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CONTACT

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SPFund@mfc.org.pl

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NEWS

National networks invited to join the initiative to raise awareness about USSPM

If you are a national microfinance network planning or considering in 2013 activities focus on raising awareness about Universal Standards for Social Performance Management but lacking expertise or communication materials in your local language please contact SEEP global network facilitator: Katherine Oglietti oglietti@seepnetwork.org by 23.11.2012.

GRANTEES & PROJECTS

Grantees Global Learning Meeting – sharing successes and discussing challenges

On 6 November 2012, SP Start-up Fund grantees came together to Washington, DC for their final meeting to share their successes and challenges related to SPM implementation and discuss their future plans for the SPM scale-up.



Network representatives identified a number of “success stories” in raising awareness for SPM among members

and other stakeholders, as well as increasing sector transparency. These are:

- Increased number of MFIs understanding the value of transparency and reporting on social performance as well as improved quality of reporting to the MIX
- Increased awareness about SPM and buy-in from MFI boards and senior management
- Integration of social performance information to the management information systems (MIS), and increased use of IT solutions to manage social performance at both the MFI and network level
- Increased awareness of the importance and principles of social performance in the sector overall, particularly regulators, investors and donors

Program in numbers

Through eleven one-year projects implemented by grantee networks, the SP Start-up has achieved the following results:

- **41** local staff and consultants trained in SPM
- **243** MFIs educated in SPM fundamentals and MIX social reporting
- **205** MFIs reporting to the MIX on their social performance
- **110** MFIs improving their SPM practice

- New partnerships to advance social performance at the country level with other MF networks and meso-level support institutions
- Enhanced use of social performance management tools by participating MFIs such as PPI, poverty and social performance management scorecards, etc.
- Improvement in client-oriented MFI practice (e.g. developing mechanisms for regular collection of client feedback).

A number of challenges were also identified:

- Limited technical competence within the country on social performance: often grantees saw a lack of experts to provide quality service to MFIs to help improve key management areas
- Limited access to funding for SPM initiatives: grantees saw the importance of both internal resources available at the MFI level, and external grants to the network or/and MFIs, to ensure success of SPM promotion and integration
- Limited ability to demonstrate results and benefits to key stakeholders: owing to a lack of adequate data, inadequate data analysis and lack of specialized reports for different audiences
- Poor international visibility for networks from countries with under-developed microfinance sectors: Participants observed that networks are sometimes excluded from international initiatives — or even by-passed entirely when those initiatives engage networks’ members directly.

Grantees had also met with other institutions working on various SPM-related topics through a special “SPM Global Café” organized by MFC in cooperation with the SEEP Social Performance Working Group. Participants exchanged their SPM plans, shared experience and established new cooperation. External initiatives and organizations participating in this networking event included the MIX, Seal of Excellence, Moody’s Analytics, Smart Campaign, CRS/Mision Project, the Social Performance Task Force, Grameen Foundation and Freedom from Hunger.



RMC/NAMMS Russia publishes its SP country report

Based on data submitted by 33 MFIs (including 16 project participants), RMC/NAMMS launched a country report on social performance across the industry in November. The report provides a summary of common social performance strengths and weaknesses in the Russian microfinance sector. [Download the English version of the report here](#)

Introducing our grantee: the Union of Credit Organizations of Republic of Armenia (UCORA)



Established in 2008 by 6 of its current 9 members, UCORA is a voluntary union of credit organizations currently representing about 100,000 clients. Its mission is to foster the development of the Armenian financial system through a more efficient and increased outreach of credit organizations. UCORA’s goals focus on:

- Representing the sector
- Capacity-building
- Sector-benefitting activities
- Coordinating and lobbying role.

UCORA is an experienced logistics, information, communication and organization partner for many trainings or capacity building events. Together with its partners, UCORA has developed a membership capacity-building plan, and

conducted review of its training modules and training for union members.

Why SPM?

UCORA believes that SPM is an effective tool to achieve a more socially-responsible microfinance sector that protects its clients, as well as to improve the sector's reputation, damaged by recent international crises. Armenia has been recently classified as having an increased risk level of a microfinance crisis. In this context, UCORA believes that SPM, with its focus on client protection, may avert this crisis. Beyond this, significant legal and regulatory changes (including MFI transformation) in recent years have marginalized social performance issues, even where organizations claimed to have a double bottom-line of financial sustainability and social impact. Finally, the Armenian microfinance sector has been losing the support of international organizations and donors due to its limited ability to demonstrate social outcomes.

Thus, seizing the opportunity of the SP Start-up Fund, the network decided to focus its work on the following:

- Supporting members and the whole sector in SPM, consumer protection and reporting through improving and building capacity and raising awareness
- Advocating for increased sector transparency in social performance and client protection towards local stakeholders, especially regulating and controlling agencies
- Helping financial institutions build up the necessary internal systems and processes in order to comply with client protection rules
- Attracting new members motivated by social performance, and new investors to the sector.

Project in brief

During the project, UCORA organized workshops to raise SPM awareness, and assisted members to prepare social performance reports for the MIX.

As a result, **9 organizations reported to the MIX and have started improving SPM practice**. The network has also prepared its **social performance country report** (contact inna@armcredit.com to receive a copy in English), which was presented to over 30 stakeholder representatives (including the Financial Ombudsman's Institute of Armenia, key Governmental agencies, and financial sector stakeholders). UCORA's work on increasing social performance transparency and building members' commitment to improve their social performance has also helped the young network increase its visibility and enhance its position across the national microfinance sector.