



EMN Annual Report 2018

With financial support from the European Union



Foreword



Elwin Groenevelt

Qredits
EMN President

EMN keeps on growing! With 14 new members our organisation has strengthened her representation of the European Microfinance sector, which is crucial for the development of the sector and to provide more opportunities to underserved people on our continent.

2018 has been a year in which our activities have significantly increased, enhancing the collaboration with our members and our main partners. I would like to highlight the following three initiatives for you and their potential impact:

ADVOCACY

2018 has been a crucial year in the design of the future EU programmes in support of the European microfinance sector. Our efforts in this area have started to pay off with the launch of the InvestEU and ESF+ initiatives which contain most of the requirements from the sector as communicated over all these years. Publications like the "Microfinance in Europe: Survey Report 2016-2017" and the 4th European Microfinance Day, with the slogan "E=mc2" have been fundamental in increasing awareness of the importance of the sector in Europe and its sustained growth. The time has come now to further increase our efforts and dedicate more resources to the Advocacy of the sector.

SERVICES TO MEMBERS

This year we have seen a big increase in the number of Peer to Peer Visits among our members, which shows a great interest in learning more about other good practices in the sector, which is one of the main

purposes of EMN.

The 2018 Annual Conference in Bilbao will always be remembered as the biggest EMN conference with nearly 600 participants from 45 countries. The co-organisation of the event with MFC shows the potential of collaboration by both organisations and we are looking forward to see this expanding.

COLLABORATING TOWARDS A COMMON FUTURE

As already announced during our last General Assembly in Bilbao, the Boards of EMN and MFC have decided to embark on a path towards a joint future. After three years of successful collaboration at operational level, both organisations will explore the possibilities of a joint future during the next few months. This project will be crucial for a successful future of the microfinance sector in Europe.

Rest reassured that the Board of EMN will be in constant contact with all its members in order to collect any and all necessary feedback from your side in order to carefully steer the integration process while keeping the sector's development as its main objective.

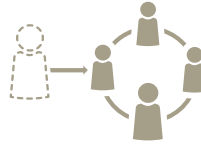
I am grateful to work with the dedicated members of the EMN Board of Directors, not only those who left our Board in June - Spanish Microfinance Association & Nachala - but also the current Board members – Adie & Inpulse & microStart – as well as newly elected Good.bee and Seed Capital Bizkaia. With the efficient support of our Secretariat, I am sure the organisation is more than ready for the future challenges ahead.

2018 Highlights

In a period of constant evolution of the European microfinance industry, EMN has succeeded in delivering some impactful activities during 2018.



EMN, jointly with MFC, held its **2018 Annual Conference** on 4th and 5th October in Bilbao, on the topic: **"People and the Digital Revolution: Advancing Our Social Mission through Technology"**. **597 participants** from **45 countries** attended the conference and took part in the **3 plenary sessions** and **16 workshops** that were organised over 2 days.



14 new members joined EMN! At the end of 2018, the network totalled **114 members** from **25 countries**, enhancing the representativeness of the organisation.



During the second **2018 EMN General Assembly** held on 3rd October in Bilbao, the members elected **3 new Board members**: good. bee Credit (Romania), Seed Capital Bizkaia (Spain), and PerMicro (Italy).



27 EMN members were involved in **4 Think Tanks**, **1 Idea Lab** and **2 Committees** that were active throughout the year, attending a total of **22 meetings**.



EMN continued its **collaboration with the European Commission** (DG Employment, Social Affairs & Inclusion) through the 2014-17 Framework Partnership Agreement and successfully renewed its collaboration in the delivery of the **new EaSI Technical Assistance programme**, with the Frankfurt School of Finance & Management, and MFC.



The **4th European Microfinance Day** was based on the slogan **"E=mc²"**. **37 local actions** were carried out and **45 press releases** and references to the sector were published by **26 EMN-MFC members** who were actively involved in the campaign.



EMN and MFC collaborated on a new edition of the **"Microfinance in Europe: Survey Report 2016-2017"**. This biennial publication is the reference for understanding the evolution of the Microcredit sector in Europe.



The year saw a continuous growth of **EMN Advocacy activities** at EU level, particularly on the design of the future EU Multiannual Financial Framework for 2021-27 regarding the tools for the support of the sector in Europe. **18 meetings** were conducted with EU institutions, complemented by **9 support documents**.



EMN has diversified its activities through additional external partnerships in order to offer a wider range of services to its members, including the development of a tool to **"Assessing and improving the financial health of micro-entrepreneurs"** supported by the **JPMorgan Chase Foundation**, and the elaboration of a **Technical Brief on Microfinance in Europe** in collaboration with the **Council of Europe Development Bank (CEB)**.

Activities

Capacity Building facilitation

NETWORKING PROMOTION SERVICES

927 participants took part in the different networking events organised by EMN during 2018, with an average satisfaction feedback of 8.4 (from a scale of 1 to 10).

330

PARTICIPANTS

2

ONLINE
WEBINARS

1

STUDY VISIT

5

WORKSHOPS

MFC-EMN ANNUAL CONFERENCE



The 2018 [Annual Conference](#) was co-organised with MFC and was held on 4th & 5th October 2018 in Bilbao, in partnership with Seed Capital Bizkaia, on the main topic "People and the Digital Revolution: Advancing Our Social Mission through Technology".

3

PLENARY
SESSIONS

16

WORKSHOPS

597

PARTICIPANTS

45

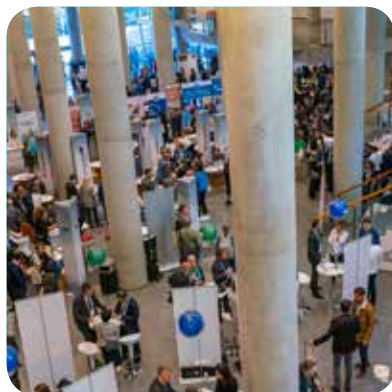
COUNTRIES

Our members say

Oportunitas is a proud member of the EMN since its beginnings. When we set up Oportunitas, in 2016, it was clear for us that we wanted to connect and share with the most relevant institutions of the European microfinance sector. The EMN Annual Conference is a momentous event for us, because it gives us the opportunity to establish relations and partnerships, learn about the latest and most relevant trends and topics and participate in a wide range of activities. It was a honour to participate as speakers in the workshop on "Affordable Technology for small(er) MFIs".

OPORTUNITAS

Francesca Malizia
Operations Manager
Oportunitas



TECHNICAL ASSISTANCE

Through EMN assistance services and the following activities, 9 practitioner members had the chance to learn and potentially adopt new individual solutions within their organisations in 2018:

9

MEMBERS ASSISTED

7

PEER-TO-PEER VISITS

1

TAILORED TRAINING delivered in the framework of the EaSI TA programme

Advocacy activities

4TH EUROPEAN MICROFINANCE DAY



We want to highlight the importance of the [European Microfinance Day](#), held on a yearly basis since the 20th October 2015.

26 EMN-MFC members were actively involved in the organisation of 37 local actions and the promotion of 45 press releases in the framework of the 4th edition of the EMD campaign. Further, a central event in Brussels was held focusing on the main topic of this year's campaign "E=mc²" and with the participation of the Vice-President of the European Commission, Mr Jyrki Katainen.

37

LOCAL ACTIONS

26

EMN & MFC MEMBERS

45

PRESS RELEASES

KNOWLEDGE SHARING

11 new [documents](#) with fresh value for the sector were identified and promoted through the EMN website:

3

WORKING PAPERS

from the finalists of the 11th European Microfinance Research Award

8

NEW GOOD PRACTICES

from the sector

Our members say

The European Microfinance Day is that day of the year during which you shout out to the world the messages of opportunity, inclusion and self-employment that come along with microfinance. The best thing is that you shout them out together with several other actors in Europe involved in microfinance, and this creates a good level of noise at various levels: MFIs, Non-financial Services providers, banks, investors, institutions, customers, and many more.

PerMicro has proudly been involved from the very first edition of the EMD in different ways, both online and offline. Each year we try to spread the message through different narrations because we believe that it is important to involve all our stakeholders. In the last four years we hosted an open-day party in our branches, organised a conference in a partner's venue, promoted a brief video message from all our branches on FB and released a micro-documentary based on the story of BAZAR a Kurdish-Neapolitan tavern financed by PerMicro.

The biggest challenge for us? Like any rock band out there... making more noise next year!



Giulia Boioli
Communications Manager
PerMicro



AWARENESS RAISING

Awareness raising of EMN & microfinance was done through a wide number of channels:

- 51 local actions for the promotion of EMN and microfinance in Europe in collaboration with our members.
- 50 press releases across the EU highlighting the role of the microfinance sector and promoting EMN activities.
- 4th European Microfinance Day
- 11 microfinance impact studies identified and promoted through the EMN website.

51

LOCAL
ACTIONS

50

PRESS
RELEASES

11

IMPACT
STUDIES

DESIGN OF NEW EU PROGRAMMES FOR THE NEXT MULTI-ANNUAL FINANCIAL FRAMEWORK (2021-27)

Most of EMN's advocacy activities for 2018 were focused on working with the EU institutions on the elaboration of the initial proposals for the next MFF, which should include new programmes for the support of the microfinance sector in Europe. More specifically, 11 meetings were held with the EU institutions and 8 documents were drafted & distributed. As a result, the InvestEU Programme and the ESF+ Regulation, launched in 2018 by the European Commission, retain most of the sector's demands:

- The incorporation of the new microfinance/microcredit definitions into the initiatives.
- The flexibility of the proposals in order to expand the budget, and supporting tools for the development of the sector through more adequate channels and products.



The elaboration of the "[Microfinance in Europe: Survey Report 2016-2017](#)" is a fundamental tool to position the sector towards the EU institutions in its demands. The publication was made possible thanks to the participation of **156 surveyed MFIs** across **28 European countries**.

Our members say

EMN Survey Reports on Microfinance in Europe are a unique source of information for the stakeholders in Europe and elsewhere in the world. They contribute to the fostering of the microfinance industry in Europe through:

- Increased understanding of the sector, its trends and existing standards for social and financial performance indicators.*
- More transparency which is essential for the microfinance industry to fully mature and attract funding.*
- Benchmarking allowing institutions to identify their strengths and weaknesses, mitigate risks, establish meaningful performance targets, and determine where they stand in relation to their peers, on national or European basis.*

Créa-Sol has greatly benefited from the opportunity to contribute and use the results of the 2016-2017 report.



Anastasia Cozarenco
Board Member
MFI Créa-Sol

THE REGULATORY FRAMEWORKS FOR MICROFINANCE IN EUROPE

For the evolution of the microfinance sector in Europe, it is fundamental to establish relevant regulatory frameworks that facilitate development. EMN has been working to better understand the different national regulatory landscapes across the continent in order to identify the best developed models that could be replicated in other countries. For this purpose, in 2018, **20 National Regulatory Fact Sheets** were promoted through the EMN website.

To encourage the exchange of national regulatory experiences and to

promote the development of better frameworks at national level, EMN, in collaboration with the European Commission, undertook work to organise a **Policy Forum on Inclusive Entrepreneurship**. This Forum will be held in the coming months of 2019.

Moreover, an **Advocacy Toolkit** was designed and launched in 2018. This toolkit will be further developed in the future and its main aim will be to help EMN members in their advocacy strategies at national level.

Partnership facilitation

FOR THE MEMBERS

3 EMN members established new stable partnerships in 2018 to further develop their organisations and to offer better services to their clients.

EMN also participated in the composition of **3 different consortia. Composed of EMN members**, these consortia will be working to draft proposals for international calls for projects.

FOR EMN

EMN established **3 new partnerships** in order to diversify its income resources and to produce new and better services for its members:

- **EMN-ADA Project on [Financial Health of micro-entrepreneurs](#)**: the purpose is to identify and share good practices on the assessment of financial health and specific support provided to micro-entrepreneurs at risk or facing financial issues. The 3-year contract will last till 2020.
- **Call for Tender VT/2017/017. Framework Contract for the Provision of Services under [EaSI Technical Assistance](#)**. The renewed consortium, in partnership with the Frankfurt School of Finance & Management and MFC, has been extended until 2021.
- Contract **EMN-Council of Europe Development Bank (CEB)** aim at "Preparing a Technical Brief for Microfinance in Europe". This partnership, initiated in mid-2018, has been extended until mid-2019.





Organisation and governance

EMN's Governance is aimed at strengthening and empowering members to become active participants in the network and to react to the new challenges faced by the sector.

- The **Board of Directors met on 7 occasions**
- **2 EMN General Assemblies** were held in 2018:
 - 1st General Assembly was carried out online in June 2018. The GA convened to close the 2017 financials and work reports, and to approve the 2018 budget and workplan.
 - 2nd General Assembly was held on 3rd October 2018 in Bilbao, Spain. Three new members were elected to fill the three vacant spots on the EMN Board of Directors: PerMicro (Italy), Seed Capital Bizkaia (Spain) and good.bee Credit (Romania).

114

NETWORK
MEMBERS

25

MEMBERS
COUNTRIES

Our members say

As a new member in EMN we consider that this membership will provide us with the opportunity of networking with other Institutions and people who share the same values and principles as we do. It is also a valuable tool in order to build additional knowledge on microfinancing trends, which will ultimately help us better serve our customers



Cristina Sindile
General Manager
BT Microfinantare IFN SA

14

NEW MEMBERS IN 2018

NEW MEMBERS	COUNTRY
Association of Microfinance Institutions in Bosnia and Herzegovina (AMFI)	Bosnia & Herzegovina
Association Parcours Confiance Bretagne Pays de Loire	France
BT Microfinantare IFN S.A	Romania
Cred.it Societa' Finanziaria spa	Italy
Evrostart (National Cooperative Union of credit cooperatives)	Bulgaria
Fondazione Grameen Italia	Italy
Microfinance Association UK	United Kingdom
Mikro Kapital s.a.r.l	Luxembourg
Montenegro Investments Credit DOO	Montenegro
Associazione MicroLab Onlus	Italy
RAIC Presov	Slovakia
RITMI	Italy
Sefini d.o.o. Beograd - Novi Beograd	Serbia
UniCredit S.p.A	Italy



EMN SECRETARIAT

The EMN Secretariat, based in Brussels, has 8 staff members:



JORGE RAMIREZ
General Manager



CAROLINE LENTZ
Operations Manager



BRUNO CASSOLA
Partnerships Manager



OSCAR VERLINDEN
Advocacy Manager



NICOLA BENAGLIO
Policy and Research Officer



RAQUEL SÁNCHEZ
Communications Officer



KATE MAZOYER
Events & Capacity Building
Officer



EMMANUELLE DUEZ
Finance and Administration
Officer

In 2018 EMN also had the support of 2 interns: [Adriana Olmedo](#) and [Emilie de Gerlache](#).

BOARD OF DIRECTORS

The Board of EMN includes since October 2018 the following organisations and representatives:



ELWIN GROENEVELT
President
Credits (Netherlands)



DOMINIQUE DE CRAYENCOUR
Vice President
Impulse (Belgium)



MARIE DEGRAND-GUILLAUD
Vice President
ADIE (France)



PATRICK SAPY
Secretary General
microStart (Belgium)



PETER SUREK
Treasurer
good.bee Credit (Romania)



ANDREA LIMONE
PerMicro (Italy)



ÓSCAR UGARTE
Seed Capital Bizkaia (Spain)

Until October 2018 the EMN Board of Directors also counted on the commitment from

- ➔ [Nikolay Yarmov](#) (Nachala, Bulgaria)
- ➔ [Corrado Ferretti](#) (PerMicro, Italy)
- ➔ [Guillem Aris](#) (Spanish Microfinance Association, Spain)



FINANCIAL RESOURCES

EMN received financial support from its members through annual fees and participation in the EMN Annual Conference.

14

CORPORATE MEMBERS SPONSORED THE NETWORK

MEMBER	COUNTRY
Banca Etica (Banca Popolare Etica)	Italy
Bankia S.A	Spain
BNP Paribas	France
BT Microfinantare IFN S.A	Romania
Caisse des Dépôts et Consignations	France
Erste Group Bank AG	Austria
FN Banques Populaires	France
Fundacion CAJASOL	Spain
Fundacion Montemadrid	Spain
Initiative France	France
MicroBank	Spain
Millennium bcp	Portugal
Tatra Banka a.s.	Slovakia
UniCredit S.p.A	Italy

EMN met the remainder of its expenses through the **Specific Agreement with the European Commission** (DG Employment, Social Affairs and Inclusion).

The following organisations sponsored the MFC-EMN Annual Conference, the 3rd European Microfinance Day, and other operational activities: Diputación Foral de Bizkaia; the European Investment Fund, the European Investment Bank, and the European Investment Bank Institute; Banca Popolare Etica; UniCredit; Symbiotics; International Finance Corporation; Quipu; Fundazioa Gaztenpresa; MicroBank; Frankfurt School of Finance & Management; Fundación Montemadrid; Impulse; responsAbility; Galileo Network; Finance in Motion along with European Fund for South-East Europe – EFSE, and Sanad; Polaris; Erste Group Bank AG; and The Hague University of Applied Sciences.

EMN also participated in 2 projects: the EaSI Technical Assistance Programme, and the Interreg "Access to Microfinance – ATM" project.

The remainder of the resources came from various activities, services and projects in which EMN participated. Expenditure is divided into 3 categories: Core Activities (primarily internal governance and membership-related activities), Annual Conference, and Programmes.

Annual Financial Accounts

The EMN accounts were audited by an external auditor, Fernand Maillard & Co. Soc. Civ. SPRL. Below, they present EMN's income and expenditures between 1st January and 31st December 2018.

INCOME STATEMENT 31/12/2018

REVENUES	CORE	ANNUAL CONFERENCE	PROGRAMMES	TOTAL
Beneficiary's Contributions in Cash	€ 93.610,18			€ 93.610,18
Revenue generated by operation	€ 22.400,00	€ 87.508,33	€ 49.732,51	€ 159.640,84
Public Funds	€ 339.233,70	€ 78.048,93	€ 36.018,10	€ 453.300,73
Total revenues:	€ 455.243,88	€ 165.557,26	€ 85.750,61	€ 706.551,75
EXPENDITURES	CORE	ANNUAL CONFERENCE	PROGRAMMES	TOTAL
Staff	€ 244.177,32	€ 43.485,86	€ 86.194,73	€ 373.857,91
Travel & Accommodation	€ 54.353,27	€ 2.585,72	€ 11.937,31	€ 68.876,30
Services	€ 94.658,86	€ 38.892,77	€ 17.759,22	€ 151.310,85
Administration	€ 40.453,11	€ 11.495,07	€ 15.464,35	€ 67.412,53
Provisions				
Total Expenditures :	€ 433.642,56	€ 96.459,42	€ 131.355,61	€ 661.457,59
Balance	€ 21.601,32	€ 69.097,84	-€ 45.605,00	€ 45.094,16

BALANCE SHEET 31/12/2018

ASSETS	2018	2017	2016	2015
Long term assets	19.676,18 €	12.016,08 €	19.879,18 €	8.325,89 €
Total I	19.676,18 €	12.016,08 €	19.879,18 €	8.325,89 €
Current Assets				
Accounts Receivable	71.661,68 €	264.911,69 €	123.680,21 €	98.486,12 €
Bank	464.875,69 €	252.883,73 €	255.176,07 €	202.406,02 €
Prepaid Expenses	462,32 €	1.067,53 €	3.633,63 €	2.214,81 €
Total II	536.999,69 €	518.862,95 €	382.489,91 €	303.106,95 €
TOTAL GENERAL (I+II)	556.675,87 €	530.879,03 €	402.369,09 €	311.432,84 €

EQUITY AND LIABILITIES	2018	2017	2016	2015
Own and General Funds				
Own funds	416.888,98 €	312.215,12 €	234.603,27 €	170.394,87 €
Surplus of the year	45.094,16 €	104.673,86 €	77.611,85 €	64.208,40 €
Total I	461.983,14 €	416.888,98 €	312.215,12 €	234.603,27 €
Provisions for risk				
Total II	0,00 €	0,00 €	0,00 €	0,00 €
Current liabilities				
Accounts payable	47.647,05 €	62.596,75 €	41.609,93 €	36.515,65 €
Fiscal and social debts	47.045,68 €	51.141,87 €	48.544,04 €	40.313,92 €
Other debts		251,43 €		
Revenue received in advance				
Total III	94.692,73 €	113.990,05 €	90.153,97 €	76.829,57 €
TOTAL GENERAL (I+II+III)	556.675,87 €	530.879,03 €	402.369,09 €	311.432,84 €

List of Members

As of 31st December 2018, EMN had 114 members located in 25 countries.

Albania	FondiBesa			
Austria	Erste Group Bank AG			
Belgium	Brusoc	Hefboom		
	Impulse-CoopEst	MicroStart		
	ESBG	Reseau Financité		
Bosnia & Herzegovina	Lok Micro	Partner Organizacija	Mikrocreditna	
	Mi-Bospo	Mikrofin		
	Lider	Association of Microfinance Institutions in Bosnia and Herzegovina (AMFI)		
Bulgaria	BACCOM	SIS Credit JSC		
	Nachala Cooperative	USTOI JSC		
	Evrostart			
France	ABC Microfinance - Babyloan	Association Parcours Confiance Bretagne Pays de Loire		
	ADIE	FN Banques Populaires		
	Caisse des Dépôts et Consignations	FNCE (Fédération Nationale des Caisses d'Epargne)		
	BNP Paribas	Initiative France		
	Créa-Sol	Crédit Municipal de Paris		
	SAB			
Germany	DMI	Evers&jung		
	GLS Alternative Investments SIVAC			
Greece	Action Finance Initiative (AFI)	Cooperative Bank of Karditsa		
Hungary	CredInfo	The Hungarian Microfinance Network		
	Fejer Enterprise Agency			
Ireland	Microfinance Ireland			
Italy	ACAF Italia	Fondazione Risorsa Donna		
	Banca Etica (Banca Popolare Etica)	Fondazione Ottavio Sgariglia Dalmonte		
	Centro Studi Finanza & Persona Oadvisory	Galileo Network S.p.a.		
	Cofiter	Microcredito Italiano S.p.a.		
	Confeserfidi	Cred.it Societa' Finanziaria spa		
	COOPFIN	Microfinanza srl		
	Fidipersona	Mikro Kapital S.p.a.		
	Fondazione de Grisantis	PerMicro		
	Fondazione Don Mario Operti Onlus	Microcredito per l'Italia Impresa Sociale S.p.a.		
	Fondazione Grameen Italia	Associazione MicroLab Onlus		
	RITMI	UniCredit S.p.A		
	Kosovo	Association of Microfinance Institutions of Kosovo (AMIK)		
	Kyrgyzstan	Open CBS		
Luxembourg	MicroLux	Mikro Kapital s.a.r.l		
Montenegro	Montecredit	Montenegro Credit DOO	Investments	
Poland	MFC	PZFP – Polish Association of Loans Funds		
Portugal	Associação Nacional de Direito ao Crédito (ANDC)	Millennium bcp		
	Cresacor			
Romania	EUROM	Rocredit IFN SA		
	FAER	Romcom		
	Good.Bee Credit	S.C.M. Aurora IFN S.A.		
	BT Microfinantare IFN S.A	UNCAR SR		
	Patria Credit	UTCAR REGIUNEA VEST		
	Mikro Kapital IFN			
Serbia	AgroInvest	Sefini		
Slovakia	Tatra Banka	RAIC		
Spain	ACAF	Fundacion Oportunitas		
	Asociacion Espanola de Microfinanzas - AEM	Fundacion Montemadrid		
	Autoocupacio (CPAC)	Gaztenpresa Fundazioa		
	Bankia S.A	MicroBank		
	CEEI Burgos	Nantik Lum (Fundación)		
	Fundacion CAJASOL	Seed Capital Bizkaia Mikro		
	Fundacion ICO	Trebali Solidari		
Switzerland	Microcrédit Solidaire Suisse (MSS)			
The Netherlands	Cultuur en Ondernemen (Stichting)	Research Group FINE, The Hague University of Applied Sciences		
	Qredits	Vereniging Samenwerkende Kredietunies		
United Kingdom	BCRS Business Loans Limited	Foundation East		
	Business Enterprise Fund (BEF)	Responsible Finance		
	Business Finance Solutions	Southtech Limited		
	Fair Finance (East End Finance)	Microfinance Association UK		



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EuropeanMicrofinanceNetwork



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