The COPEME experience

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1) Rationale and background:
   - What motivated your organisation to become involved in the field of financial product and service innovation ? How did you identify the need for these services?;

COPEME began operations 25 years ago , our mission is to develop micro and small entrepreneurs in Peru. COPEME to support SMEs organized their services for two main types of services: Microfinance and Business Development .

COPEME conducts research Market
The markets for COPEME are:

- Microfinance Institutions.
- Agencies for International Cooperation.
- State Institutions.
- NGOs.
- Local foundations.
- Private businesses.

- What are your priority areas in terms of target markets & products and services? How were these selected?

Market priorities for COPEME are limited by market needs and our capabilities.

we support those that enable the following:

- Increased access to financial services (that are scalable).
- To strengthen the microfinance sector.
- That allow their replication in several actors.
- To care for the environment.
- Generating an advantage to the customer of microfinance.

Examples:
- Rural Expert: It is an application that allows for small rural producers of the microfinance information to obtain credit.
-Product Housing: Supporting the development of product design and implementation of funding to improve housing in poor areas of the country.
- Monitoring Systems Projects: create monitoring systems for projects of credit organizations in the rural sector.
- Advice on product development Finance Green MFIs.
- Human talent develop systems for microfinance institutions

2) Main characteristics of the initiative and implementation process:
   - How did you evaluate and select your partners ?
   - Please describe your organisation's role as well as the respective roles and responsibilities of the participant stakeholders (MFIs, service providers)

We evaluate the counterparties under the following criteria:

a) What is your knowledge value added to us.
b) What is recognized prestige in the market.
c) What is complementary to us.
d) What is reliable.

Our roles and responsibilities are limited by the type of activity we develop:
1) When we develop projects financed by International Cooperation, then our role is to be responsible for the execution and results.
2) When developing a financial product, our role is based on ensuring that this is properly implemented in the MFI.
3) When we partner with other (s) always look our role in terms of our increased knowledge.

- What have been some of the main implementation challenges?

Well defined:

a) The road you have to follow to get the results.
b) Balancing follow the model defined and be flexible for best results.
c) Develop an adequate monitoring plan with indicators and milestones that allow you to assess the results.
d) That the financial resources are sufficient to achieve the results.
e) That the technical team that this activity acargo have sufficient knowledge and commitment to developing good activity.

3) Business model and sources of funding:

➢ What type of business model was developed to provide these services?

The business model that develops COPEME is based on the following:

- ✓ minimum equipment implementation.
- ✓ The value proposition is always knowledge.
- ✓ The costing of activities is carefully reviewed.
- ✓ Always business at the end of its execution must leave income. It must be sustainable and profitable.
- ✓ We have a working capital which enables small investments and research in the market.

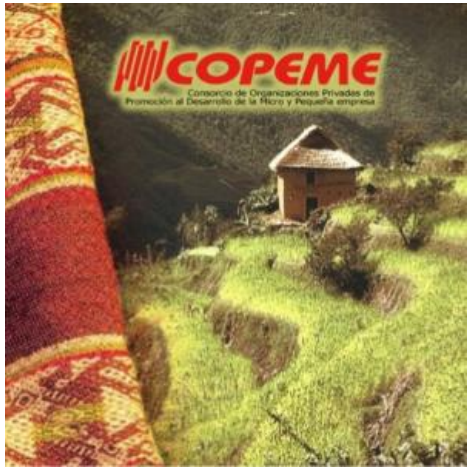
➢ What has been the added value for both the network and its members?

COPEME members receive a set of free services and discounts on activities such as:

- ✓ - Training for their employees.
- ✓ - Microfinance Market Information.
- ✓ - Participate in Project to implement new methodologies.
- ✓ - Participate in discussion forums.
- ✓ - Obtain legal advice for common problems.
- ✓ - Becomes International experiences in global forums.
- ✓ - It supports them in getting funding.

- What have been the cost implications?

COPEME receives membership by their partners only 1% of its annual budget.
29% is generated by international cooperation projects.
65% is generated by selling services.
5% is generated by its sustainability fund and investment income.



- What is necessary to ensure scale up and sustainability of the initiative?

Must ensure that:
a) The product / service possible to replicate in another organization.
b) Be a product / service that can reach a scale that generates net income for a limited time.
c) Be a product / service that is difficult to copy or other implement.
d) benefits the microfinance industry especially my partners.
e) is aligned to my institutional mission.
f) Be profitable.

4) Program outcomes & Next steps (1-2 slides):
   - What have been some of the main achievements to date?

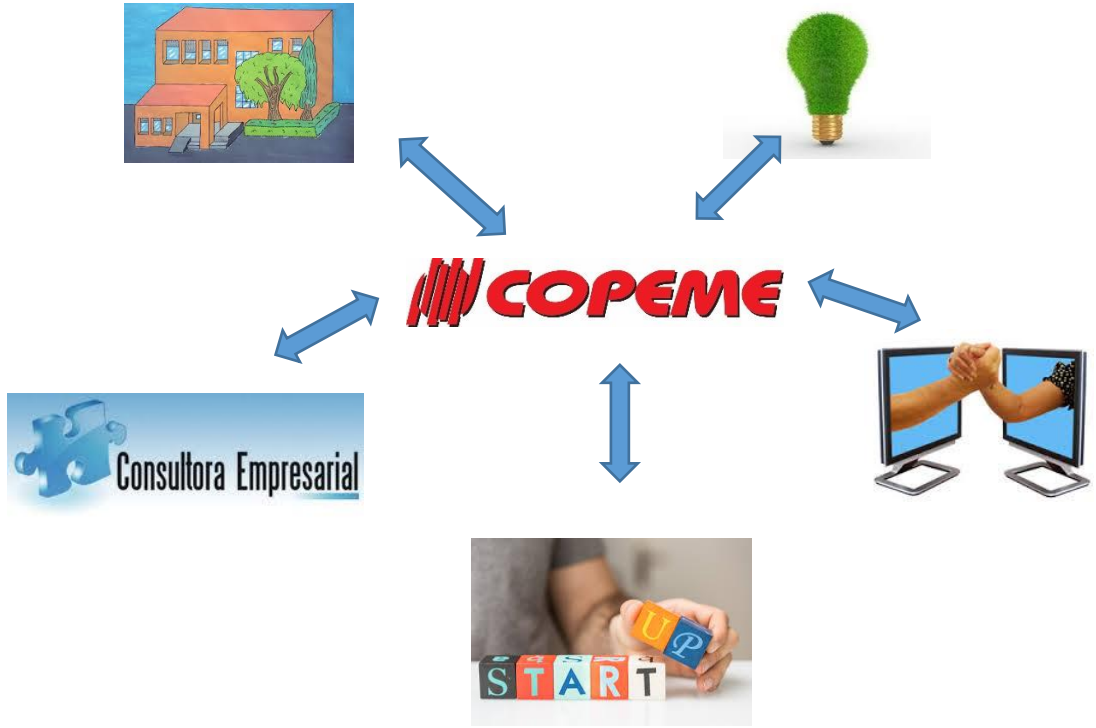
Main achievements:

- ✓ Being the network in Peru has supported microfinance industry development, COPEME has worked with all types of microfinance organizations in Peru.
- ✓ Being the network that has a strategic management system industry information is used to understand market trends and supports many research institutions and microfinance schemes.
- ✓ Have a trained and qualified group of professionals who now leading microfinance organizations in Peru and other countries.
- ✓ Being recognized for our innovation and professionalism.
- ✓ Having supported the transparency of financial and social performance of microfinance in Peru.

➢ What does the future hold for the initiative?

The future:

- ✓ Major challenges to the sustainability achieve 100% of revenues from sales of services.
- ✓ New products / services using new market trends:
  - Green Finance.
  - Using information technology to improve access to financial services.
  - Financial Literacy Programs for microfinance clients.
- ✓ New Products / microfinance services to improve the quality of life microfinance clients such as microfinancing for housing, rural finance, educational credits, promoting savings groups, green background, creating institution to promote business start ups, Institution the training of professionals in microfinance.
- ✓ Going from one network to a group of institutions and companies.



THANK YOU…..

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