



# EUROPEAN MICROFINANCE PLATFORM

NETWORKING WITH THE SOUTH

20<sup>th</sup>-  
22<sup>nd</sup> NOV  
2019  
NEXT  
EUROPEAN  
MICROFINANCE  
WEEK



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## EDITORIAL

Dear Members and Friends,

The financial inclusion sector's role in increasing the resilience of vulnerable populations to the effects of climate change is the focus of the € 100,000 European Microfinance Award in 2019, so we are delighted to start this newsletter with the latest update on the call for applications which closed on 9<sup>th</sup> April. Stay tuned for details of the three finalists who will be chosen in September, and the ultimate winner who will be announced at the Award ceremony on 21<sup>st</sup> November held within the framework of the European Microfinance Week.

This edition of our newsletter also features: celebration of the 100<sup>th</sup> anniversary of our member ILO, highlighting in particular its efforts in putting work central to the financial sector's agenda; spotlight on a fascinating research paper looking at MFIs and their missions entitled "Do Social Enterprises Walk the Talk? Assessing Microfinance Performances with Mission Statements"; plus all the latest news, publications and activities from e-MFP and its members.

Just to remind you, one of 2019's highlights will be the 6<sup>th</sup> European Research Conference on Microfinance which e-MFP is co-organising with the University of Paris Dauphine, Montpellier Business School, IRD and CERMi in Paris on 3<sup>rd</sup> – 5<sup>th</sup> June. Research has a crucial role to play in

addressing the key issues of our sector and more on this not-to-be-missed event can be found on page 5. I hope to meet many of you in Paris and trust that you enjoy reading our newsletter.

We welcome your ideas for future content for our newsletter and blogs, so if you have something you'd like to share, email us at [contact@e-mfp.eu](mailto:contact@e-mfp.eu).

Best wishes,

**Christoph Pausch**

*Executive Secretary*





# The European Microfinance Award & the Greatest Challenge: How the Financial Inclusion Sector Can Build Resilience to Climate Change



## 41 Organisations from 27 countries complete Round 1 of application process

The preliminary application round for the €100,000 European Microfinance Award 2019 on Strengthening Resilience to Climate Change has now closed, and we are delighted to announce the receipt of applications from 41 organisations from 27 countries.

The field of applicants is very diverse. They include 18 non-bank financial institutions, 5 banks, 4 NGOs, 2 cooperatives/credit unions, 2 insurance companies, 2 networks/associations, 2 social enterprises, 2 companies, 1 technical service provider, 1 private foundation, 1 insurance broker, and 1 agricultural organisation. 14 are based in Latin and Central America, 11 from sub-Saharan Africa, 8 from South Asia, 4 from South-East Asia, 2 from Eastern Europe, 1 from Central Asia and 1 from the Middle East.

This year's Award couldn't be timelier. Extreme events, including drought, flooding, storms, extreme temperatures, and other climatic changes are occurring with greater frequency and intensity, increasing risks to health, livelihoods, food security, water supply, economic growth and human rights. And as these risks increase, so does the vulnerability of households, business, ecosystems and people, threatening to undermine sustainable development and efforts to alleviate poverty.

However, while the changing climate impacts all countries, sectors, and people, they are not all affected in the same ways. The severity of impacts, levels of vulnerability and the ability to recover from climate shocks depend on many factors. Climate change is particularly threatening to communities that rely on agriculture, forestry and fisheries - all primary economic activities deeply affected by climate conditions. And the most vulnerable to these changes are the poor and marginalised, including rural communities dependent on natural resources for their livelihoods and for food security, and also communities that are hit by more frequent and intense flooding and storms.

The path of climate change is uncertain, and depends greatly on the speed and scale of mitigation measures being put in place over the coming years. However, even in the most optimistic scenarios, climate change effects are unavoidable. Even under the most ambitious and optimistic progress on climate change mitigation, it's clear that adaptation to a changing climate must be a critical and parallel process.

To increase climate change resilience, financial inclusion can play an important, and at times critical, role. In many cases, that means providing loans for working capital or investment in fixed

assets; in other cases it is to support greater resilience to shocks, through products such as insurance; still more, it is to facilitate the long-term financial planning needed to build more adaptable economic activities. This is especially true for poor, remote and indigenous communities that are especially vulnerable to the effects of climate change and that have limited means to respond effectively.

It was recognition of the immense challenge of climate change, and its particular effects on the poor and financially excluded, that led e-MFP and the other organisers of the European Microfinance Award to turn attention this year to this crucial topic. After months of work, a Call for Applications for the preliminary application round was launched in mid-March and closed on April 9<sup>th</sup>. Within the new two-stage application process introduced this year in response to previous applicants' feedback, organisations were required to submit the short Round I application form outlining the



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## How the financial inclusion sector can help

There is an evolving landscape of ways in which organisations in the financial inclusion sector can strengthen resilience to climate change among vulnerable populations.

- **Specific loan products** that fund investments in climate-resilient farms and businesses (e.g. asset building and diversification) and non-income generating purposes (e.g. home improvement or emergency loans).
- **Targeted saving products** with the specific purpose of promoting climate change resilience, for example, by enabling the target population to undertake longer-term asset investments, manage predictable expenses and deal with emergency situations through access to appropriate savings products.
- **Transfer & remittance facilities**, which facilitate the speedy and affordable sending and receipt of funds in emergency situations, ensuring recipients can purchase critical supplies, meet continuing obligations, or otherwise mitigate the effects of a climate change-driven event.
- **Insurance products** to protect the livelihoods and investments of poor and vulnerable people against the adverse impacts of climate change.
- **Non-financial products and services**, which can facilitate resilience and/or complement the financial products and services by filling a capacity gap, including via awareness-raising and capacity building concerning climate risks, and incorporating technologies that enable institutions and target populations to strengthen clients' resilience, lower costs, identify and address sector-specific risks and barriers, forecast extreme weather events and trends, conduct climate risk assessments, and provide information tools for climate risk screenings.

initiative they are presenting to the Award and provide their audited financial statements.

### About the 2019 Award

The objective of the European Microfinance Award 2019 "Strengthening Resilience to Climate Change" is to recognise organisations active in the financial inclusion sector that provide financial and non-financial products and services aimed at sustainably strengthening the resilience of vulnerable communities to the effects of climate change. The products and services presented for the Award had to clearly respond to the

problems caused by climate change, and demonstrate a proven or potential positive impact on the lives and livelihood of target groups. This means enabling groups to reduce their exposure to risks, reducing the sensitivity of livelihoods to shocks and increasing target populations' adaptive capacity.

Applicants successfully selected for Round 2 will be invited to fill in a more comprehensive second-round application form that will provide applicants with the opportunity to explain their initiative in greater detail, as well as provide further supporting documentation.



The winner will be announced at the Award ceremony on 21<sup>st</sup> November 2019 at the European Investment Bank (EIB) in Luxembourg, during European Microfinance Week.

All of us at e-MFP wish to thank all the organisations that have applied and wish them very good luck for the next round.

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

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



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## NEWS FROM THE SECRETARIAT

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### e-MFP Offsite Session - London, 23<sup>rd</sup> May

e-MFP's Offsite Sessions, provide opportunities for more frequent touchpoints with our members and external stakeholders. They take place in e-MFP members' countries and are organised in collaboration with local actors such as e-MFP members, e-MFP Action Groups, national platforms or partners.

"Financial Inclusion through Technology: A presentation of the takeaways from the European Microfinance Award 2018", takes place on Thursday 23<sup>rd</sup> May 2019 in London. The event, jointly held by the Financial Inclusion Forum and e-MFP, and once again generously supported by Allen & Overy, will present the background to the 2018 Award and the emerging best practice in this area including through profiles of the finalists and semi-

finalists' programs, and also present *Digital Pathways in Financial Inclusion* – the upcoming e-MFP paper summarising the 2018 Award. We're delighted to welcome our speakers Audrey Joubert, Advans International; Graham Wright, Microsave and Aurélie Wildt Dagneaux, PHB Development, in a panel discussion chaired by Sam Mendelson, e-MFP & the Financial Inclusion Forum.

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For more information and to register visit <https://tinyurl.com/yxpe89h8>

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### Latest e-MFP publications



#### European Microfinance Week 2018 revisited

More than 450 leading experts from 69 countries gathered at European Microfinance Week 2018 to showcase the most exciting innovations advancing sustainable and responsible financial inclusion around the world. In our extensive report we are proud to feature all the sessions and bring together the important discussions, findings and presentations of EMW 2018.

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Read the report at [www.european-microfinance-week.eu](http://www.european-microfinance-week.eu)

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#### European Microfinance Award 2018 on Financial Inclusion through Technology

Read how the winner and finalists of the European Microfinance Award 2018 on **Financial Inclusion through Technology** have creatively used technology to improve the quality and efficiency of their services. The brochure presents the background on the Award, outlines the selection process, the Award ceremony and showcases the Award winner (Advans Côte d'Ivoire, Ivory Coast) and the two finalists (ESAF Small Finance Bank, India and KMF, Kazakhstan).

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Read the brochure at <http://www.e-mfp.eu/resources/european-microfinance-award-2018-brochure>

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## 6<sup>th</sup> European Research Conference on Microfinance, 3<sup>rd</sup> - 5<sup>th</sup> June 2019



The 6<sup>th</sup> European Research Conference on Microfinance with the theme “New Tools, New Actors: Which aims, values and beneficiaries?” takes place 3<sup>rd</sup> – 5<sup>th</sup> June 2019 at the University of Paris-Dauphine, Paris, France. The conference is co-organised by the Institut de Recherche pour le Développement, Montpellier Business School and University of Paris-Dauphine in cooperation with CERMI and the European Microfinance Platform.



Since it was created in 2009, the European Research Conference on Microfinance is a special bi-annual opportunity for researchers, students and professionals from all over the world to come together in order to share and discuss about their latest advances in microfinance.

For this 2019 edition, 130 proposals for papers were submitted and following the review process, 110 papers have been accepted to be presented during the three day conference. As in previous conferences, there will be a combination of plenary and parallel sessions. Plenary sessions will include panels on digital finance, microfinance in developed countries, local and rural development, public and social policies and the future of microfinance.

**Jonathan Morduch**, *New York University* will give the keynote address and the confirmed line-up of plenary speakers includes: **Susan Johnson**, *University of Bath*; **Matthew Soursourian**, *CGAP*;

**Maria Elisa Balen**, *Universidad Nacional de Colombia*; **Ariane Szafarz**, *CERMI/Université Libre de Bruxelles*; **Jean-Louis Bancel**, *Crédit Coopératif*; **Timothy Ogden**, *New York University*; **Marcella Corsi**, *Sapienza University of Rome*; **Johan Bastiaensen**, *University of Antwerp*; **Claire Stoeckel**, *SOS Faim*; **Supriya Garikipati**, *University of Liverpool*; **Pierre Casal**, *Fondation Grameen Crédit Agricole*; **Solène Morvant-Roux**, *Université de Genève*; **Marek Hudon**, *CERMI/Université Libre de Bruxelles*; **Tara Nair**, *Gujarat Institute of Development Research*; **Olivier Edelman**, *European Investment Bank*; **Marc Labie**, *CERMI/Université de Mons*; **Cécile Lapenu**, *Cerise Microfinance*; **Roy Mersland**, *University of Agder*; **Niels Hermes**, *University of Groningen*; **Vong Pheakyny** (*AMK Cambodia*).

Join us for what promises to be a stimulating event - we look forward to meeting you in Paris.

For more information on the programme and how to register visit the conference website <https://ercm2019.sciencesconf.org/>

## Save the Date - European Microfinance Week 2019

Block your calendar for **European Microfinance Week (EMW) 2019** happening at the Abbaye de Neumünster, Luxembourg, 20<sup>th</sup> – 22<sup>nd</sup> November.

EMW is widely recognised for its high quality sessions tackling the financial inclusion sector's front line topics and its excellent networking opportunities. The prestigious three day event attracts leading experts, opinion-leaders and policy-makers and is the ideal opportunity to engage with top industry professionals. Last year the event attracted 450 participants from 69 countries making it a superb opportunity to network, make those vital new contacts and keep up to date about important sector developments. We look forward to welcoming back our friends and members in November for another dynamic EMW.

Interested in sponsoring this year's event and positioning your organisation at the forefront of the microfinance sector? The e-MFP Secretariat would be happy to discuss the opportunities available, [contact@e-mfp.eu](mailto:contact@e-mfp.eu)

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## e-MFP out & about



e-MFP started the new year with Gabriela Erice attending the 20<sup>th</sup> anniversary of our member CERISE on 11<sup>th</sup> January in Paris.



On 7<sup>th</sup> February e-MFP took part in the Midi de la Microfinance organised by ADA on the topic of “Future now: 3 hot topics that will impact Inclusive Finance in Africa – digitalisation, client centricity and SMEs”.



e-MFP was delighted on 26<sup>th</sup> February to attend the launch of our member The Social Performance Task Force’s European office at the House of Microfinance in Luxembourg in the presence of Ms. Paulette Lenert, Luxembourg Minister of Development Cooperation and Humanitarian Affairs, and Mr. Pierre Gramegna,

Luxembourg Minister of Finance. On this occasion the two Ministers also met and exchanged with the different organisations based in the House.

On 4<sup>th</sup> March Daniel Rozas attended European Development Days 2019 First Community Meeting, an information meeting of the European Commission in Brussels on the organisation of this year’s European Development Days.



e-MFP was present on 12<sup>th</sup> March at the InFiNe.lu presentation of a report entitled “Assessing the Needs of Refugees for Financial and Non-Financial Services in Uganda and Jordan”. Philippe Guichandut from our member Grameen Crédit Agricole Foundation presented the results of the study, carried out in collaboration with MFR.

Gabriela Erice attended meetings of the editorial committee of the Microfinance Barometer on 12<sup>th</sup> February and 17<sup>th</sup> April in Paris.

On 19<sup>th</sup> February and 27<sup>th</sup> March Gemma Cavaliere participated in meetings of the Convergences Working Group *Finance responsable et inclusive* in Paris.

e-MFP hosted the exams for Frankfurt School of Finance & Management’s prestigious LinkEd Development Finance, Agricultural Finance and Climate & Renewable Energy Finance online courses on 13<sup>th</sup> March.



Gabriela Erice participated on 26<sup>th</sup> – 27<sup>th</sup> March in the ‘Stand Speak Rise Up!’ conference organised by Her Royal Highness The Grand Duchess of Luxembourg and which included among others, Professor Muhammad Yunus, Dr. Denis Mukwege and Nadia Murad, as speakers. The conference tackled the issue of fighting rape and other forms of sexual violence used as a weapon during armed conflicts and war. As a sign of support e-MFP, with the other organisations in the House of Microfinance, stood together on 19<sup>th</sup> March for the survivors of sexual violence.



e-MFP’s Gabriela Erice was a panelist, together with Philippe Guichandut of the Grameen Crédit Agricole Foundation and Frédéric Mille of Advans International, in a webinar on 9<sup>th</sup> April organised by Convergences and Portail FinDev exploring the topic of microfinance and profitability in its multiple aspects.

On 11<sup>th</sup> April Gemma Cavaliere participated in the CERISE working group social business in Paris.



## NEWS FROM OUR MEMBERS

# The International Labour Organization celebrates its centenary!

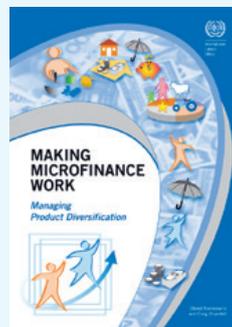


This is an exciting year for the International Labour Organization (ILO) as we are celebrating a hundred years of working towards social justice. The ILO was the first specialised agency of the United Nations – it even predates the UN! With its “tripartite” structure, it is the only international organisation in which governments do not have exclusive voting power. This means that when the ILO is setting standards and policies, employers’ and workers’ representatives have an equal voice with governments in its decision-making processes.

The ILO was born in 1919, in a time of turmoil, of rapid social and technological change. In a world struggling to rebuild and rebound from the ravages of war, the ILO was created in the belief that social justice is essential to universal and lasting peace. The role of financial policies and measures towards achieving social justice was recognised early on, highlighted in the Declaration of Philadelphia in 1944,

and since 1991 that function has been operationalised through the ILO’s Social Finance Programme. The programme has since worked with the financial sector in the pursuit of better employment and reduction of vulnerabilities by promoting innovative financial and related non-financial services as well as conducive policies.

### A century of putting work central to the financial sector’s agenda



ILO has been a pioneer in engaging the financial sector for the benefit of the world of work. For example, in the 1980s and 1990s the ILO partnered with the BCEAO to support the microfinance sector in West Africa in shaping a conducive regulatory environment in which microfinance institutions (MFIs) could grow.

While microfinance has long been recognised as having the potential to create jobs and reduce poverty, the ILO recognised that it can only reach its potential if MFI managers know how to balance growth and sustainability, optimise their processes and offer products based on client needs. Our management training, **Making Microfinance Work**, has helped hundreds of

financial service providers to succeed in today’s competitive markets. Furthermore, by collaborating with industry networks like the **Social Performance Task Force**, the ILO has worked to advance social performance management where clients and employees are put at the centre of every decision.

Two more recent contributions to the industry are knowledge and tools developed through the **Microfinance for Decent Work (MF4DW)** programme and the **Impact Insurance Facility**. Many entrepreneurs in the informal economy, and the employees that work in those businesses, are exposed to difficult and dangerous working conditions. ILO supported the idea of helping such businesses through financial service providers (FSPs), which lead to the creation of the Microfinance for Decent Work programme in 2008.



Through MF4DW, the ILO collaborated with 16 providers, testing a range of approaches to foster social impact through the delivery of innovative services. An important conclusion from this initiative is that by combining financial

and non-financial services, FSPs can have a greater impact on the enterprises that they are serving, and can do so without jeopardising their bottom line.




## IMPACT INSURANCE

The **Impact Insurance Facility** has contributed to the financial inclusion agenda by collaborating with the insurance industry, governments and partners to realise the potential of insurance for social and economic development. The Facility has worked with nearly 100 innovation partners and practitioners, which has generated a tremendous volume of insights and lessons that the ILO is actively promoting and disseminating.

### The future of work and financial inclusion

What does the future hold for financial inclusion stakeholders? At the ILO we firmly believe that the future of work will be driven in part by the financial sector, but it will require a new approach where banks, insurers and investors embrace a broader commitment to their customers and the communities in which they operate. These new business models contribute to social justice by creating a virtuous cycle, by ensuring that when customers and communities are doing better, financial institutions also do better.

An important contribution to that agenda is to ensure that consumers understand the risks and opportunities of financial services. Our work on **financial education** -- including curricula development, training of trainers, and supporting governments to build their own capacity to develop and implement financial education strategies -- will become ever more important in the future.

Another example is the topic of **sustainable investing**, on which we have been working since 2012. Our public-private partnership with KfW and Deutsche Bank aims to uplift Africa's agricultural potential through patient and respon-

sible investments in local value chains, particularly where it comes to improving food security and creating decent employment. Our experience has shown financial sector stakeholders how important it is to involve UN agencies while trying to improve social and environmental impact management.

The potential of the financial sector to contribute to decent work, and to the future work, has grown significantly in recent years due to **digitisation**. The emergence of mobile money and e-banking creates opportunities for the financial sector to reach un-served segments of the market. New payment platforms enable SMEs to efficiently transact with customers, suppliers and workers. New technologies play a crucial role, for example to facilitate and enhance the delivery and efficiency of government-to-person transfers, to formalise employment contracts, and to increase workers' financial inclusion. Similarly transaction platforms can facilitate the inflow and outflow of finances between members and financial service providers through union channels. This is a particularly welcome solution to organise workers in the informal economy.

Social justice and decent work have been leading the ILO's work for a century, and we are proud to contribute to this mission. Since 2008, our support to organisations in the provision of responsible financial services has reached more than 3.8 million people – and counting! Stay tuned, we are looking forward to sharing more on the work going forward during EMW 2019 in Luxembourg!

More about the ILO:  
[www.ilo.org/100](http://www.ilo.org/100)

More about Social Finance:  
[www.ilo.org/socialfinance](http://www.ilo.org/socialfinance)





## SAM - African Microfinance Week, 21<sup>st</sup>-25<sup>th</sup> October



From October 21<sup>st</sup> to 25<sup>th</sup>, the African Microfinance Week (SAM for Semaine Africaine de la Microfinance) will be held in Ouagadougou (Burkina Faso). More than a conference, the SAM is a cluster which offers about 20 free trainings, the investors fair (a BtoB meeting between investment funds and MFIs) and the Innovators Fair (the unique opportunity for innovators in Inclusive finance to meet clients, funders, business angels and peers).

The workshops and trainings cover a broad range of topics, from rural finance to social performance, risk management, marketing, financial performance and digitalisation. The training sessions and workshops, which are attended by between 10 and 100 participants, according to the trainers' specifications and the interests of the participants, are held in English or in French with simultaneous interpretation provided in 90% of

the sessions. The sessions will enable participants to develop their knowledge and to get the most out of this African Microfinance Week.

And last but not least, the SAM offers two days of conference entitled "Pathway towards impact: inclusive finance for the SDGs". In 2017, the event held in Addis-Ababa gathered 700 participants (80% from Africa) from MFIs, banks, funds, public institutions and governments.

The SAM is organised by ADA with MAIN, APSFD Burkina and AFRACA with the support of the Government of Luxembourg - Directorate for Development Cooperation and Humanitarian Affairs.

For more information visit [www.sam.africa](http://www.sam.africa)



The Inclusive Finance Network Luxembourg is organising on 11<sup>th</sup> June in the House of Microfinance, Luxembourg, an interactive workshop on The "Financial Inclusion Compass – e-MFP's Survey of Financial Inclusion Trends". e-MFP's Sam Mendelson, Financial Inclusion Specialist and author of the report, will present the project background, process, methodology and key findings. We look forward to a stimulating discussion on the implications for the sector and future steps for the *Compass*.

For more information see [www.infine.lu/events/](http://www.infine.lu/events/)



The Financial Inclusion  
Compass 2018

The inaugural e-MFP Survey  
of Financial Inclusion Trends

By Sam Mendelson



## FORUM

## Actions Louder than Words, After All... New Research Published on MFIs and their Missions



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A recent publication by Professor Roy Mersland at the Centre for Research on Social Enterprises and Microfinance (CERSEM) at the University of Agder in Norway, Professor Ariane Szafarz at the Centre for European Research in Microfinance (CERMi) at the Université libre de Bruxelles in Belgium, and their joint PhD candidate Samuel Anokye Nyarko is interesting. The study is titled **“Do Social Enterprises Walk the Talk? Assessing Microfinance Performances with Mission Statements”**<sup>1</sup> and will be published in the forthcoming *Journal of Business Venturing Insights*.<sup>2</sup> In the study Mersland, Szafarz and Nyarko assess the social performances of microfinance institutions (MFIs) based on their mission statements.<sup>3</sup>

The paper considers three specific missions often mentioned in microfinance: poverty alleviation, women’s empowerment and rural financial inclusion. The results presented in the paper suggest that, in the main, MFIs do in fact fulfil their own stated missions. This outcome is welcome news for the sector and its stakeholders, including donors and subsidy providers.

**According to the authors, three insights can be extracted from the findings of the research.**

**Firstly**, the results show coherence between the words and actions of MFIs. Rather than ‘greenwashing’ - making unsubstantiated or misleading claims

about the environmental (or in this case, social) benefits of a product, service, technology, or company practice, MFIs take their stated missions seriously. Mission drift in microfinance seems therefore to be a lesser concern when considered with respect to mission statements. Accordingly, the article indeed shows that acknowledging heterogeneity among MFIs makes mission-drift-related discussions more objective and likely fairer.

**Secondly**, stakeholders would find mission statements a useful guide for their decisions about supporting and investing in microfinance. The mission statements of MFIs, on average, seem faithfully to portray the strategic direction of the institutions and guide their daily operations.

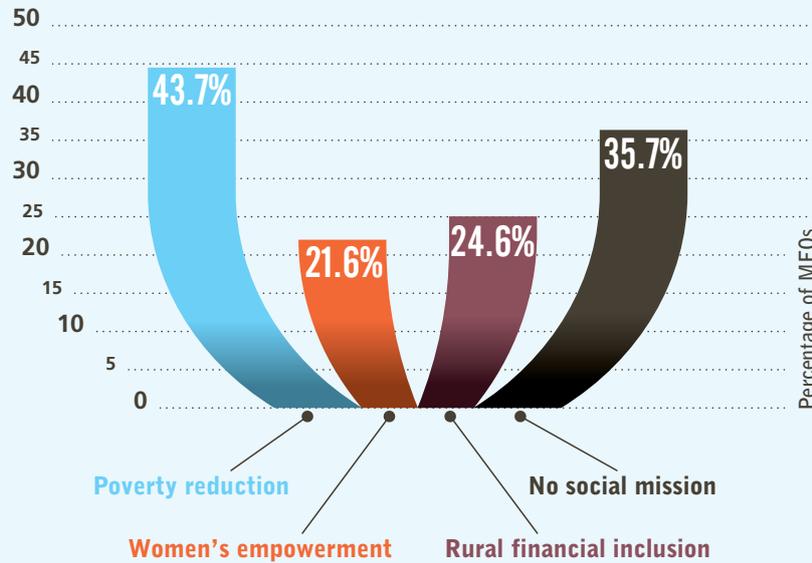
**Thirdly**, the empirical results suggest that MFIs have clear social preferences, and these preferences have evolved over time. As Figure 1 (page 11) illustrates, the content analysis of the mission statements revealed that 43.7% of MFIs claim to pursue poverty alleviation, 24.6% mention financial inclusion in rural areas, and only 21.6% seek to empower women. These figures contrast with the common wisdom that most MFIs pursue these three mission categories simultaneously. Particularly,

<sup>1</sup> <https://www.sciencedirect.com/science/article/pii/S2352673418301574>

<sup>2</sup> <https://doi.org/10.1016/j.jbvi.2019.e00117>

<sup>3</sup> The data cover 199 MFIs operating in 59 countries, they come from social rating reports released by three microfinance rating agencies: Microfinanza, Microrate, and Planet Rating

## Social missions



**Figure 1** Share of MFIs that state each of the social missions in their mission statements (note that some MFIs state multiple missions)

the fraction of MFIs claiming to be concerned with female empowerment is surprisingly low. The study also shows that mission is heterogeneously spread across the industry. A high fraction (35.7%) of the mission statements analysed contained none of the three social missions. Perhaps it is time to embrace the diversity of microfinance by giving up the widespread notion of homogenous 'bottom-lines'.

The methodology of the research was based on both content analysis (performed on mission statements) and matching social performances against the identified missions. The authors

used social performance metrics common in both research and practice. Poverty alleviation was matched against average loan size (scaled by gross national income per capita), number of credit clients, and use of group-based lending. The women's empowerment mission was tested with the percentage of female clients. Last, rural financial inclusion was assessed thanks to the percentage of rural dwellers and the supply of agricultural loans.

The study revisits the still controversial topic of microfinance mission drift. Using a new bottom-up approach based on mission statements has the merit of

acknowledging that different MFIs can pursue different missions, so that the one-mission-fits-all approach to mission drift is debatable. Their results highlight the general coherence currently existing between what MFIs claim in their mission statements and what they do in practice. The authors recognise that many observers would of course like MFIs to have other missions than those that they have. However, to ensure a better debate, they highlight the importance of listening to the MFIs themselves when discussing mission drift in microfinance.





## NEWS FROM OUR ACTION GROUPS

e-MFP's Action Groups (AGs) are an opportunity for members to collaborate directly on specific projects or common areas of interest. Our Action Groups bring together leading experts and enable constructive dialogue, exchange and knowledge creation in some of the financial inclusion sector's key niche areas. We're proud that outputs from e-MFP AGs have been contributing to advances in such diverse areas of focus as green microfinance, social performance, responsible investing and rural finance.

If you'd like to get involved and learn more about our current AGs, visit <http://www.e-mfp.eu/action-groups> or contact Gemma Cavaliere, [gcavaliere@e-mfp.eu](mailto:gcavaliere@e-mfp.eu)



### Human Resources Action Group Promoting Good HR Practices in MFIs



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In 2018 the **Human Resources Action Group** started its work with a face-to-face gathering during the European Microfinance Week and brought together the founding members: ADG International, ILO, Incofin, MFC, University of Portsmouth, SPTF, and Triple Jump.

The objective of the Action Group is promoting Human Resources as integral part of good business practices in MFIs. As a first step, the group together with an experienced con-

sultant, conducted a literature review on the main findings of HR practices in FSPs. The review showed that although Human Resources Development has been recognised as important, FSPs grapple with many of the same issues in 2018 as they did a decade ago.

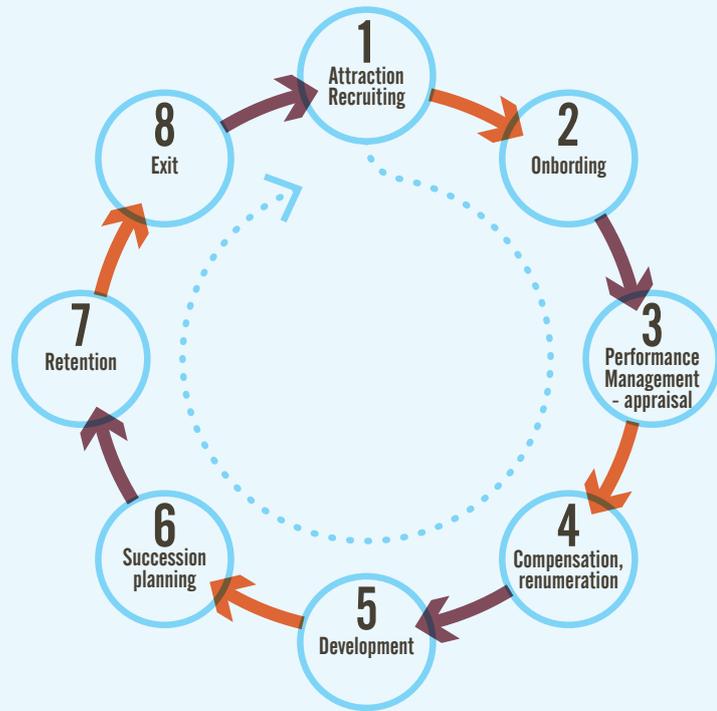
The most important challenges identified by the review included staff turnover followed by adequate staffing (hiring process), alignment of the FSP's strategy with HRD, as well as sustainable learning and development systems, among others. Currently, the



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group is developing a survey to explore the status quo of HR management in FSPs worldwide which will be based on the Talent Management Life Cycle. The survey will be addressed to HR managers and/or Board Members of MFIs and will be distributed with the support of e-MFP and of regional associations in Q2 2019.

For more information on the Action Group visit [www.e-mfp.eu/human-resources-action-group](http://www.e-mfp.eu/human-resources-action-group)



## Our Advancing Refugee Finance Action Group Kicks Off



The e-MFP Action Group on **Advancing Refugee Finance** has been created to respond to the increasing interest and need from our members to foster collaboration, cooperation and knowledge sharing among all parties working to provide and/or extend financial services for refugees.

With the support of UNCDF, the Action Group has set up an online platform where members have access to all relevant resources on refugee finance and are able to share their work and communicate with each other. The platform allows members to exchange and store files, documents and updates concern-

ing upcoming events, data release, learning opportunities, blogs and media on the topic of refugee finance and to network and connect with each other.

If you'd like to join the platform to share your work on the topic, please visit <https://tinyurl.com/yxvyenok>



## NEW MEMBERS

The **Microinsurance Network** asbl (MiN) is a non-profit organisation based in Luxembourg. The MiN was officially founded in 2012 (originally established in 2002 as the CGAP Working Group on Microinsurance by donor organisations, multilateral agencies, NGOs, private insurance companies, universities, think tanks and other interested parties) with the mission of promoting the development and delivery of effective risk management tools, including insurance services, for underserved people. The Network, which has more than 70 institutional and around 30 individual members from over 50 countries – a total of close to 400 experts – is the only global multi-stakeholder platform focusing on inclusive insurance, facilitating knowledge generation and dissemination while encouraging shared learning and on-the-ground programmes around the world.

The MiN's objective is to promote the provision of responsible and inclusive insurance products and services by providing a platform for knowledge exchange that is partly virtual,

but increasingly practical through on-the-ground workshops and participation in conferences and, looking to the future, through targeted strategic communications to raise awareness of the need for inclusive insurance solutions that match the needs of low-income customers. The MiN also publishes research on the inclusive insurance market, notably "The Landscape of Microinsurance", which measures market trends in terms of the evolution of service provision (no. of policies, etc.) and "The State of Microinsurance", which seeks to validate the impact of insurance on achieving specific development goals.



More information on the fund can be found at  
<https://microinsurancenetwork.org/>

## ANNOUNCEMENTS

**NpM Platform for Inclusive Finance** has published two studies on women entrepreneurship in rural areas. The first study "Women's participation in savings and credit cooperatives in Ethiopia" describes the experiences of female members and leaders of two Savings and Credit Cooperatives (SACCOs) in Ethiopia. The second entitled "Agri-finance products for female farmers in Vietnam" presents the results of the study aimed to analyse if and how women encounter constraints to effectively access financial services in agriculture and if they benefit effectively from accompanying non-financial services.

For more information visit <http://tinyurl.com/y4uln7uu>

**BlueOrchard's** CEO, Patrick Scheurle, had the pleasure to participate at the launch event of IFC's Operating Principles for Impact Management in Washington D.C. on April 12<sup>th</sup>, 2019. Recognised industry-wide, these principles provide guidance on how to establish an effective impact management system. BlueOrchard was glad to contribute to the development of these principles and to be among its first signatories.

For more information, please visit <http://tinyurl.com/y39ncwld>

Voices of Inclusion, #voicesofinclusion, the new podcast series from **PHB Development**, is online and easy to access! Listen in for close up insights on PHB projects as well as the people and motivations making them happen. The episodes provide a better understanding of digital services for financial inclusion from professionals improving livelihoods around the world. Subscribe today on Google Podcasts or iTunes to join the action!

For more information visit <http://tinyurl.com/y3hmt2qe>

**BlueOrchard** recently published its Impact Report 2019/2020. This year's report gives a comprehensive overview of BlueOrchard's impact measurement and management expertise, explaining how its impact management know-how and tools have evolved over time to become today's inclusive and holistic practice across multiple asset classes and impact themes, firmly aligned with industry best practices.

For more information visit

[www.blueorchard.com/blueorchard-impact-report-20192020/](http://www.blueorchard.com/blueorchard-impact-report-20192020/)



Join **PRMIA/RIM** and your microfinance community peers in Luxembourg **22<sup>nd</sup> – 24<sup>th</sup> May** for Microfinance Institution Assessment Training for Independent Assessors, an in-depth, three-day training program designed for risk management experts, microfinance consultants, and technical assistance providers. Becoming a RIM trained assessor allows participants to drive their financial inclusion risk management consulting practices forward by building competencies to apply cost-effective methodology, based on industry best practices.

Visit [www.prmia.org/IMFtraining](http://www.prmia.org/IMFtraining) for more information or to register.

**Frankfurt School's** Master of Leadership in Development Finance is a part-time, online programme that aims to prepare the new generation of leaders in the sustainable and inclusive finance sector. Students can also take part in the "Extended Leadership Winter Academy" at the new campus in Frankfurt. Applications are open for the next intake starting in September 2019. Apply by May 31<sup>st</sup> to receive a 10% discount. The final application deadline is July 31<sup>st</sup>, 2019.

For more information visit

[www.fs.de/online-master](http://www.fs.de/online-master) or email [onlinemaster@fs.de](mailto:onlinemaster@fs.de)

16<sup>th</sup> Consultative Forum on "Climate and disaster risk: building resilience, bridging the protection gap", coorganised by the **Microinsurance Network** on **12<sup>th</sup> – 13<sup>th</sup> June** in Johannesburg, South Africa will explore how insurance providers, policymakers, insurance regulators and supervisors can collaborate to reduce the protection gap and help to build resilience in the face of climate risk and natural disasters. The 16<sup>th</sup> Consultative Forum provides a platform for dialogue between these stakeholders, as well as the opportunity to meet with and learn from colleagues and experts involved in climate change from Africa and other regions.

For more information visit <http://tinyurl.com/ly248d7ye>

Last Weeks to Register for the **MFC** Annual Conference 2019 which will be held from **29<sup>th</sup> – 31<sup>st</sup> May** 2019 in Istanbul, Turkey. This year the conference theme will be "Demystifying Digital in Microfinance" and the event will tackle the practical side of digitalisation in the financial inclusion sector through case studies, trend analysis and discussion of emerging best practice. The conference will also feature a number of important concurrent events as Fintech pitch and Marketplace, Social investor fair, Microfinance Associations' Summit or Sultan gala dinner.

Register today at <http://bit.ly/MFC-2019>

Join **Frankfurt School's** ladies-only executive education programme. The Women's Leadership Academy offers a unique combination of analytical reflection, exposure to management research, peer-coaching, networking, creative leadership and tailor-made personal development with a strong

focus on communication skills. This programme will take place in May and September.

For more information, visit [www.fs.de/Academies](http://www.fs.de/Academies)

or email us at [n.chingatecastano@fs.de](mailto:n.chingatecastano@fs.de)

Save the Date for **LuxFLAG's** next Microfinance Breakfast Seminar at KBL Luxembourg on **18<sup>th</sup> June**.

Further details will be available soon at

<https://www.luxflag.org/pages/events-detail.html?&eventidarticle=151>

**SPTF** and the **Smart Campaign** are holding their joint summit in Nairobi, Kenya, "Inclusive Digital Future: A Summit on Responsible Finance in Action", from **25<sup>th</sup> – 27<sup>th</sup> June**. The three-day international forum, organised in partnership with MSC (MicroSave Consulting) and ADA, will confront the most pressing financial inclusion question of the day: How do we promote inclusion and trust in digital financial services while fostering innovation and growth? The gathering will bring together financial service providers, investors, and DFS experts for two days of trainings, panels, and interactive breakout discussions, capped off by field visits to leading Kenyan institutions engaged in digital transformation. Register early to receive a discount!

For more information and to register, visit <http://tinyurl.com/lyaqkoa8v>

The Geodata for Inclusive Finance and Food (G4IFF) workstream of **NpM, Platform for Inclusive Finance** aims to promote the use of geodata by financial institution to improve access to finance for smallholder farmers. On **June 24<sup>th</sup>**, NpM will host a session in Nairobi where the three winners of its Innovator's Challenge - Agri-wallet, Apollo Agriculture and VanderSat - will present lessons learned from integrating geodata information in financial services for smallholders in Kenya. Aligning with the SPTF and Smart Campaign's annual summit, the issue of data privacy when using geodata info will be discussed

For more information visit <http://tinyurl.com/ly6kqc7y9>

The annual June/July Member Meeting (JMM) 2019 of the **Microinsurance Network** takes place in Luxembourg on **8<sup>th</sup> – 10<sup>th</sup> July**, 2019. The meeting's focus in 2019 will be on moving the market forward to close the protection gap. The agenda will be a mix of member-led presentations, discussions and workshops on hot topics in the inclusive insurance space with the aim of identifying concrete strategies to reaching unserved people across the world, as well as facilitating knowledge exchange and peer to peer learning amongst our members. The JMM is an event exclusive to the members of the Microinsurance Network.

If you are interested in learning more, visit <http://tinyurl.com/ly5o3unaz>

This is a big year at **Boulder Institute!** As we celebrate our 25<sup>th</sup> anniversary of uninterrupted Microfinance Training (MFT)



and 15<sup>th</sup> anniversary of the French language MFT, we also are introducing our NEW Digital Transformation program. The 2019 French language programs will be offered from **8<sup>th</sup> – 19<sup>th</sup> July**, in Marseille, France in collaboration with partners AFD and PRO-PARCO. The 2019 English Language programs will be offered from **22<sup>nd</sup> July – 2<sup>nd</sup> August** in Turin, Italy at the International Training Centre of the ILO.

For more information on programs in French visit

<http://tinyurl.com/lyxwct53w> and on programs in English visit

<http://tinyurl.com/ly3hmmma>

The ILO's Impact Insurance Facility and the International Training Centre of the ILO are excited to announce the 2019 edition of the Impact Insurance Academy which takes place **8<sup>th</sup> – 12<sup>th</sup> July** in Turin, Italy. The academy will bring together more than ten years of experience and innovations in inclusive insurance facilitated by experts in the field.

For more information visit

<https://readymag.com/IITCILO/1035464/> and read testimonials from enthusiastic participants in last year's Academy at <http://tinyurl.com/ly64qxa2y>

Financial institutions in developing & emerging markets are undergoing rapid change. Many institutions face increasing competition, tougher regulations and a growing market pressure for digitalisation. This year's **Frankfurt School** Inclusive Finance and Climate & Sustainable Energy Finance Summer Academies seek to equip participants with profound technical know-how in one of eight subject areas, incl. Risk Management, SME Banking, Rural Finance, Housing Finance, Digital Finance, HR, Social Performance and Climate & Sustainable Energy.

For more information visit [www.fs.de/Academies](http://www.fs.de/Academies)

or email [summeracademy@fs.de](mailto:summeracademy@fs.de)

## CALENDAR OF EVENTS

15<sup>th</sup> May

e-MFP Board meeting, The Hague

23<sup>rd</sup> May

Offsite Session, London

3<sup>rd</sup> – 5<sup>th</sup> June

European Research Conference on Microfinance, Paris

20<sup>th</sup> – 22<sup>nd</sup> November

European Microfinance Week, Luxembourg

21<sup>st</sup> November

European Microfinance Award ceremony, Luxembourg

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Follow us on   

The **Boulder Institute of Microfinance**, in collaboration with the Capacity Building for Rural Finance (CABFIN) partnership, which includes FAO, **UNCDF, IFAD, GIZ**, WFP and World Bank, has developed an in-depth and comprehensive agricultural finance training program - Rural and Agricultural Finance Program which is a highly specialised program offered for experienced rural and agricultural finance practitioners and institutions. The objective of RAFP is to enable inclusive and efficient food and agricultural systems, as well as promote financial inclusion by strengthening the technical capacity of service providers and those institutions serving rural SMEs and smallholder farmers. The 5<sup>th</sup> Edition of the RAFP in English will be held from **22<sup>nd</sup> July to 2<sup>nd</sup> August** 2019 in Turin, Italy and will bring together rural and agricultural finance specialists from around the world.

For more information visit

<https://www.bouldermicrofinance.org/boulder/EN/RURA>

During African Microfinance Week organised by **ADA** in Burkina Faso, **21<sup>st</sup> – 25<sup>th</sup> October** 2019, **SPTF** will hold three full-day events during the week: a peer-learning session for auditors on the SPI4 audit tool, a training on digital transformation, and an SPM training with special modules on client outcomes, integrating SPM into DFS, and SPTF's upcoming activities.

For more information, email Amelia Greenberg at

[ameliagreenberg@sptf.info](mailto:ameliagreenberg@sptf.info)

The 15<sup>th</sup> International Conference on Inclusive Insurance (IMC) will take place in Dhaka, Bangladesh from **5<sup>th</sup> - 7<sup>th</sup> November** 2019. Approximately 450 experts from around the world will discuss and identify ways of accelerating growth and economic viability in inclusive insurance for emerging markets. The conference will be hosted by the Bangladesh Insurance Association (BIA) and the Munich Re Foundation in cooperation with the **Microinsurance Network**.

The call for proposals is now open - submit your proposal at

<http://tinyurl.com/ly28zrbhu>

Registration for the conference will open in August 2019

European Microfinance  
Platform (e-MFP)

With the support of:

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