



Microfinance Institutions from Guinea, Syria and Philippines are the finalists for 6th European Microfinance Award in Post-Disaster, Post-Conflict Areas & Fragile States

Crédit Rural de Guinée, Taytay Sa Kauswagan, Inc. from the Philippines and The First Microfinance Institution - Syria are the finalists for 6th European Microfinance Award in Post-Disaster, Post-Conflict Areas & Fragile States who will go on to compete for the €100,000 prize. The winner will be announced by the President of the High Jury Her Royal Highness the Grand Duchess of Luxembourg on November 19th, at a ceremony hosted at the European Investment Bank in Luxembourg, during the annual European Microfinance Week.

This year the objective of the Award is to highlight MFIs that operate in post-disaster/post-conflict areas and provide financial and non-financial services aimed to strengthen the *resilience* of the affected, vulnerable population. Serving clients in such markets is particularly difficult: institutions must effectively manage their operations, including managing increased portfolio risk, maintaining their physical infrastructure, staff, and access to funds - all the while staying focused on meeting the unique financial needs of clients affected by extreme events.

In light of the greatest refugee crisis since WWII engulfing the Middle East and Europe, along with the growing threat of climate change increasing the severity and frequency of natural disasters, there has never been a more important time to demonstrate best practice in this field. This year's three finalists have each taken a different approach but what they share is a clear capacity to adapt, innovate and protect clients.

Crédit Rural de Guinée (CRG) was hit by the Ebola virus outbreak beginning in early 2014. Unlike many others, CRG continued to operate, while taking special measures to prevent infection and protect both clients and staff. This included contacting clients and processing payments by phone, rescheduling loans for affected entrepreneurs (including cancelling debt in cases of death), continuing disbursement of new loans, and providing clients with the means to withdraw their savings. CRG also provided grants to the families of staff who were victims of Ebola. In addition, CRG launched a national awareness campaign to inform clients and the general population of measures to prevent the transmission



of the virus. In total, over 4,000 people participated in these sessions. With support from the World Food Programme, CRG is currently distributing compensation to over 1000 Ebola survivors who continue to be stigmatised by their communities, as well as to 55,000 affected families.

The First Microfinance Institution – Syria

(FMFI-S) has been operating in the country since 2003, including throughout the civil war that has ravaged the country and its people for the past four years. When its branch in Homs was destroyed, FMFI-S responded by opening two service units nearby to continue to provide clients with access to their savings and maintain loan repayments. It implemented a call centre to enable regular monitoring of its clients, including those whose homes or business



were destroyed, who had lost family members, or were injured or killed. Relying on adjusted procedures that devolved power to branch managers, FMFI-S responded by rescheduling loans and providing grace periods of up to twelve months, modifying lending limits in response to inflation, and lending to new customers who had adapted their enterprises to the conflict. In the context of changing client needs, FMFI-S has continued to develop new products, including loans for solar panels, rent advances and others.

As Typhoon Haiyan headed towards the Philippines, **Taytay Sa Kauswagan Inc. (TSKI)** was still dealing with the aftermath of an earthquake that had affected 15 of its 98 branches. By the time the typhoon passed, another 46 branches had been hit. Despite this, TSKI advised all staff to go into the field to check on clients, while carrying aid in the form of food, goods and other relief products. It organised fresh water distribution, and worked in coordination with nurses and other volunteers. It ordered a temporary repayment moratorium for over 37,000 clients, and disbursed over 13,000 emergency loans. To spearhead home reconstruction, TSKI provided housing materials and credit, as well as flexi- and regular loans. Disaster assistance and specific disaster loans were also extended to 351 affected staff. Within two months, these various responses allowed thousands of clients to largely recover from the devastation to lives and property.



For this year's Award, a record 47 applications from 28 countries were received. This 6th edition of the Award, like all previous years, seeks to highlight organisations that excel in complex and valuable aspects of microfinance service provision, with practices not yet fully established and with institutions in these situations needing to improvise and innovate.

The European Microfinance Award was launched in 2005 by the Luxembourg Ministry of Foreign and European Affairs – Directorate for Development Cooperation and Humanitarian Affairs. It is jointly organized by the Luxembourg Development Cooperation, the European Microfinance Platform (e-MFP), and the Inclusive Finance Network Luxembourg (InFiNe.lu), in cooperation with the European Investment Bank.

Previous subjects for the Award have included Innovation for Outreach in 2006; Socially Responsible Microfinance (2008); Value Chain Finance (2010); Microfinance for Food Security (2012); and Microfinance and the Environment (2014).

See www.european-microfinance-award.com/