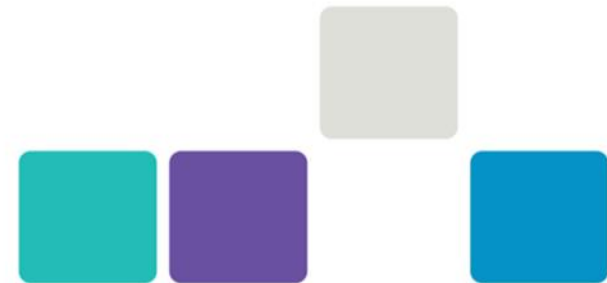
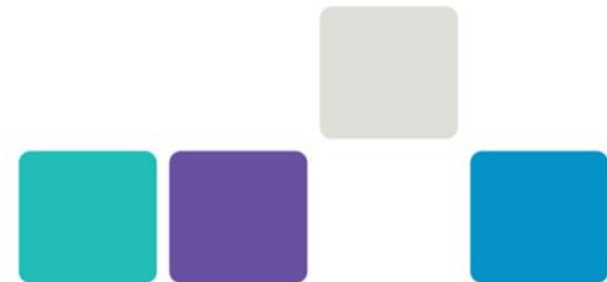


# Microfinance in Europe



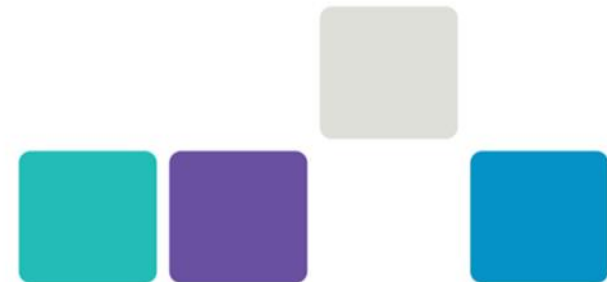
# Microfinance in Europe

- EU Definition: loan up to 25 000 EUR for self-employment and entrepreneurship purposes
- Regulation differences across Europe, non common EU legal framework (only soft: EU Code of Good Conduct)
- Relatively young and heterogeneous sector with growth potential
  - [Microfinance in Europe: A Survey of EMN-MFC Members Report 2014/2015](#) 149 MFIs across 22 countries



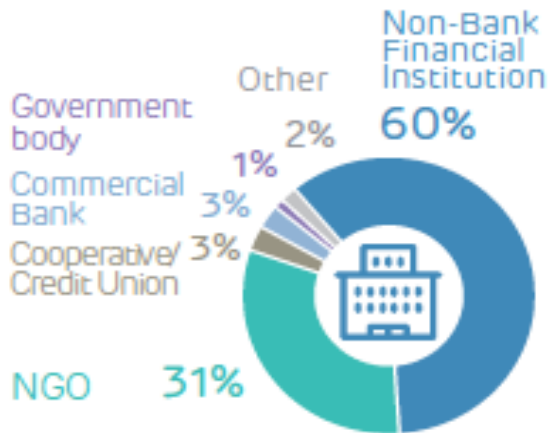
# Key facts on EMN-MFC Members

1. Institutional diversity
2. Recent trends in microlending activities
3. Beyond microloans
4. Social performance
5. Financial performance

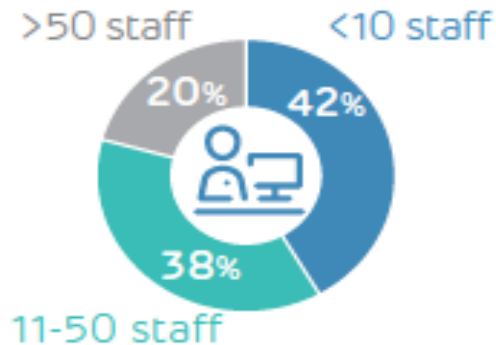


# 1. Institutional diversity

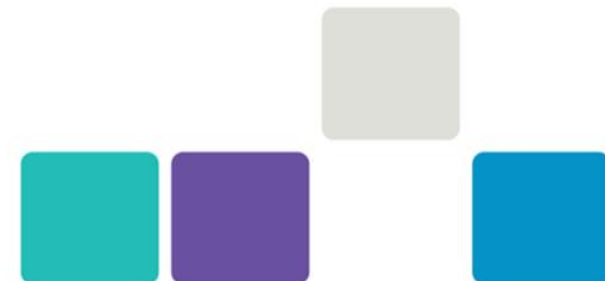
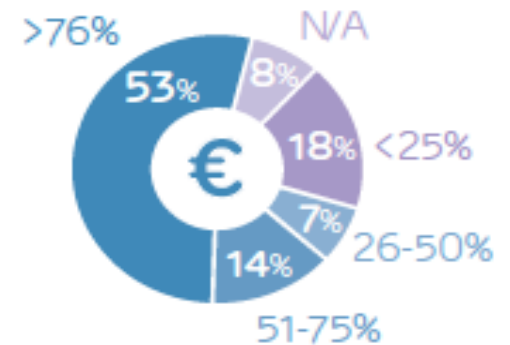
## Legal Types



## Size (size by number of full time staff)

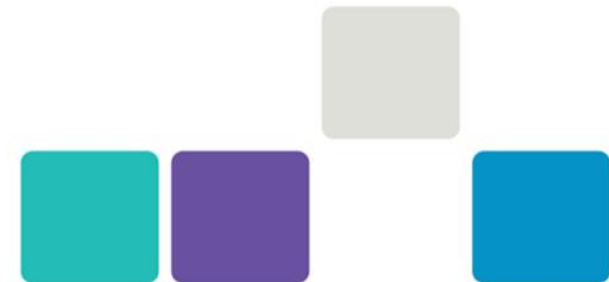
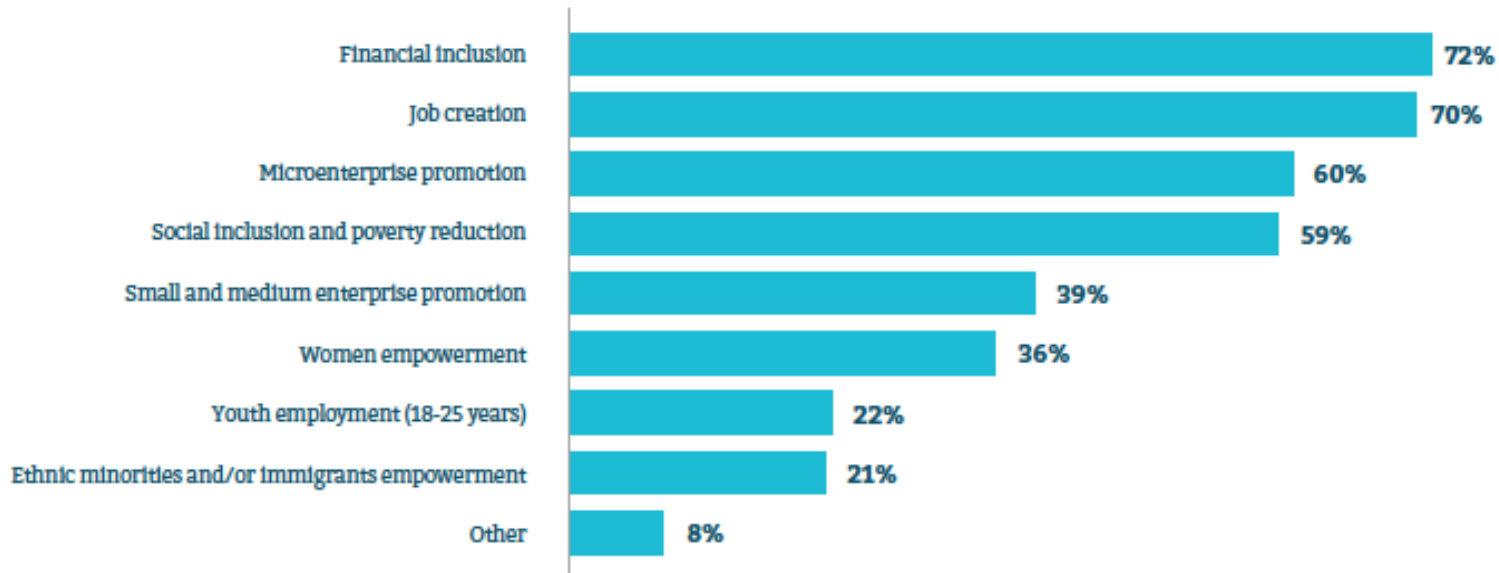


## Specialisation (share of MFIs by turnover from microlending)



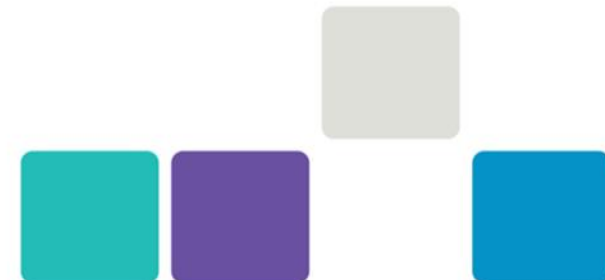
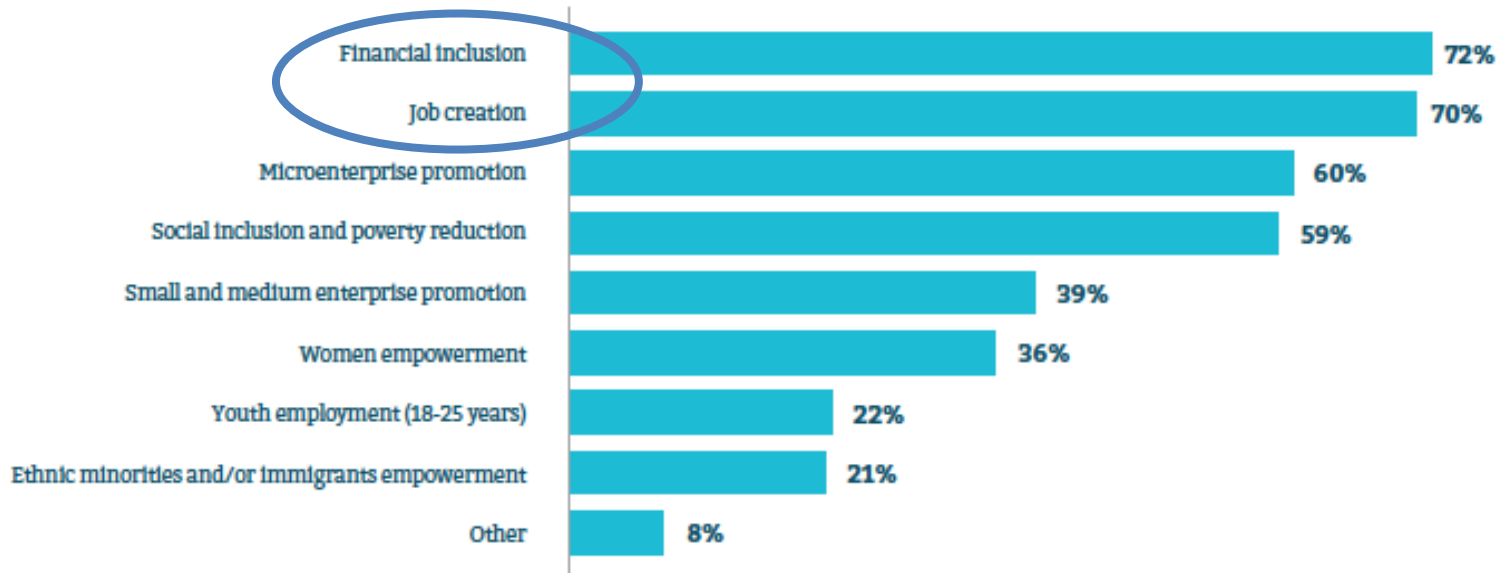
# 1. Institutional diversity

## Mission



# 1. Institutional diversity

## Mission



## 2. Recent trends in microlending activities

Outreach  
(by Dec 2015)

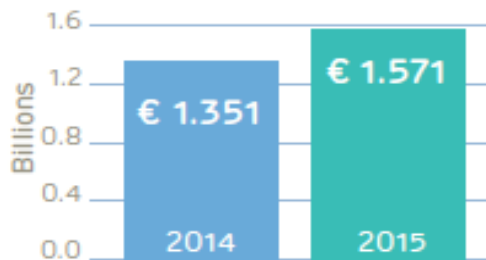
€ 2.5 bn  
Gross Microloan  
Portfolio  
Outstanding



747,265  
Active  
Borrowers

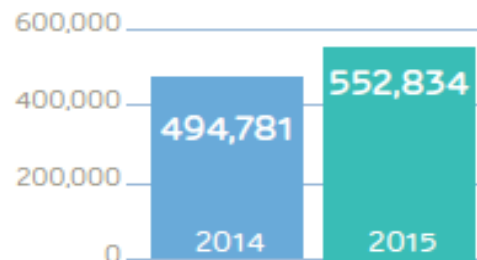


Value of microloans  
disbursed during the year



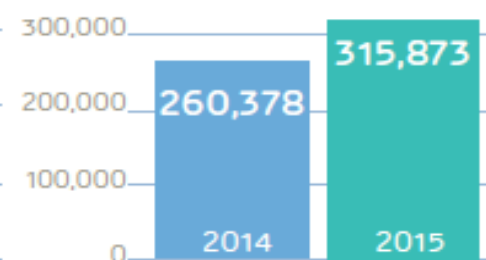
**+16%**

Number of microloans  
disbursed during the year



**+12%**

Number of new borrowers



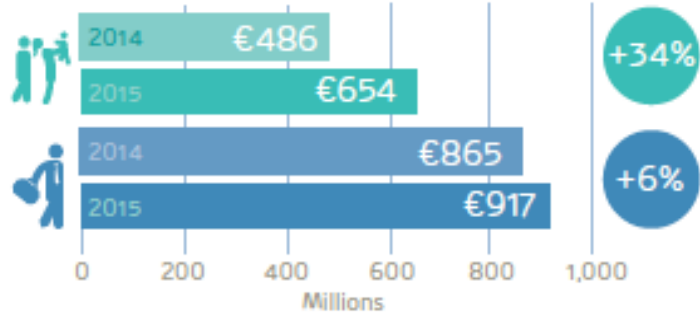
**+21%**





## 2. Recent trends in microlending activities: Business & Personal microloans

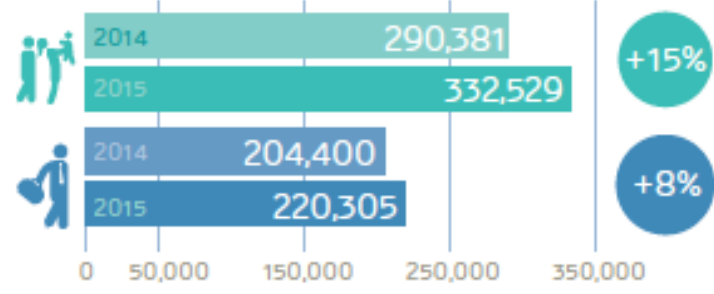
Value of microloans disbursed during the year



### Business

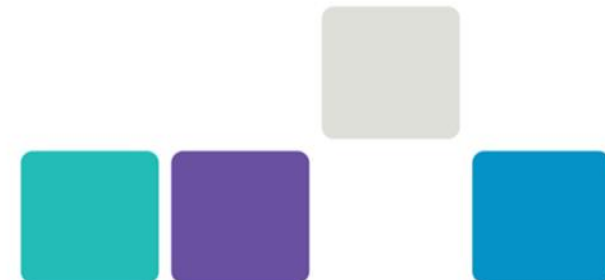
Average outstanding loan size	€ 7,947
Average microloan term	41 months
Average Annual Interest Rate*	10.7%

Number of microloans disbursed during the year



### Personal

Average outstanding loan size	€ 1,697
Average microloan term	30 months
Average Annual Interest Rate*	19%







## 3. Beyond Microloans

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### Non-financial services

Non-financial services (NFS) are a prevalent component of European microfinance provision

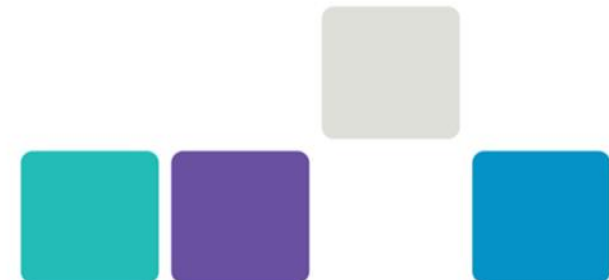
**58%**  
of the MFIs  
offer NFS



**Business Development  
Services & Financial  
Education** are the most  
common NFS offered



**205,943**  
clients were  
reached by NFS  
in 2015



## 4. Social Performance

### Support to entrepreneurship and job creation

**402,365**  
Active Borrowers were supported  
by business microloans in 2015

**€ 1.8 bn**  
Outstanding Portfolio of  
Business Microloans by 2015

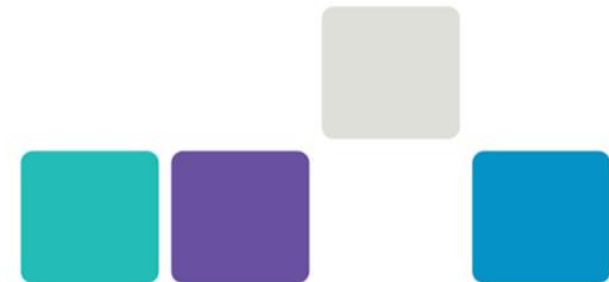
**23%** of the Active Borrowers  
were unemployed when  
they received a microloan  
in 2015

**42%** of the MFIs surveyed also  
supported enterprises  
and SMEs with loans  
higher than € 25,000



## 5. Financial Performance

- High response rate to standard financial requirements
  - ⇒ European microfinance ongoing maturity process
- Financial performance shows an overall positive trend
  - ⇒ portfolio quality is improving: PAR30 decreased from 10.4% to 9.7% and write-offs from 2.8% to 2.6%.
  - ⇒ sustainability is stabilizing: ROA 3% and OSS 90.6% in 2015
- Most operationally sustainable and financially best performing MFIs are located in Eastern European countries





EUROPEAN  
MICROFINANCE  
NETWORK



# thanks!

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