

## **Peer to Peer & Exchange Visit Report**

### **Fejér Enterprise Agency (visiting org.) visited Groupe ESC Dijon Bourgogne (org. visited) on 11-12<sup>th</sup> of May 2015**

#### **Background of the meeting and the visiting delegation: (max. 1 page)**

Our Foundation deals with microfinance for 23 years. The main objectives of our Foundation are to facilitate the establishment and development of micro, small and medium-sized enterprises in order to enhance their ability to provide employment for themselves or for others and to boost economic activity. The mission of the Foundation is to provide high-level, easily accessible financial, advisory and training services in Hungary to start-ups and existing micro and small enterprises. We provide Business Development Services and researches as well.

The aims of the meeting were to know more about the visited organization's research activity, and to provide our experiences in this field. We were interested about the methodology and the results of the researches.

#### **Lessons learnt during the visit: (max. 1 page)**

During the exchange visit, there were many interesting presentations hold by the Hungarian and the French organizations. These presentations' themes were the introductions of the organizations and various research results.

First of all, Dr. Arvind Astha, the Holder of the Banque Populaire Char in Microfinance and Professor Finance & Control Department informed the audience about his microfinance research in Academic Journals. He started this research oriented meeting with a case study, which showed what is actually happen in the world of microfinance. His focus was in how we can reduce interest rates and increase its impact to the poor people. He presented an useful case study which was about the history of microfinance in Togo. The banks weren't able to provide microcredit, so that was the reason why financial cooperatives came into this market and started to provide microcredit. In the beginning the most popular method was to collect money from another people and reach a common aims with the help of these. After a while, these institutions started to provide savings and loans as well, but the savings were more popular. Therefore, they had to make some changes in loan portfolios and they started to provide project

loans to poor people and introduced a maximal limit of interest rates, which was 27%. There was a problem in this period, because one person wanted to have the power and there wasn't a democratic situation. After that, people started to make demonstrations, and got help from other cooperatives which had enough savings and could provide small amount of microcredit with small interest rates. Some years later, there were more and more institutions which provided microcredit and they started to make profit as well. That was a really good study to see another country's microfinance situation.

Beside this study, there were some more studies, which showed the various microcredit programmes' effects, the reaching of the target group and the efficiency of the microcredit programmes.

From the Hungarian side, Péter Vonnák the Technical Director of Fejér Enterprise Agency presented the activity of Fejér Enterprise Agency and Hungarian Microfinance Network. He talked about the mission and aims of the foundation and introduces other activities beside the microfinance. He highlighted the social outreach results of Fejér Enterprise Agency as well. There were 400 people asked in this survey, and it showed that Fejér Enterprise Agency can help to improve the living conditions of the micro- and small enterprises. This survey is carried out every year, for the reason to get clear knowledge about the current situation of the clients.

The microcredit schemes are easily combined with the non-refundable funds. These financial instrument help a lot to reach the EU's cohesive aims. That was mentioned by Dr. Györgyi Nyikos the Docent of the National Public Service University during her presentation about her research in the combined microcredit construction field.

From the Hungarian side Gergely Mazsu the Managing Director of Hajdú-Bihar County Foundation for Enterprise Promotion presented his foundation's activities and Dr. László Erdey the Associate Professor at University of Debrecen showed his research programmes.

From the French side, Dr. Laurence Attuel-Mendes the Vice-Associate Dean for Academic Affairs and Research Associate Professor in Law, Dr. Cornelia Caseau Professor in Researcher and Head of Languages and Cultures Department, Dr. Djamchi Assadi Associate Professor in Marketing Department and Mr. Hayyan Alia Assistant Professor Finance & Control Department and Researcher Associate the Banque Populaire Chair in Microfinance represented their interesting research results as well.



**The visiting organisation's plans to adapt some key lessons to its own organisation: (max. 1 page)**

The visited organizations acclaimed the activities of the foundation, so it was a really good feedback for the institution to continue these activities and the visiting organization get a lot of good idea to improve their skills and services.

The event was really successful as well, because the organizations decided to continue this cooperation in the future: they are going to make new research projects together and in the next year they would like to organize a similar exchange visit to show and promote the Hungarian good practices in European level.