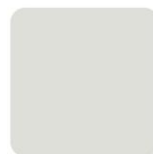




2017 Activity Report



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Introduction

EMN aims to organise its activities in an efficient and economical way with lean and sustainable support facilities.

The EMN 2017 Workplan and Financial Reports presented in this dossier has been done with the purpose of fulfilling the objectives of EMN's vision and mission, which were agreed on the occasion of the General Assembly held on 17th June 2015 in Dublin:

EMN **envisions** a society in which all those who are financially and socially excluded have access to the full range of financial and complementary support services, empowering them to start new ventures, consolidate existing businesses and finance personal needs that improve their lives. EMN's **mission** is to provide advocacy and facilitate capacity building at European level by promoting transparency, best practice, good governance and research among social purpose organisations delivering financial services to the underserved or facilitating access to such services.

The EMN 2017 Workplan and Financial Reports presented in this dossier has also been aligned with the EMN 2017-20 Action Plan approved in June 2017. As per this document, the activities of the organisation for 2017 were focused on the following two activities:

Capacity building facilitation

EMN will focus its capacity building activities on the growth, quality, research, sustainability, transparency and good governance of microfinance providers in order to increase the impact of microfinance in Europe.

EMN aims to decentralise the organisation and the execution of its activities through members as much as possible, facilitating local and regional collaboration and forming working groups in which members actively participate to promote inputs into its activities.

Within these tasks we have included: Membership Activities (Working Groups, P2P & Exchange Visits, Webinars, etc.), publications, events and diverse communication activities.

Advocacy at European level

EMN's competitive advantage is its Pan-European perspective on the sector, direct access to MFIs and close links to the Commission. EMN aims to build closer and stronger relations with EU institutions in order to lobby for favourable policies for the development of the sector addressing policy makers, regulators and funders of the sector.

EMN will work on improving the European environment for microfinance by influencing policy. EMN will also support members lobbying for change and improvements in the national microfinance context, and act as a conduit of information on national and international policy and advocacy.

In the framework of our advocacy activities, we have designed different activities regarding our contact and feedback to the European institutions, national institutions (with the support of our members at national level), and other external representation activities.

Based on these two main priorities, the activities of the organisation are divided into three main categories: Capacity Building facilitation, Advocacy at European level and Horizontal actions. Please find below the specific tasks and the outputs and indicators achieved during the year.

1. Capacity building facilitation

In 2017, EMN focused its capacity building activities on the growth, quality, research, sustainability, transparency and good governance of microfinance providers to increase the impact of microfinance in Europe.

This Axis includes the following specific objectives:

1. Foster the interaction between the members in order to increase the exchange of Good Practices (GPs)

EMN considers that most of the knowledge needed is already present within the European sector. EMN should be active in setting-up effective collaborative frameworks in order to facilitate this knowledge transfer among its members and the sector in general.

Action	What
1.1.1 – Maintain a framework for active cooperation and participation of the members in the EMN activities through different Working Groups	Activity 1.1.1.1. Set up and coordinate Committees, Think-tanks and Idea-labs
Expected outputs	6 Working Groups (Committees, Think-tanks or Idea-labs) active 12 WGs' meetings organized
Indicators	A growing number of strong, motivated members are implicated in EMN activities. 30 EMN members actively involved.
Results achieved	8 WGs co-ordinated 21 meetings organized 27 EMN members actively involved
Action	What
1.1.2 – Organization of the central sectorial conference in Europe	Activity 1.1.2.1. Organize the EMN Annual Conference including a dedicated website
Expected outputs	Annual Conference is organized annually
Indicators	More than 250 participants. 3 plenary sessions and 9 workshops organized
Results achieved	311 participants from 28 countries 2 plenary sessions and 12 committees organised
Action	What
1.1.3 – Facilitate the Peer-to-Peer knowledge-transfer within the sector	Activity 1.1.3.1. Facilitate P2P collaboration events among the EMN members to enhance knowledge transfer
Expected outputs	4 Peer-to-Peer Visits organized among EMN members (but not exclusively)
Indicators	8 EMN members profit from mutual knowledge-share
Results achieved	4 Peer-to-Peer Visits organized: 2017.03.13 - Agroinvest - Permico, RS 2017.06.19 - Banca Etica - Agroinvest, IT 2017.11.16 - Ustoi, Cofiter, Oportunitas - Qredits, NL 2017.12.04 - Agroinvest – Ustoi JSC, BG 8 EMN members involved Reports available here

Action	What
1.1.4 – Celebration of events across Europe that promote the exchange of Best Practices	Activity 1.1.4.1. Design, organization and execution of events in order to increase the exchange of GPs among the sector
Expected outputs	14 events (workshops, seminars, study visits) organized per year
Indicators	More than 150 participants in the events
Results achieved	3 Mutual Learning Seminars (EaSI TA) 5 Workshops (EaSI TA) 8 Webinars organized 1 Exchange Visit (EaSI TA) organized between Banka of Karditsa & Credal 1 EMN member received personalized Technical Assistance support (EaSI TA) More than 250 participants in the events
Action	What
1.1.5 – Increase the access to Good Practices from the sector	Activity 1.1.5.1. Collect and promote Good Practices on the provision of microfinance services inside and outside Europe
Expected outputs	15 GPs collected and disseminated annually
Indicators	GPs collected and disseminated through the EMN website.
Results achieved	15 GPs collected and disseminated through the EMN website

2. Facilitate efficient capacity building services to the microfinance sector and bring new knowledge to enhance its development

The sector requires the provision of new knowledge that increases its competitiveness. EMN will facilitate and execute different services in order to increase the accessibility to this new knowledge.

Action	What
1.2.3 – Helpdesk service	Activity 1.2.3.1. Design & promote a Helpdesk service
Expected outputs	Helpdesk service available and promoted
Indicators	70 questions answered per year
Results achieved	63 (26 EaSI TA + 37 questions to EMN) questions answered
Action	What
1.2.4 – Promote the continuous research on the MF sector	Activity 1.2.4.1. Promote research papers on the microfinance industry in Europe
Expected outputs	1 MF Research Award organized annually 1 e-Magazine published
Indicators	Awarded work promoted among the members
Results achieved	European Microcredit Research Award ceremony was held on 23 June 2017 in the framework of the EMN Annual Conference in Venice e-Magazine " Microfinance and Financial Education: Evidences from Europe " delivered

3. Facilitate the fundraising diversification & the sustainability of the EMN members

EMN has a broad perspective about the organizations that are supportive of the development of financial inclusion activities in Europe. EMN, as a pan-European organization, is able to identify these organizations (and other not currently active) at

European level, in order to increase the sector's financial alternatives in order to guarantee its further development.

Action	What
2.3.1 – Increase the possibilities of the sector in diversifying its funding mix	Activity 1.3.1.1. Identify and define the sector financial needs and a database of potentially supportive organizations
	Activity 1.3.1.2. Facilitate the matching between investors & potential investees
	Activity 1.3.1.4. Identification of international calls & projects interesting for our members
Expected outputs	EMN identifies new potential donors for the sector in order to increase fundraising possibilities. Continuous update of international calls available through the EMN website
Indicators	4 stable partnerships brokered among the EMN members and potential investors EMN actively involved in a NEW consortium for international calls participated by members EMN publishes at least 15 international calls suitable for the sector through its website
Results achieved	4 stable partnerships brokered among EMN members and investors/donors EMN actively involved in 3 new consortia for international calls participated by members EMN published 18 international calls suitable for the sector through its website

2. Advocacy at European level

EMN should lead the interests of the Microcredit sector towards the EU institutions in order to develop a better framework for the development of the microcredit sector in Europe. EMN should also be instrumental in the support of its members with the purpose of improve the different legal contexts for microfinance at national level.

In order to have an impact in the evolution of this regulatory framework, EMN should focus its advocacy efforts on the following **specific objectives**:

1. Improve the regulatory framework for microfinance in Europe

It is necessary to influence the policy-makers at European in order to achieve a proportionate regulatory framework for the MFIs and its clients to increase the impact of the sector.

Action	What
2.1.1. Advocate at EU level for a proportionate regulatory framework for microfinance at national level	Activity 2.1.1.1. Meet the relevant policy-makers at EU level
	Activity 2.1.1.2. Write the necessary documents to support our advocacy requests
Expected outputs	At least 3 meetings per year held on the subject Support documents developed & updated, including necessary background information
Indicators	A reference about the proportionality on the regulatory frameworks for MF is mentioned in an EU document / Inclusion in the "European Semester" about a better adapted regulatory framework for MF
Results achieved	3 meetings with DGEMPL, DGFISMA and DGECFIN on the possibilities of an incorporation of a reference about MF into the Capital Markets Union initiative Consultation Document: Capital Markets Union Mid-Term Review 2017 sent
Action	What
2.1.2 – Provide support to the EMN members for the development of more adapted regulatory frameworks for Microfinance at national level in Europe	Activity 2.1.2.1. Collect GPs for advocacy at national level
	Activity 2.1.2.2. Develop a mapping report of regulatory frameworks at national level
Expected outputs	Toolkit for advocacy at national level available. This will include practical tools to communicate with media, investors, policy-makers, etc. 15 National Fact-Sheets on regulation at national level available
Indicators	Members to have available useful comparative information about different regulatory frameworks Peer Group on national regulatory frameworks launched
Results achieved	Toolkit for advocacy at national level available . This will include practical tools to communicate with media, investors, policy-makers, etc. 19 National Fact-Sheets on regulation at national level available

Action	What
2.1.3 – Provide information on more accessible regulatory frameworks for self-employment and entrepreneurship in Europe	Activity 2.1.3.1. Raise awareness about how to improve the regulatory framework for entrepreneurship and self-employment in Europe for vulnerable populations
Expected outputs	Publication on the national fact-sheets on the start-up ecosystem and MF Policy Note based on the results of the research
Indicators	Documents available at EMN website and to be used as an advocacy tool
Results achieved	Documents available at EMN website Policy Note on "Proposals for Strengthening the role of Microfinance in the development of the Start-up ecosystem" published and sent
Action	What
2.1.4 – Adequate the European Code of Good Conduct for microcredit provision in Europe as an empowering tool for the development of the sector	Activity 2.1.4.1. Feedback is maintained to make the relevant changes to the Code and enhance the networks role in the Code governance
Expected outputs	2 meetings per year with DGEMPL and participation in the Code Steering Group The ECoGC goes through successive adaptations to the reality of the sector
Indicators	The ECoGC is adopted by 15% of the EMN Practitioner members EaSI MicPro (or equivalent) fully functional
Results achieved	3 ECoGC Steering Group meetings attended Provision of guidance to the EC on the short and medium-term evolution on the EaSI MicPro website Advice to the EC on the Clause 1.2 on APR disclosure given. Clause modified 9 organizations awarded to the ECoGC 3 EMN members received personalized TA for the adoption of the ECoGC Feedback on the changes to be implemented into the Self-Assessment Tool

2. Enhance awareness-raising at EU level on the concerns of the microfinance sector on the EU programmes for MF

EMN should reinforce providing feedback on the situation of the sector regarding the different public programmes at EU level that work for its development

Action	What
2.2.1 – Provide constant feedback to the EU institutions regarding the implementation of the main EU tools for the development of the sector	Activity 2.2.1.1. Meet the relevant policy representatives at EU level
	Activity 2.2.1.2. Write the necessary documents for the feedback provision
Expected outputs	At least 3 meetings per year held on the subject At least 3 support documents developed & updated, including necessary background information
Indicators	All the EaSI instruments for MF are actively implemented New budget allocations are implemented when instruments prove to be short of funds Alternative options to implement these instruments are implemented (HELENOS) and other presented (EMiC)

Results achieved	5 meetings held with DGEMPL, DGECFIN and the EIB group about the implementation of the EaSI programme. Pricing on microcredit Note sent to DG EMPL and ECFIN Pricing of EU financial instruments Note sent to the EU representatives ESF Market Failures for Microfinance in Europe. Findings "short mapping" published and sent Note on "Risk assessment and pricing of financial instruments supporting social purpose organisations such as microfinance institutions (MFIs)" Note on EMiC project proposal sent
Action	What
2.2.2 – Take the lead in the organization of events in collaboration with other sector related organizations	Activity 2.2.2.1. Participation and Co-organization participation of MF related events to raise awareness about the sector
Expected outputs	10 events co-organized per year (co-organization or active participation in the event) European Microfinance Day celebrated annually with 30 actions carried out at national level.
Indicators	200 people receive communication about EMN activities and the latest developments of the sector
Results achieved	11 EU events on financial and social inclusion participated in as attendees 16 events with active participation of EMN in order to promote MF in Europe and support new actors in the sector 14 meetings/events participated in with peer-networks 3rd EMD results : 26 local actions/28 EMN-MFC members participating/15 European countries

3. Improve the EU financial resources for microfinance

The EU instruments for Microfinance have proved to be essential for the development of the Microfinance sector in Europe.

EMN will provide feedback to the EU institutions in order to make sure that the current programs are conveniently adapted for the sector needs, and especially regarding the design of the future EU instruments during the next EU budgetary period. The EU definition for microcredit has a strong impact in the way these instruments are designed and implemented.

Action	What
2.3.1 - Renovate the current definition from the EU institutions for Microfinance/Microcredit	Activity 2.3.1.1. Collaborative work on writing a new definition Activity 2.3.1.2. Meet the relevant policy representatives at EU level
Expected outputs	1 webinar in 2017 At least 2 meetings held with the EU institutions on the new MF definition
Indicators	Final definition agreed by the sector communicated to the EU representatives
Results achieved	1 webinar organized in 2017 2 conjoint EMN-MFC Board meetings held for discussion Final microfinance/microcredit definition for the EU agreed by the sector and sent to the EU representatives

Action	What
2.3.2 – Design the new EU instruments for the support of the sector	Activity 2.3.2.1. Meet the relevant policy representatives at EU level
	Activity 2.3.2.2. Write the necessary documents for the feedback provision
Expected outputs	At least 2 meetings per year held on the new instruments Support documents developed & updated, including necessary background information
Indicators	New instruments addressed to support the provision of BDS and equity instruments are added to the programming of the post-2020 instruments
Results achieved	3 meetings held with DGEMPL on the pilot to support the provision of BDS to migrant/refugees. Pilot not launched 3 meetings on the EMiC proposal organized 3 meetings held with EMPs about the post-2020 agenda Note on Human capital funding post 2020 sent to DGEMPL Study on “Assessing the European market potential of business microcredit and the associated funding needs of non-bank MFIs”

3. Horizontal actions

1. EMN to achieve an effective funding mix that guarantees its sustainability

EMN is an organization that has received a strong EU support since its creation in 2003 as a fundamental tool for the development of the MF sector in Europe. This EU contribution still represents approx. 65% to 70% of the organizational income. This strong dependency on the EU public funds poses a risk to the future development of the organization. In order to guarantee its survival, EMN should look for alternative funding sources to reduce its exposure to the EU institutions.

Action	What
3.1.1 - EMN diversifies its funding sources and guarantees its sustainability	Activity 3.1.1.1. Attract new funders in order to (co)finance the organizational activities
	Activity 3.2.2.2. EC Grant Agreement successful management
	Activity 3.1.1.2. Enhance the organizational management and budget efficiency in order to guarantee a surplus that increases EMN's reserves
Expected outputs	EaSI TA program is renewed New partnerships/sponsorships for EMN are explored EC grant agreement is renewed and implemented
Indicators	New stable partnerships/sponsorships (outside projects/programmes) signed annually for a total value of at least €75,000 EC grant represent no more than 60% of the total organizational revenue 5 new members to join the network
Results achieved	€117K in sponsorships for the Annual Conference €23K sponsorships signed for the 2016-17 Overview Survey and the 3 rd EMD EC grant represents 50% of the total organizational income 27 new members have joined EMN in 2017 New proposals sent to DGEMPL for the renewal of the Framework Partnership Agreement and the Phase III of the EaSI TA program (final results to be announced in Q1 2018) EMN also active in the Interreg "ATM for SMEs" project in collaboration with several members (approx. €58k income for 2017)

2. Strengthen the organizational capacity and management of EMN to better represent and support the sector

As a pan-European sectorial organization, EMN needs to organizationally evolve in order to better service the industry and guarantee its sustainability.

Action	What
3.2.1 - EMN guarantees a functioning and transparent Governance system	Activity 3.2.1.1. Organize Board Meetings
	Activity 3.2.1.2. Organize a General Assembly
	Activity 3.2.1.3. Annual Report published
	Activity 3.2.1.4. Carry out an External Financial Audit (EMN & EC Grant Audit)
Expected outputs	4 Board meetings organized 1 General Assembly organized 1 Annual Report published 1 External Financial Audit

Indicators	EMN reinforces its Governance structures and promotes internal transparency
Results achieved	<p>5 Board meetings organized:</p> <ol style="list-style-type: none"> 1. EMN Board 2017.02.14 - on-line 2. EMN Board 2017.04.25, Sofia 3. EMN Board 2017.06.21, Venice 4. EMN Board 2017.09.19, Brussels 5. EMN Board 2017.12.12, Paris <p>EMN aisbl General Assembly held on 21st June 2017 in Venice EMN 2016 Annual Report published 2016 Audit Report certified and signed by the statutory accountant Fernand MAILLARD, Fernand Maillard & C°, Bruxelles.</p>
Action	What
3.2.2 – EMN improves its internal operational capacity (EMN Secretariat)	<p>Activity 3.2.2.1. Operational External Evaluation</p> <p>Activity 3.2.2.3. Ensure the continuous training of the EMN Secretariat staff</p>
Expected outputs	<p>1 operational External Evaluation is shared with the members</p> <p>All EMN Secretariat staff carry out individually at least 1 professional training scheme per year</p>
Indicators	EMN maintains a professional, stable and efficient Secretariat
Results achieved	<p>2016 External Evaluation carried out by the University of Salford and shared with the members</p> <p>7 training sessions attended by the staff's Secretariat</p>
Action	What
3.2.3 – Improve the effectiveness of the organizational communication channels	<p>Activity 3.2.3.1. EMN website</p> <p>Activity 3.2.3.2. EMN Social media resources</p> <p>Activity 3.2.3.3. EMN Newsletter/Flash Notes</p> <p>Activity 3.2.3.4. CRM system</p>
Expected outputs	<p>EMN website updated and further developed</p> <p>8 newsletters/flash notes published per year</p> <p>Social media attention increases annually by 10% (base 2014)</p>
Indicators	<p>EMN members have access to timely and efficient information resources</p> <p>CRM system partially implemented by end 2017</p>
Results achieved	<p>EMN new website version developed (launched in January 2018)</p> <p>EMN website updated:</p> <ul style="list-style-type: none"> • 36 microfinance related news published • 18 microfinance related calls published • 12 job opportunities in the microfinance or related fields advertised • 37 Microfinance related events promoted • 63 Microfinance related reports and documents were uploaded <p>6 newsletters and 2 flash-notes published</p> <p>Social media activity in 2017:</p> <ul style="list-style-type: none"> • Twitter: EMN tweeted 387 times, was mentioned 314 times, received 282 new followers and received 16,306 profile visits during 2017. • Facebook: The EMN Facebook page has been liked a total of 3,147 times since its existence (January 2014), and it was liked a total of 305 times since January 2017 (this number does not take into account un-likes). • LinkedIn: In the same period, EMN received 138 more followers. Total number of followers as of December 2017 is 588.

3. Collaborative work to develop the future of the organization

One of the main outputs extracted from the elaboration of the EMN 2017-20 Action Plan is the need to anticipate future changes within the organization. EMN should start soon consider its future development based on a collaboration with MFC and the elaboration in parallel of the post-2020 organizational strategy, including its future Strategic Plan.

Action	What
3.3.1 - Further integration with MFC	Activity 3.3.1.1. EMN-MFC Board Meetings
	Activity 3.3.1.2. EMN-MFC WGs for further integration
Expected outputs	1 meeting per year of the EMN-MFC Boards 3 meetings per year of the different temporary WGs among the organization Boards and staff
Indicators	EMN and MFC develop progressive talks on their mutual collaboration Both organizations explore how to reinforce commonly the strategic choices
Results achieved	2 EMN-MFC common Boards and 1 Management meeting celebrated: 2017.04.25 - EMN-MFC common Board meeting. Sofia (Bulgaria) 2017.08.22 - Meeting future of the networks, Warsaw 2017.10.04 - EMN-MFC Common Board meeting, Warsaw
Action	What
3.3.2 - Development of the EMN 2017-20 Action Plan	Activity 3.3.2.1. Brainstorming exercises across the members and main stakeholders
	Activity 3.3.2.2. Set-up of an Idea-lab to manage the process
Expected outputs	1 brainstorming exercise with the members 2 meetings per year of the 2017-20 EMN Action Plan Idea-lab
Indicators	EMN 2017-20 Action Plan approved by the General Assembly
Results achieved	2 meetings of the Idea-lab EMN 2017-20 Action Plan held 1 webinar on the 2017-20 Action Plan held EMN 2017-20 Action Plan approved at the EMN General Assembly held on June 2017 in Venice



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