its activities during the past year in the e-MFP Winter newsletter.



## Visit of Mrs. Martine Schommer

On 12 October Mrs. Martine Schommer, the new Director of the Luxembourg Ministry of Foreign Affairs - Directorate for Development Cooperation, visited the House of Microfinance and had a meeting with e-MFP.

## e-MFP meeting with UNCDF

e-MFP participated on 15 October together with ADA and LMDF, in a meeting at the House of Microfinance, Luxembourg with Christine Roth, UNCDF Executive Secretary ad interim and Marc Bichler, the incoming UNCDF Executive Secretary.

## e-MFP gets inclusive microfinance on the agenda at the European Development Days

Brussels, 17 October 2012; 16:00 - 17:30, Auditorium C

e-MFP is very proud that the European Commission selected from among the thousands of proposals, e-MFP and e-MFP members International Disability and Development Consortium (IDDC) and the United Nations Capital Development Fund (UNCDF) to organise a high-level panel on Making Finance Work for Inclusive Development during the 2012 European Development Days.

This high-level panel took place on 17 October 2012 and was a joint event together with the International Finance Corporation (IFC) from the World Bank Group and was moderated by Euronews star moderator Chris Burns.

The Panel's objectives were to:

- identify and address sources of exclusion
- demonstrate how finance can work for poor people and excluded groups such as persons with disabilities. People with disabilities – 1 billion people worldwide – are a huge untapped market opportunity for providers of financial services.
- Draw lessons/conclusions from projects implemented by the represented institutions;
- Bring ideas that could be scaled upon to close the financial inclusion gap. Everyone should have access to financial services and microfinance contributes significantly to this development.
- Make concrete recommendations to the development community of what more is needed. We need a shift in our strategies from our traditional understanding to a more integrated approach that includes the new drivers of financial inclusion, from policy making, distribution channels and retail institutions, to achieve financial access for all.
- The questions of key obstacles to accelerating progress toward financial inclusion and of how to remove barriers for financial inclusion which prevent excluded groups such as persons with disabilities from exercising their potential to be successful entrepreneurs will also be discussed.
- Finally, the role of the private sector in closing the gap in access to finance for households and businesses will be tackled. The financial sector makes an important contribution to development challenges.

The high-level panel could be followed by the broad public through livestream on the web, comments and questions could be made during the session via Twitter and Facebook.

The session can be reviewed at <http://eudevdays.eu/edd12/videos>.



High level panel at EDD



## Contacts with EMN, The Rating Initiative and the Microinsurance Network

The e-MFP Secretariat had contacts with the European Microfinance Network (EMN) during 2012. As in the last years, e-MFP invited the EMN to participate in a "Microfinance in Europe" session at the European Microfinance Week 2012.

In 2012 e-MFP continued its good collaboration with The Rating Initiative which used our newsletter to make the microfinance community aware of their activities and accepted our invitation (as in previous years) to organize a meeting at the European Microfinance Week.

e-MFP also continued the excellent collaboration with the Microinsurance Network (MiN). The Microinsurance Network is based in the House of Microfinance in Luxembourg (together with e-MFP and ADA) which enables e-MFP and MiN to exchange on a regular basis. MiN also participated in a panel and at the Plaza of the European Microfinance Week 2012. The Microinsurance Network celebrated in 2012 its 10th anniversary and e-MFP wishes the network all the best for the future and is looking forward to continuing working together for the next 10 years.

## Contacts with the European Commission

e-MFP was able to further improve in 2012 its existing good relations with the European Commission. Main issues in the meetings with the Commission's DG DEVCO were the ACP/EU Microfinance Programme, the participation of the Commission in the European Microfinance Week and improvements in the communication flow between the Commission and e-MFP and its members. First results of the improved information flow are the joint organization of a very successful Infopoint session on value-chain finance at the European Commission in Brussels and e-MFP's invitation to the Commission (and its ACP/EU Microfinance Programme) to write articles in our newsletter on a regular basis. In the Spring Newsletter Stefaan Pauwels, EU Microfinance Focal Point, DG Development Cooperation, European Commission wrote an article about the European Commission's "Agenda for Change", which sets out its strategy for development cooperation in the coming years. In the Summer Newsletter Emmanuel Moyart, Coordinator ACP/EU Microfinance, explained why ACP/EU Microfinance, the second microfinance-dedicated programme of the European Commission and the ACP Secretariat, incorporated a new focus on consumer empowerment and capacity building. The European Commission asked e-MFP for copies of the newsletter which were used for Commission internal seminars on microfinance and was present at the European Microfinance Week 2012. Development Commissioner Andris Piebalgs confirmed his presence at the ceremony of the 4th European Microfinance Award.

## e-MFP hosts LinkED exam

e-MFP was delighted to accept the Frankfurt School of Finance & Management's suggestion to act as an exam centre for the LinkED e-learning course which it offers. e-MFP has already hosted two courses and looks forward to continuing this important service to future participants. For more information on the LinkED e-learning courses see, <http://www.frankfurt-school.de/content/en/consulting/ias/LinkEd.html>.

## **COMMUNICATION**

### **Media partnerships**

In its continuing efforts to strengthen communication, e-MFP was delighted to team with two leading microfinance media organisations, Microfinance Focus and MicroCapital Monitor, who become official media partners of the European Microfinance Week 2012. Results of these partnerships were several news stories and interviews before the conference, live twitter feed, live video feed and blog posts as well as interviews during the event and post-conference articles about European Microfinance Week.



### **Communication Strategy Workshop**

The European Microfinance Platform commissioned the Belgian communication agency Porter Novelli to conduct a strategy workshop with the Board and Secretariat to identify and formulate e-MFP's communication strategy and tactics. The workshop which was held on 31 May - 1 June, offered the opportunity to identify challenges, the different stakeholders and the perception of e-MFP. In addition e-MFP's three-year's communication horizon was discussed and the next steps for action were defined.

### **e-MFP on LinkedIn and Twitter**

After the creation of an e-MFP LinkedIn group exclusively for e-MFP members in 2010, there was a strong increase in the number of members in 2011 and 2012. The aim of the group is to promote awareness of other e-MFP members, and facilitate discussion and exchange. LinkedIn is a business-oriented social networking site and is used mainly for professional networking. If you already have a profile on LinkedIn and you are not yet a member of the e-MFP group, please join the group. If you haven't, a profile is easy to create, see [www.linkedin.com](http://www.linkedin.com).

e-MFP also continued its presence on Twitter. You can follow the European Microfinance Platform on Twitter under **e\_mfp** where your e-MFP Secretariat tweets about our current activities, microfinance issues and members' activities. Among the many American actors on Twitter, e-MFP has become the voice of European microfinance.

### **Information dissemination service for members**

One of e-MFP's primary objectives is to facilitate the exchange of information and promote cooperation among various European actors involved in microfinance in developing countries. We are therefore very pleased that increasingly, our members are using the dissemination service to transmit information on calls for proposals, tenders, papers and job vacancies etc. In 2012 we received significantly more requests to forward such information within a peer group or to a different target group.

## PUBLICATIONS

2012 was another very productive year for e-MFP publications. With the help of its members the e-MFP Secretariat was able to produce the impressive number of 11 publications (in addition to more than 20 e-Bulletins and around 20 email alerts to the e-MFP members).

### e-MFP information brochure

At the beginning of 2012 the Secretariat published a new updated version of our e-MFP brochure which gives concise information about our organization, its objectives and activities.

### Newsletters

In 2012 e-MFP's newsletter was published four times and each issue was distributed to around 1000 contacts. The newsletter whose volume increased over the year, provides e-MFP members and microfinance practitioners with news from the e-MFP Secretariat and Board, news from the e-MFP Action Groups and from our members. It presents new members and publishes announcements of members' events. In addition the newsletter also offers a forum in which members and invited non-members can exchange and stimulate discussions. Acknowledging the importance of research in microfinance, University Meets Microfinance (UMM) was also invited to present the top thesis from the UMM Awards. As the character and quality of the newsletter very much depends on the input of the members, the e-MFP Secretariat welcomes any comments or suggestions which would enrich its content.

Among the invited contributors in 2012 were the European Commission, the ACP/EU Microfinance Programme, Susana Pinilla, the founder of IDESI and Managing Director of PROEMPRESA, Marion Allet from CERMi/Planet Finance, Hans Dieter Seibel from DGRV, Chuck Waterfield from MFTransparency, Jessica Schicks from CERMi and Daniel Rozas.

The e-MFP Secretariat was glad and proud that as in previous year's, the European Commission asked e-MFP for copies of the newsletter to be used for Commission internal seminars on microfinance.

### e-Bulletin

To complement its newsletter, e-MFP continued in 2012 its e-Bulletin service. These periodic emails to members distribute concise, newsflash information and enable e-MFP to be in constant contact with its members providing prompt, useful updates. Around 20 e-Bulletins have been sent to the e-MFP members in 2012.

### Conference report

The conference report of the European Microfinance Week 2011 (EMW 2011) was published at the end of January. The 72 page report is a distillation of the discussions and presentations shared by participants at EMW 2011. All sessions of the European Microfinance Week are covered in the publication. Before publishing the report the Secretariat contacted all (more than 100) speakers to secure their approval on the text of their session. The report was distributed to around 1400 contacts and assured good post-event coverage of the conference.



e-MFP information brochure



Newsletter



e-Bulletin



Conference report

## European Dialogue on youth financial inclusion

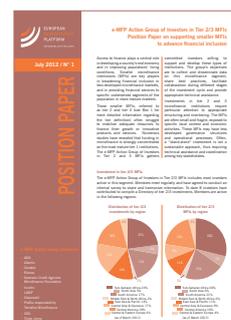
In autumn 2012 e-MFP's European Dialogue No. 5 "Youth Financial Inclusion: Promising Examples For Achieving Youth Economic Empowerment," was published. This European Dialogue presents 12 case studies that illustrate the range of approaches e-MFP members and partners are using to provide financial and non-financial services to youth. Examples from a variety of geographic, socioeconomic and regulatory contexts in Africa, Asia, South-East Europe, Latin America and the Middle East have been included. The collection of case studies is divided into two groups: savings-led and credit-led.



European Dialogue No.5

## Position Paper on supporting smaller MFIs to advance financial inclusion

The first publication of the e-MFP Action Group of Investors in Tier 2/3 MFIs is a position paper on supporting smaller MFIs to advance financial inclusion. The objective of this document is to raise awareness and further clarify the socially responsible identity of the investors involved in the group, the amount of their joint portfolio, as well as the importance of their specific focus and objectives as microfinance investors contributing to financial inclusion and developmental objectives. This position paper also outlines how the members of the group are planning to work together to coordinate efforts in order to support and develop tier 2 and 3 MFIs. A working definition of the group's understanding of tier 2/3 MFIs is also included.



Position Paper

## Brief "How do microfinance member based organisations successfully serve rural areas? The role of governance and strategic alliances"

The Rural Outreach and Innovation Action Group in collaboration with CERMI and the e-MFP Secretariat prepared this brief publication for European Microfinance Week 2012.

The document focuses on governance and strategic alliances for member based organisations (MBOs) and analyses the main strategic issues MBOs have to face to expand their outreach in rural areas. The work is based on the analysis of five cooperatives from South America and West Africa (Los Andes, Jardin Azuayo, Cresol, Kafo Jiginew and CR Guinée) and is completed with examples from other partner institutions. The publication will be translated into French and Spanish to make it as accessible as possible for MBO leaders and practitioners, as well as researchers and donors around the world with an interest in learning about and supporting these types of Institutions.



Brief No. 3

## University Meets Microfinance Workshop reports

In November 2012 e-MFP published in collaboration with PlaNet Finance the proceedings of the workshop at the Frankfurt School of Finance and Management on "Microfinance in crisis? Impact and financial transparency".

## **e-MFP ACTION GROUPS**

### **e-MFP Making Microfinance Investment Responsible (MIR) Action Group**

A framework for strengthening the social strategy of MIVs (Microfinance Investment Vehicles)

After the production of two Briefs in 2011, in 2012 this Action Group (AG) analysed their members' data in a collective research effort to deepen the existing knowledge regarding the relationship between financial and social performance. The purpose of this research was to determine if there is a business case for investing in social performance management and to provide input to sector efforts to understand the relationship between social and financial performance and explore how these might be managed to optimize performance in both.

Each of the organizations initiating the group's activity has their own datasets: CERISE (SPI tool), Oikocredit (ESG scorecard), Incofin (ECHOS), Microfinanza Rating (social and financial ratings), Blue Orchard (SPIRIT), Triple Jump (SPA), MIX (social data), acquired using different collection procedures and coming from diverse MFIs. To date, analysis of these datasets has been conducted separately, with disparate methods and research questions.

The objective of the MIR AG is to combine the knowledge and datasets in order to conduct a compared analysis which involves:

- Mapping the research questions on the potential synergies and trade-off between social and financial performance
- Verifying available information in the databases
- Identifying the statistical methods to test the hypotheses
- Validate the analysis on existing studies on the different datasets and when necessary running new analysis
- Consolidating the results to draw some operational conclusions on the way to manage social and financial performance
- Identifying new research perspectives

Andreas Hoepner from St. Andrews University (UK) participated in the AG as lead researcher. Preliminary findings were presented at the Social Performance Task Force meeting (June 2012) where an AG meeting was also held. A Brief publication is in preparation. Its draft was to be discussed at the European Microfinance Week and the final publication will be available in early 2013.

After the publication of the MIR Action Group Brief at the beginning of 2013 the AG intends continuing its activities and to publish a more in-depth publication on the topic.

### **e-MFP Rural Outreach & Innovation Action Group**

Created in 2008, the Rural Outreach & Innovation Action Group of e-MFP gathers practitioners and experts involved in rural microfinance (multilateral organizations, donor organizations, research and academic institutions as well as investors). Since the beginning the Rural Outreach & Innovation (ROI) Action Group has been focusing its activities on one of the frontiers in microfinance: how to effectively serve rural areas and how to sustainably finance the agricultural sector (small farmers, producer groups, cooperatives) but also rural entrepreneurs. After its focus on value chain finance in 2011, the AG fostered the debate in 2012 (the UN International Year of Cooperatives)



*MIR Action Group session at European Microfinance Week 2011*



*Rural Outreach & Innovation Action Group session at European Microfinance Week 2011*

on how member based organisations (MBO) answer to the financial necessities of their members in a sustainable way. The group concentrated on successful MBOs from two geographical regions where the active members of the group and the platform have more field experience: West Africa and South America.

In November the AG published an e-MFP Action Group Brief on governance and strategic alliances for MBOs, based on the analysis of five cooperatives from South America and West Africa. In addition, the AG had several internal meetings and prepared a session for the European Microfinance Week 2012. Several members of this AG also participated in the First Selection Committee of the 4th European Microfinance Award on Microfinance for Food Security.

In 2012 the following organisations were members of the Action Group: Alterfin, SOS Faim Belgium & Luxembourg, Cerise, Cermi, MicroNed, Belgian Technical Cooperation (CTB/BTC), Trias, Cordaid, IFAD, FAO, GIZ, BNP Paribas, Oxfam Novib, Pamiga, Rabobank Foundation, Terrafina Microfinance, DGRV, Frankfurt School of Finance & Management.

## e-MFP Youth Financial Services Action Group

The e-MFP Youth Financial Services Action Group consists of microfinance practitioners involved in youth financial empowerment programmes and the AG objectives are to find synergies and create value-added by sharing experiences and resources.

In 2012 the Action Group members focused on two connected, although quite different types of projects as concerns their scope, objectives and target groups:

- The provision of adapted, accessible and affordable products, especially savings, for children and young people with a view to empower them and build up their financial capabilities (YouthStart, Childfinance, YouthSave, WSBI)
- The provision of financial services, mainly microcredit, and non-financial support services for young entrepreneurs, to enable them to launch their business and develop income-generating activities (YouthStart, YouthInvest, CIF/ADA, PlaNet Finance)

The Action Group launched its activities by focusing on programmes which target the provision of adapted financial services and non-financial services to young entrepreneurs. The activities of the Action Group included:

- Making use of e-MFP's platform to share experiences and identify potential partners to develop projects
- Documenting concrete experiences about their work with young people, in programmes supporting and promoting financial inclusion.
- Disseminating information regarding initiatives for youth financial inclusion and other associated project opportunities benefiting the young population
- Identifying and evaluating youth financial inclusion project proposals and assessing potential to offer joint solutions/assistance
- Participation in events concerning youth financial inclusion and education

In October the Action Group published the European Dialogue "Youth Financial Inclusion: Promising Examples for Achieving Youth Economic Empowerment". The objective of this publication is to gather the experiences, lessons learned and key recommendations on support programmes for young entrepreneurs from amongst the e-MFP members and other leading organizations offering financial and non-financial services to children and



youth in different parts of the world. In this publication the e-MFP Action Group on Youth Financial Services wishes to highlight alternative approaches for serving young entrepreneurs, concentrating on program innovations and strategies for sustainability. Information was collected through a series of case studies from industry leaders both within and outside the e-MFP membership.

In 2012 the members of this AG were: ADA, Child and Youth Finance International, Frankfurt School of Finance & Management, International Labor Organization, KfW, MEDA, Partner Microcredit Foundation, PlaNet Finance, UN Capital Development Fund - Youth Start Programme, WSBI and Women's World Banking.

### **e-MFP Action Group of Investors in Tier 2/3 MFIs**

The e-MFP Action Group of Investors in Tier 2/3 MFIs gathers committed investors willing to support and develop these types of institutions. The group's objectives are to collect and disseminate data on this microfinance segment, share best practices, facilitate collaboration during different stages of the investment cycle and provide appropriate technical assistance. The e-MFP Action Group of Investors in Tier 2/3 MFIs includes most investors active in this segment. Members meet regularly and have agreed to conduct an internal survey to share and harmonize information. To date, 8 investors have contributed to compile a Directory of tier 2/3 investments.

In 2012 the AG organized a webinar with the microfinance hedging organization MFX and produced a "Position Paper on supporting smaller MFIs to advance financial inclusion".

The 2012 members of this e-MFP Action Group were: ADA, Alterfin, Cordaid, Etimos, Grameen Credit Agricole Microfinance Foundation, Incofin, LMDf, Oikocredit, PlaNis responsibility, Terrafina Microfinance, SIDI and Triple Jump.

### **e-MFP Remittances Action Group - Engaging MFIs in the Fair Value Remittances business**

This Action Group's objective is to engage MFIs in the fair value remittances business and contributes to this by:

1. Building the Knowledge: based on members' experience, identifying the best ways for MFIs (and other parties if applicable) to become successful actors in the remittance business;
2. Disseminating best practices: ensuring that lessons learned, toolkits, market information (e.g. prices and conditions) and financial education are effectively shared with MFIs, the senders and the receivers (and other parties if applicable);
3. Collaborating and partnering on any relevant activities.

The focus of the AG is on the actual delivery of products and services to migrants and their family members through the delivery channel:

- at the microlevel of the MFI (NGO, NBFI, Bank, etc.) to act as delivery channel for remittance linked products;
- at the meso level of the MFI associations and migrant organizations, agricultural value chain actors and business development organizations (for non-financial services) to engage in activities together.



*Remittances Action Group session at European Microfinance Week 2011*

The Action Group is not working on the macro level of analyzing remittance flows and migration, as these topics are sufficiently covered by other organisations, research initiatives and seminars.

As a first concrete output the Action Group is working in 2012/13 on a Financial Literacy Toolkit. This Financial Literacy Toolkit will give an overview of existing tools to enhance financial literacy at the sending side and at the receiving end. The kit will be available for MFIs, banks, donors, governments and money transfer organisations (MTOs). The Toolkit is co-financed by GIZ. A feedback workshop discussing the draft Financial Literacy Toolkit document was held in June 2012 at WSBI in Brussels and the final Toolkit will be published in 2013.

## e-MFP Research in Microfinance Action Group – Third European Research Conference on Microfinance

After the big successes of the First and the Second European Research Conference on Microfinance in Brussels and Groningen in 2009 and 2011, e-MFP member University of Agder (Kristiansand, Norway) is already preparing with the support of the Platform and several other universities, the Third European Research Conference on Microfinance.

The conference will be held from 10 - 12 June 2013 and will be a three-day event that includes plenary panel discussions and parallel sessions during which research papers will be presented and discussed. The panel discussions will include invited renowned speakers with an academic and practical background.

A call for papers was launched during the summer of 2012; the deadline for submissions is 28 February 2013.



UNIVERSITY OF AGDER



EUROPEAN  
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NETWORKING WITH THE SOUTH

### CALL FOR PAPERS

Third European Research Conference on Microfinance, 10th -12th June, 2013

The Norwegian Centre for Microfinance Research

University of Agder, Norway

Microfinance has become a large banking segment as well as a widely practiced development tool. Presently several hundred million poor people have been provided with access to savings, loans, insurance and payment services. However, at the same time there are still billions of people that remain out of reach by microfinance providers. The present microfinance industry is confronted with a broad range of dilemmas and unsolved problems, and the debate about the development effect of microfinance continues. This provides our motivation for the invitation to researchers from all disciplines within social sciences and economics.

The aim of the European Research Conference on Microfinance is to be the World's most important meeting place of academics involved in microfinance research. The two former conferences organized by the Centre for European Research in Microfinance (CERMi) at the University Libre De Brussels, and by University of Groningen in the Netherlands have seen the turnout of several hundred researchers, as well as many practitioners interested in academic research, from across the globe. The upcoming conference is organized by the University of Agder in cooperation with the European Microfinance Platform Research Action Group ([www.e-mfp.eu](http://www.e-mfp.eu)), CERMi ([www.cermi.eu](http://www.cermi.eu)) and University of Groningen ([www.rug.nl/gsg](http://www.rug.nl/gsg)).

More details about the conference is found at [www.uia.no/microfinance](http://www.uia.no/microfinance).

## University Meets Microfinance Action Group

University Meets Microfinance (UMM) is a programme which fosters cooperation between university students in Europe and microfinance practitioners in order to contribute to microfinance innovation and education for development. UMM is a European initiative launched by PlaNet Finance and Freie Universität Berlin in 2009 with the support of the European Union from 2009-2011. UMM has been co-financed by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) since 2012. UMM activities are carried out under the umbrella of the European Microfinance Platform (e-MFP) in the frame of the e-MFP Action Group "UMM".



e-MFP members can contribute to the Action Group initiative by:

1. Proposing research topics relevant for them and/or field opportunities (internships) to students
2. Participating in the "UMM Scholarships & Awards" Selection Committee. The Selection Committee (SC) is composed of professors and practitioners who evaluate four times a year research proposals (Scholarships) and once a year Master theses (Awards). Members of the SC can participate on a rotating basis according to their availability and their research interest.
3. Co-hosting and/or participating in the workshops as speakers, commentators or audience
4. Disseminating and/or commenting the content of the publications of the UMM Action Group.

e-MFP members can benefit from the Action Group UMM by:

5. Getting access to the research results of talented and motivated students,
6. Developing interactions with the students during workshops and identifying well trained students for internships in their organization
7. Initiating/strengthening their relationships with European universities and professors involved in microfinance research and education.

In July 2012 the University Meets Microfinance (UMM) Action Group and the e-MFP Secretariat organized a very successful workshop at the Frankfurt School of Finance and Management on "Microfinance in crisis? Impact and financial transparency". The workshop gathered 103 participants from 27 different universities as well as from 23 other organisations (e.g. GIZ, KfW, BMZ,...). Star speakers were James Copestake (University of Bath), Chuck Waterfield (MFTransparency) and Bernd Balkenhol.

Another activity was the publication of the report of the above-mentioned Frankfurt workshop. In addition, e-MFP AG members participated in the Selection Committee awarding Scholarships for students. University Meets Microfinance also presented the top thesis from the 2011 UMM Awards in the e-MFP newsletter and the Action Group organised a working meeting and a public session during European Microfinance Week 2012.

In 2012 the UMM and the e-MFP Secretariat also worked on an action plan for the coming years, with the ultimate objective of handing over the UMM activities from PlaNet Finance to the e-MFP Action Group in order to ensure a long-term sustainability. PlaNet Finance and e-MFP successfully applied for 3 years-funding from the European Commission for the UMM initiative, they also had meetings and contacts with the EIB Institute to see if further collaboration is possible. In October the EIB Institute informed e-MFP about its decision to contribute to the UMM activities.

## Looking for Partners

Several Looking for Partners proposal (which informs members of potential collaboration opportunities with other e-MFP members and other parties) were made during 2012.

e-MFP members interested in diffusing their 'Looking for Partners' proposals please contact the Secretariat at [contact@e-mfp.eu](mailto:contact@e-mfp.eu).



*UMM workshop Frankfurt*

## 4th EUROPEAN MICROFINANCE AWARD

### Microfinance for Food Security

In 2012 the objective of the 4th European Microfinance Award “**Microfinance for Food Security**” was to highlight and stimulate microfinance initiatives contributing to improve food production and distribution conditions in developing countries.

The European Microfinance Award is organized every two years jointly by the European Microfinance Platform, the Luxembourg Ministry of Foreign Affairs – Directorate for Development Cooperation and the Luxembourg Round Table on Microfinance to promote microfinance initiatives and highlight their contribution to the development of the sector. Microfinance actors from the South were invited to apply for the award but they needed the backing of an e-MFP member (e.g. a letter or email of recommendation).

e-MFP was given responsibility for the preparation of the application form, the publicity for the Award, the reception, translation of applications and the pre-selection of the ten best applications (a pre-selection committee was set up to do this work). The Award involves a rigorous three phase selection process: in the first phase a Selection Committee from the European Microfinance Platform (e-MFP) produced a short list of ten candidates. From this list, three Award finalists were selected by the Luxembourg Round Table on Microfinance. The final decision on the winner is taken by a High Jury. The €100,000 prize was given on 15th November during a ceremony at the European Investment Bank, held during European Microfinance Week. Confirmed speakers for this ceremony are Mr. Werner Hoyer, President European Investment Bank; Mrs. Marie-Josée Jacobs, Minister for Development Cooperation, Luxembourg; Mr. Andris Piebalgs, European Commissioner for Development and H.R.H. The Grand Duchess of Luxembourg.

As in previous years, e-MFP produces publications on the topic (Award brochure, European Dialogue) to increase the overall impact of the Award and to highlight the importance of the topic microfinance for food security.



## EUROPEAN MICROFINANCE WEEK

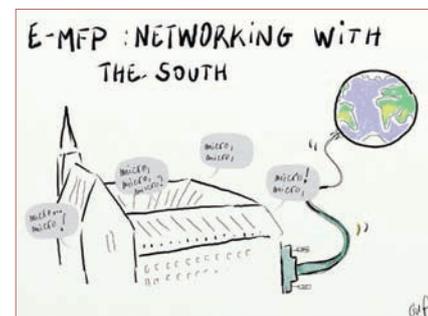
### Feedback European Microfinance Week 2011

e-MFP's annual event, European Microfinance Week took place 2nd – 4th November 2011 and gathered 373 microfinance professionals from 59 countries. Acknowledging the shake-up which the microfinance sector has experienced in the recent past, the theme was **'Inclusive finance for excluded people'**: microfinance refocusing on the underserved, unserved and vulnerable', re-affirming the social mission of microfinance.

At the opening of the European Microfinance Week 2011 e-MFP had the honour of welcoming Her Royal Highness the Grand Duchess of Luxembourg who was present to show her support for responsible microfinance and sign the Paris Appeal.

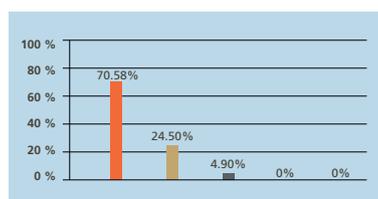
European Microfinance Week's packed programme with 30 quality sessions and 130 speakers brought participants up to date on microfinance's hot issues and latest research (presentations are available on our website, [www.e-mfp.eu](http://www.e-mfp.eu)). The European Microfinance Week was once again the most interactive conference in the microfinance calendar and it was also a unique opportunity to network with leading professionals and contribute to the development of the sector.

Feedback from attendees regarding the event has been extremely positive. More than 99% of survey respondents thought the conference organisation was excellent or good and an impressive 100% were very satisfied or satisfied with the conference facilities. Participants liked in particular the organisation, the networking opportunities and the diversity of participants/speakers.



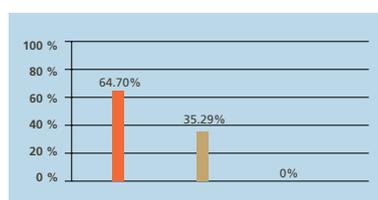
*Her Royal Highness the Grand Duchess of Luxembourg with Minister Marie-Josée Jacobs, Marc Bichler and Christoph Pausch*

### Quality of the conference organisation



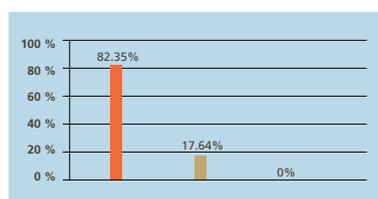
70.58 percent of survey respondents thought the conference organisation was excellent  
24.50 percent of survey respondents thought the conference organisation was very good  
4.90 percent of survey respondents thought the conference organisation was good  
0 percent of survey respondents thought the conference organisation was average  
0 percent of survey respondents thought the conference organisation was below average

### Satisfaction with the conference materials



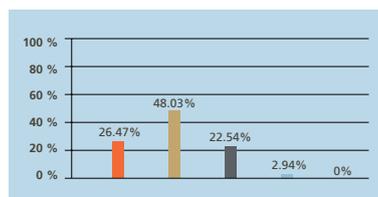
64.70 percent of survey respondents were very satisfied with the conference materials  
35.29 percent of survey respondents were satisfied with the conference materials  
0 percent of survey respondents were not satisfied with the conference materials

### Impression of conference facilities



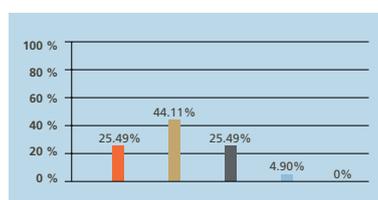
82.35 percent of survey respondents were very satisfied with the conference facilities  
17.64 percent of survey respondents were satisfied with the conference facilities  
0 percent of survey respondents were not satisfied with the conference facilities

## Impression of conference speakers



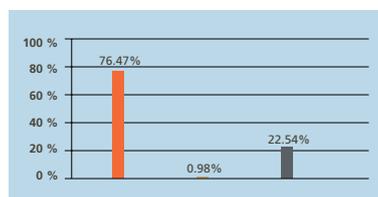
26.47 percent of survey respondents impression of conference speakers was excellent  
48.03 percent of survey respondents impression of conference speakers was very good  
22.54 percent of survey respondents impression of conference speakers was good  
2.94 percent of survey respondents impression of conference speakers was average  
0 percent of survey respondents impression of conference speakers was below average

## Impression of the moderation of conference sessions



25.49 percent of respondents judged the moderation of the conference sessions as excellent  
44.11 percent of respondents judged the moderation of the conference sessions as very good  
25.49 percent of respondents judged the moderation of the conference sessions as good  
4.90 percent of respondents judged the moderation of the conference sessions as average  
0 percent of respondents judged the moderation of the conference sessions as below average

## Participation next year



76.47 percent of respondents will return next year  
0.98 percent of respondents will not return next year  
22.54 percent of respondents were undecided

## European Microfinance Week 2012

The e-MFP Secretariat spent many months preparing the European Microfinance Week 2012 entitled “Combining strengths – delivering results”. As in the last years, it's the members who designed the programme. A call for proposals was launched in May and around 60 proposals for workshops were received. On the basis of the members' proposals, the Secretariat established the final programme which consists of around 30 sessions and more than 100 speakers. European Microfinance Week is also the ideal opportunity to network, to make important new business contacts and to meet high-level personalities of the microfinance community. e-MFP is particularly happy that Prof. Muhammad Yunus accepted our invitation to speak in a panel on the topic of “Social entrepreneurship and social enterprises”.

e-MFP would like to thank the sponsors of the European Microfinance Week 2012:

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