



Volume I, Issue I

MAIN Newsletter

Microfinance African
Institutions Network

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Welcome to MAINnews first publication of 2011

This newsletter will be published on quarterly basis starting from now onwards. It deals with the different events that the organization organizes in collaboration with its member institutions. It focuses on timely issue of microfinance in Africa and related news around the world.

We welcome contributions especially from our members to the newsletter. This will definitely enrich the content of the newsletter but also will help the members to market their evolution and innovations, experiences and achievements, etc.

5th African Microfinance Conference

The international conference was organized in collaboration with the Association of Ethiopian Microfinance Institutions (AEMFI) and African Microfinance Conference (AMC) from September 19-22, 2011 at United Nations Conference Center (UNCC) in Addis Ababa, Ethiopia. It has attended by more than 400 participants from around the world. The participants came from different origins: senior microfinance practitioners, regional and national networks, external partners, researchers, academia, policy makers, bilateral, multilateral development agencies, donors and investors, UN agencies, regional development and financial institutions.



5th African Microfinance Conference
UNCC Sep 19-22, 2011

The theme for the conference was "The Future of Inclusive Finance in Africa". More than 30 papers including CGAP, UNCDF, ILO, the World Bank were presented in the plenary and in parallel sessions. The conference was opened by his Excellency Mr. Makonnen Manyazewal, Minister of Industry of the government of Ethiopia. In his opening remark the minister stressed that microfinance is an integral part of the overall development process in Ethiopia and acknowledged the specific role it is playing in financing small and medium-scale enterprises (SMEs). The sessions were complemented by a full one day field visit to nearby microfinance institutions in Ethiopia which are members of MAIN. The major message as reported by group leaders was that Ethiopian MFIs have made remarkable contributions in improving the livelihood of the clients and their capacity of mobilizing savings a move highly recommended to escape from donor dependency. AEMFI and MAIN have many years of experience in organizing different events including joint capacity building programmes. By undertaking jointly the organization of such an important conference, they have demonstrated once more the possibility for African networks to work together. The conference has been a success event because it was possible to generate valuable case studies, high quality debates and important recommendations as a way forward for the evolution of inclusive finance in Africa. MAIN is grateful to ABSA Bank, BARCLAYS, ILO/UNCDF, COMPUSCAN, Commercial Bank of Ethiopia and National Bank of Ethiopia, AFD/CCFD and Ethiopian Airlines, etc for the support extended to the organization of this event.

Inside this issue:

<i>5th African Microfinance Conference</i>	1
<i>Capacity Building Community Microfinance</i>	2
<i>An Awareness Day on Social Performance</i>	2
<i>Microfinance and Community Economic Development (Uganda Martyrs' University)</i>	3
<i>Management of Microfinance Institutions (Universite Catholique d'Afrique Centrale)</i>	3
<i>Saving Group Summit</i>	4
<i>General Meeting of Members</i>	4
<i>Membership</i>	5
<i>Calendar of Events</i>	5

To access documents/presentations, visit <http://www.mfiain.org>

Capacity Building Programmes

One of the core activities of MAIN is training. MAIN provides both long-term and short-term training programme for its members. The long term programme is a university level training organized in collaboration with the Uganda Martyrs 'University (UMU) and the Université Catholique d'Afrique Centrale (UCAC).

Community Microfinance

In collaboration with Carsey Institute of University of New Hampshire (USA) a workshop on "**Community Microfinance: an innovative approach to financial services for low income individuals**" was organized for French speaking organisations in Lome between May 16-20, 2011. It was attended by 18 participants from eight countries (Benin, Niger, Mali, Burkina Faso, Togo, Guinea, Cameroon and Italy). The workshop was facilitated by Mr David Panetta, consultant at VSL Associates.

The training was aimed at :

- Sensitizing the participants with the basic principles of community microfinance.
- familiarizing participants with best practices of institutions promoting community savings and credit.
- familiarizing participants with the approaches, systems and tools for group formation, and train them on how to select the best and adequate approaches depending on the local context of the project.
- providing participants with a methodology for measuring and analyzing the performance of community microfinance projects.
- providing participants with the tool allowing them to develop a project plan and budget in a context of community micro-finance.



At the end of the session, participants expressed their satisfaction and suggested to hold an entire session on Management of Information Systems of VSLA and to make sure that the field visit is closer to Lomé and organize a day out to participants.

Awareness Raising Day on "Social Performance"

As part of its capacity building program, MAIN held on July 8, 2011 in collaboration with Oikocredit and APIM-Togo an awareness day on "**Social Performance**". The training took place at a bankers training centre in Lomé and was attended by fifty-eight (58) participants from 17 institutions including the supervisory authorities CASEF, the World Bank, and PASNAM.

The opening ceremony was made by the President of the professional association of microfinance who in his speech said "MFIs have an economic and social mission. Economic meaning that they bring money to the community; social in the sense that whether the money brought had



made an improvements at the community level. "He urged his peers to first see social performance as a tool that can enable them to strengthen their financial performance and initiate the growth of their institution.

The organization of this day was aimed at:

- raising awareness of microfinance practitioners on the need to focus on improving the lives of the grassroots community as there is no denying that there is a mission drift in microfinance institutions.
- introducing to participants some tools available that can help in the process of social performance.

This event was a real occasion to discuss, share and learn from each other. Participants have expressed their satisfaction and made recommendations that full week training should be organized to them on Social Performance. This recommendation has been taken into consideration by MAIN in its 2012 training program.

Microfinance and Community Economic Development (Uganda Martyrs' University)

MAIN in collaboration with Uganda Martyrs' University (UMU) trains its members on Diploma programme on Microfinance and Community Economic Development programme every year in July. The campus programme is combined with field visits to MFIs for sharing live experience and complementing what has been learnt during the sessions.



This year, the residential programme at UMU was held between July 11 and 24, More than 150 participants from different parts of the world have attended the programme. From this total participants, MAIN sponsored 33 participants coming from 16 microfinance institutions of Africa (Ethiopia, Liberia, Rwanda, Tanzania and Uganda). This training provides opportunity to the microfinance practitioners to deepen their knowledge by combining theory and practical aspect of microfinance other than improving performance of their respective institutions.

UMU Advisory Board

MAIN is member of the UMU advisory board. The advisory board meets twice a year, reviews the technical, administrative and financial issues related to the microfinance department and makes recommendations to the Faculty of Business Administration and the university administration. The second meeting for the year took place in July during the summer session. It dealt with issues such as scaling up of the programme to a master level, revising and/or incorporating certain courses, improving the meals for students, etc...

Management of Microfinance Institutions

If everyone agrees to recognize the importance of microfinance, the challenges remain large for it to become a true vehicle to fight against poverty and for economic development. The training of microfinance institution managers is one of those challenges. Access to higher training session is an essential factor to enhance the professionalization of the sector and improve its sustainability both financially and socially. It is in this dynamic that MAIN in partnership with the Catholic University in Yaoundé (Cameroon) organizes an annual training program for MFI executives on "**Management of Microfinance Institutions.**"

The objective of this program is to train managers on how to manage their daily activity and analyze the internal and external environment of MFIs. This year session was held from August 14 to September 3, 2011 in Yaoundé at the Nkolbison campus. This session was attended by 30 participants from 10 African countries (Congo Brazzaville, Togo, Niger, Cameroon, DRC, Rwanda, Burundi, Madagascar, Ivory Coast and Chad) and 24 different institutions. This diversity of culture and background made the exchange very interactive and rich.



MAIN wishes to add proudly that the platform of exchange (e-Learning) for students has also been integrated into the UCAC programme with a special contribution made by ESF (Epargne Sans Frontiere). Now, the participants to this programme can take classes and share information's online with their classmate and their respective instructors. To qualify for this Executive Masters Degree one has to score minimum 12/20 to be admitted to the second session and do the related research paper.

Savings Group Summit

A Savings Group Summit was held in Arusha-Tanzania from 4-6 October 2011. The aim of the summit is to bring together several different saving groups practitioners to meet face to face in an open place to discuss, share and exchange experience regarding savings groups. More than 265 savings group's practitioners from 46 countries were present. The Summit was sponsored and organized by Oxfam America and the Carsey Institute of the University of New Hampshire along with the SEEP Network and the Bill and Melinda Gates Foundation in partnership with The MasterCard Foundation and Financial Sector Deepening Trust Tanzania. The Host Committee was comprised of the Aga Khan Foundation, CARE, Catholic Relief Services (CRS), Financial Sector Deepening Trust Kenya, Freedom from Hunger, Plan, Savings Revolution, Trickle Up, VSL Associates, World Relief, and World Vision.

The Summit was opened by a Conversation Starter Mr Stuart Rutherford instead of a keynote address. Mr Stuart in his opening remarks stressed the importance of savings groups and on the need to encourage and advise the practitioners, to be closer and more attentive to these particular groups of people who need a very small help to start an income generating activity. This summit has two particular specificities: the **world Cafe** and **under the mango tree**.

"The world café" is a simple powerful method for a large group of people to exchange ideas, create new learning, build community and inspire collective action. It gives the opportunity to participants to exchange in a small group and communicate to the group there are in, what they want to learn and what inspired them most while talking about saving groups. While people were exchanging ideas, the graphic recorder was going round in the room to collect ideas that he put into graphic on the board.

The other specificity is **"under the mango tree"** where savings groups practitioners were asked to deliver short explanations of Savings Groups that might be given at an initial village promotion meeting. The Mango Tree presenters were asked to quickly communicate essence and benefits of Savings Groups in ways that would touch other people, inspire them, and make them want to participate.

These particularities made the summit very interactive and unique. Other debate session on particular topics (Islamic savings groups, technology, financial education and consumer protection, replication, social empowerment, bookkeeping systems, savings groups as platforms for other intervention, youth savings groups, poverty levels, savings group association/federation, social performance management for savings groups), living room conversation, discussion on current research related to Savings Groups were also part of the summit agenda.



Institutional Matters

General Meeting of Members 2011

In conjunction with its international conference, MAIN organized a regular general meeting of members on the 23rd of September 2011 at United Nations Conference Center in Addis Ababa, Ethiopia.

In addition to dealing with issues related to the orientation of the network the general meeting elected or re-elected the following board members.

1. Mr Fioklou Messan FUCEC-Togo (Chairman)
2. Mr Ralison Alphonse SIPEM-Madagascar (Vice Chairman)
3. Mr. Schmitz Christian SIDI-France (Treasurer)
4. Prof. John Ddumba Ssentamu CERUDEB-Uganda (Member)
5. Mr. Nebiyeul Tadesse Cherenet, GASHA- Ethiopia (Member)
6. Mr. Mitima Mpanamo Remy PAIDEK-RDC (Member)
7. Ms. Uwimbabazi Diane RIM-SA-Rwanda (Member)

At this juncture, the secretariat wants to acknowledge the immense contribution made by the outgoing board members whose term terminated to the evolution and growth of the network and wishes a successful endeavours for the newly elected or re-elected board members.

The Lome Office

As per decision of the board and approval of the general assembly of members, the relocation of the Secretariat from Abidjan to Lome has been completed just before the political and security situation deteriorated in Abidjan. An office premise was rented and official registration with the Internal Ministry and Planning Ministry of Togo has been finalized.

Membership

During the two board meetings, the following institutions have been admitted :

1. Association of Microfinance Institutions in Kenya (AMFI)
2. Caixa Comunitaria de Microfinancas (CCOM), Mozambique
3. SIDAMA Microfinancing Institution, Ethiopia
4. FECECAV (Faîtière des Entités des Caisses d'Epargne et de Credit des Associations Villageoises), Togo
5. Association des CVECA du Centre (A3C)-Cameroon
6. Groupe d'Epargne pour l'Investissement et le Crédit (GEPIC)-Cameroon

MAIN looks forward to work together with these institutions in promoting microfinance in Africa.

BP 1646 Lome, Togo
Tel: +228 22 27 4757/+228 98 55 5365/
+228 99 35 5060

Your articles and stories can be sent to Se-
lome Wondemu through:
Email: sefade@ethionet.et



<http://www.mfiain.org>

Calendar of Major Events

- March/April 2012, Lome, training workshop on Community Micro-finance
- June, 2012, Lome training workshop on Social Performance
- July 2012, UMU (Uganda Martyrs 'University),
- August /September 2012, UCAC (Université Catholique d'Afrique Centrale),
- October 2012, Bujumbura training workshop on Business Planning

For details and other programmes please contact the secretariat.