Victim of repeated natural disasters, in particular deadly floods, Bangladesh is again in the news because of industrial disasters currently affecting the country: 6 months ago, a fire in a factory killed 112 people trapped in a building where the emergency exits were blocked; on 24 April, the collapse of the Rana Plaza in Dacca, an 8-storey illegally constructed industrial building, killed over 1000 people, mostly workers in the textile industry, whose minimum salary is less than $40 per month. Unfortunately, unlike natural disasters, these industrial “accidents” concern the liability of a whole chain of human actors from the property owners and factory managers to major international contractors, as well as municipal services and the Government of the country. Above all, they reveal the dark side of globalisation that has children working and that endangers the lives of thousands of underpaid workers, so as to supply our department stores with shirts, polo shirts and jeans “Made in Bangladesh” and sold under well-known brands.

At the same time, under the dome of the Capitol in Washington D.C., the U.S. Congress presented Professor Yunus with its Gold Medal during a solemn ceremony honouring the pioneer of microcredit and social business. The eight members of Congress, both Democrats and Republicans, responsible for praising Professor Yunus, showed how the experiments with microcredit and social business initiated in Bangladesh have spread worldwide and have signalled a new opening in the fight against poverty, exclusion and insecurity. In doing this, they drew attention to the luminous face of globalisation, this global network of initiatives and organisations that wants to put the best of the spirit of entrepreneurship and technology to the service of sustainable and equitable development.

The Grameen Crédit Agricole Foundation will continue its efforts to promote this bright side of globalisation.
The Board of Directors of the Foundation met on 4 March in Luxembourg under the chairmanship of Jean-Marie Sander, with the participation of Muhammad Yunus.

This meeting was an opportunity for Jean-Luc Perron to present the 2012 annual report of the Foundation as well as the 2012 financial statements and the 2013 budget, which were approved unanimously.

The Board took note of the launch of the *Grameen Crédit Agricole Social Business Fund* created last November at the initiative of the Foundation and that received formal endorsement by the Commission de Surveillance du Secteur Financier in Luxembourg on 14 January 2013. The Board thanked Professor Yunus and Jean-Michel Severino who agreed to be Chairman and Vice-Chairman of the Grameen Crédit Agricole Fund. The Foundation Directors also approved both the Managing Director’s proposed course of action to seek socially engaged investors, and the communication tools developed for this.

Directors were also informed about the SAM audit (Social Audit Tool for Microfinance Investment Intermediaries) of the Foundation conducted by CERISE and discussed the findings and recommendations. Indeed, after almost five years of operation, it was particularly useful to ask an outside agency to evaluate the Foundation’s microfinance investment policy and to check that it was properly implemented in accordance with the stated objectives of fighting poverty and financial exclusion in developing countries. The SAM audit confirmed that the investment policy is in fact primarily geared towards the poorest countries in Africa and South Asia, towards the medium or small-sized MFIs, heavily involved in a social-oriented mission directed to the poorest and women, and that it gives priority to agricultural and rural-based MFIs. The forthcoming implementation of the Take-off Facility for Microfinance in Africa will only further enhance this impact. The Foundation’s partner MFI portfolio has been favourably compared to CERISE’s SPI (Social Performance Indicators) database, although some MFI partners, especially in Central Asia, have a more commercial profile. CERISE recommends that the Foundation draw up a business plan fully integrating its social objectives and that it also develop its technical assistance, including the measurement of social performance.

Finally, the Board re-elected three directors for a three-year period: Beatriz Armendariz (Lecturer in Economics at Harvard University), Agnès de Clermont-Tonnerre (Director of General Affairs at LCL) and Yves Couturier (former General Secretary of the National Federation of Crédit Agricole).
The Foundation present at the award of the Congressional Gold Medal to Professor Yunus

Representatives of the U.S. House and Senate awarded the Congressional Gold Medal to Professor Muhammad Yunus.

On 17 April, during an impressive and moving ceremony at the Capitol, leaders of the U.S. House and Senate bestowed the Congressional Gold Medal on Professor Muhammad Yunus in recognition of his efforts in combating global poverty.

Over 300 friends of Professor Yunus, including a large delegation from Bangladesh, attended the ceremony and listened with emotion to Monica Yunus singing “a beautiful dreamer” in honour of her father.

For the House Republican Speaker John Boehner, “Professor Yunus set out to do what may be the most significant thing of all, and that is liberating people to seek a better life. And not just any people, but men and women who had only known misery, who had been told they were no good.”

The questionnaire, which this year included 30 questions, was sent to all the MFI partners of the Foundation at the end of 2012. The response rate of nearly 70% was slightly higher than the 65% response rate to the questionnaire of the previous year.

Overall, the partners who responded to the questionnaire indicated that they were very satisfied with their relationship with the Foundation, with a high satisfaction rate of 53%.

Globally, and despite a slight decline compared to the 2012 analysis, 84% of partners who responded were satisfied with their relationship with the Grameen Crédit Agricole Foundation.

For Nancy Pelosi, House Democratic Leader, Professor Yunus, “[…] is a dreamer with a plan and that’s why we are honouring him today.”

In his acceptance speech, Muhammad Yunus stressed how much this medal honoured, through him, all the people of Bangladesh.

The Congressional Gold Medal was awarded by Congress to Professor Yunus in 2010. He is thus one of the seven people in the world to have been honoured with the Nobel Peace Prize, the Presidential Medal of Freedom and the Congressional Gold Medal.

Present at the ceremony on behalf of the Grameen Crédit Agricole Foundation, Jean-Luc Perron passed on the congratulations of the Foundation’s Board of Directors and Chairman to Professor Yunus.

The Grameen Crédit Agricole Foundation analyses the level of satisfaction of its partner MFIs

In April, the Grameen Crédit Agricole Foundation decided to conduct a new satisfaction survey among the microfinance institutions it supports in order mainly to determine their level of satisfaction and to assess their technical assistance needs.

Answers to questions that focused on issues as diverse as the relationship with the team, process transparency, due diligence and technical assistance will enable the Foundation to continue its efforts to improve the services it provides to partner institutions while continuing to innovate.

To download the results of the survey, please visit: http://issuu.com/fondationgrameencreditagricole/docs/questionnaire_satisfaction_2013_an?mode=window&viewMode=doublePage
Tajik partners of the Grameen Crédit Agricole Foundation organise a study tour to Bishkek (Republic of Kyrgyzstan)

From 18 to 22 February 2013, four Tajik MFIs, partners of the Grameen Crédit Agricole Foundation, participated in a study tour to Bishkek. Representatives of Arvand, Humo, Oxus and Phoenix+ visited one of the most successful MFIs in the Republic of Kyrgyzstan, CJSC “Bai-Tushum and Partners” Microfinance Bank.

For the Foundation’s partners, the main purpose of the visit to CJSC “Bai-Tushum and Partners” was to obtain a deeper insight into the organisation of the business process of the Kyrgyz microfinance bank.

The Tajik representatives were particularly interested in issues related to planning, reporting, effective communication between headquarters and branches, improvement of the work efficiency of the Credit committee, staff management, marketing strategy, risk management strategy and other issues in connection with effective management.

Mr Rahimov Sh., branch manager of LLC MDO “Arvand” in Istaravshan highlighted the fact that “the Kyrgyz institution has a good information and marketing security system and various PR tools for promoting the institutional culture of CJSC Bai-Tushum and Partners” whereas Mr Khalikov A., another Arvand branch manager, noted the “particularities of the training system for new employees which, according to [his] point of view, is very effective both in economic and social terms”. Mr Khalikov suggested taking into account some of the examples presented so as to develop a similar training system adapted to the needs of Arvand.

The Grameen Crédit Agricole Foundation provided financial support to its Tajik partners for their participation in this field trip.

European Venture Philanthropy and Social Investment: the Grameen Crédit Agricole Foundation contributes to the 2011/2012 survey

In March, the EVPA released its second annual survey of European venture philanthropy (VP) and social investment (SI).

The European Venture Philanthropy Association (EVPA) brings together players from the world of philanthropy and private equity who wish to broaden and make more sustainable the social impact of foundations and social businesses by drawing on methods and tools forged in the world of business and investment. EVPA, of which the Foundation has been a member since 2012, has just published its second annual survey on the concepts of “venture philanthropy” and social investment. The survey shows the development of these approaches and the use of increasingly sophisticated instruments to generate a greater societal impact. As a result, the average investment per organisation is €5.2 million, an increase of 27% compared to the previous year (€4.1 million).

The report provides a detailed analysis of the financial and non-financial investments made, and of the investment strategy of the venture philanthropy and social investment organisations based in Europe.

The Grameen Crédit Agricole Foundation contributes to drafting the e-MFP “Discussion Paper” on the definition of tiers in microfinance

The Working Group on investors of the European Microfinance Platform (e-MFP) that the Grameen Crédit Agricole Foundation is involved in, is publishing a “discussion paper” on the segmentation of microfinance institutions, especially tiers 2 and 3.

The e-MFP has created an action group of investors specialised in the financing of medium-sized (Tier 2) and small (Tier 3) institutions. The Grameen Crédit Agricole Foundation, which is primarily oriented towards these two categories of MFI, has taken an active part in this action group that has just published a discussion paper proposing a common consensus on the definition of each of Tiers 2 and 3, based on three criteria: size, sustainability and transparency. From this common definition, investors, focusing primarily on Tiers 2 and 3, want to share best practices and develop intervention methods adapted to the size and maturity of the partner MFIs.

To download the discussion paper:
http://issuu.com/fondationgrameencreditagricole/docs/action_group_discussion_paper_no_1?mode=window&viewMode=doublePage

To access the interview with Kaspar Wansleben, Executive Director of the Luxembourg Microfinance Development Fund (LMDF), on Tier definitions:

The Grameen Crédit Agricole Foundation contributes to the handbook on Microinsurance Social Performance Indicators

The Foundation has taken a very active part in the drafting of the handbook on Social Performance Indicators for Microinsurance published by ADA.

Microinsurance pioneers and practitioners frequently underline their social focus but are often unable to support these intentions with figures and appropriate reports. This new handbook entitled “Social Performance Indicators for Microinsurance” allows practitioners to go beyond good intentions by analysing and documenting their social performance and improving their operations accordingly.

The handbook maps out a four-dimensional social performance framework: Product Value, Client Protection, Inclusion and Social Performance Management. Each dimension corresponds to a principle, which is followed by guidelines that illustrate how to apply the principle. Finally, ten quantitative indicators give insight into the real extent to which the principles are being applied for a given microinsurance product. The indicators, five of which are derived from the key financial performance indicators, are designed to be relevant and easy to use.

The handbook is the result of the work of a group of microinsurance professionals on social performance, created on the initiative of the international Microinsurance Network (MIN). It is published by ADA, in close collaboration with BRS, GIZ, the MIN and the Grameen Crédit Agricole Foundation, whose representative in this group, Therese Sandmark, provided most of the final draft.

To download the handbook:
New investments

The Grameen Crédit Agricole Foundation makes new investments

The Foundation has approved a loan to Chamroeun (Cambodia) of an amount in Cambodian riels equivalent to €287,000 euros over a three-year period. Chamroeun is a microfinance institution created at the initiative of the French NGO Entrepreneurs du Monde and that, since 2006, helps poor families in underprivileged urban areas. It helps them to increase their income, cope with unexpected expenses, and develop long-term projects through loans as well as savings and microinsurance services.

The institution, which is run as a social business, also helps microentrepreneurs improve their management skills and self-confidence through the provision of appropriate training and business counselling.

As of 31 December 2012, Chamroeun had 41,480 active borrowers, 85% of them women. The institution operates exclusively in urban or outlying suburban areas.

In addition, the Foundation also disbursed the second tranche of the €380,000 loan granted to the Burkina Faso microfinance institution GRAINE (Burkina Faso). The Groupe d’Accompagnement à l’Investissement et à l’Epargne (GRAINE) was born from the transformation of the Catholic Relief Services microfinance programme in Burkina Faso. The activities of GRAINE-SARL, concentrated on solidarity type direct credit and indexed on savings that are built up over time, are directed primarily to poor women in rural and outlying suburban areas, regardless of ethnicity, religion, or political affiliation. This credit is granted to individual clients organised into Village Microcredit Groupings (VMG) whose average size is 30 people.

As of 31 December 2012, GRAINE had 39,384 active clients, 99.9% of them women and 88.1% of them customers in rural areas. The average loan size was 87 euros.

Similarly, CAURIE (Senegal) received the final instalment of the one million euro loan granted in local currency by the Foundation. CAURIE-MF was created in September 2005, as a partnership between Catholic Relief Services (CRS) - Senegal and Caritas, in order to make a lasting contribution to the economic and social development of poor microentrepreneurs in Senegal, primarily women, by offering them appropriate financial products and services. The MFI offers credit products to solidarity groups (the “village banks”) that have 50 to 100 members. The cooperative encourages members to save and offers savings and term interest-bearing accounts.

At the end of 2012, CAURIE operated in eleven administrative regions of Senegal. It had 54,727 active borrowers, 99.8% of them women. 55% of its customers are located in rural areas and the average loan size is 140 euros.

For more information on our partners: http://www.grameen-credit-agricole.org/en/institutionsetentreprisespart
Focus MFI and Social Business

Phoenix+ (Tadjikistan)

During its early years, the institution implemented the AgFin+ project promoted by Winrock International, a U.S. not-for-profit organisation active in both the United States and around the world to increase economic opportunities and the sustainability of natural resources and to protect the environment. Winrock International received a $330,000 grant (around €255,000) from USAID to support the Phoenix loan fund and to cover operating costs. The AgFin+ project focused on the development of milk production and livestock in the Sughd region in northern Tajikistan.

Since 2008, the institution has received funding from several donors, including local and international organisations. In the period 2011-12 it was elected from among four Tajik microfinance institutions to conduct training

Focus Partners

CASD Crédit Agricole Solidarité et Développement, an association for development

CASD is also fully committed to disaster victims in order to support them during a lasting reconstruction. For the South-Asia Solidarity and Haiti Solidarity programmes, in which the Grameen Crédit Agricole Foundation was involved, the group entrusted CASD with the task of managing and controlling grants of two million and one million euros respectively.

In 2001, CASD expanded its action into France, supporting economic and social insertion programmes aimed at people in distress (support for job creation, education and training of young people, the fight against illiteracy, housing assistance, etc.).

Since 2008, CASD has been in charge of the Programme Solidarité Logement (Solidarity Housing Programme), providing support to socially-oriented not-for-profit organisations that promote housing or relocation of destitute people.

In 2012, CASD supported 45 projects proposed by the Regional Banks and other Group entities. The association raised nearly €1.65 million for these projects, divided between its agricultural and rural development assistance activities in developing countries and its economic and social integration activities in France. CASD also funded specific Solidarity programmes (Solidarity Housing Programme in France, Haiti Solidarity Programme, stricken regions Solidarity Programme).

At its General Meeting of 18 April 2013, on the proposal of Crédit Agricole SA, Crédit Agricole Solidarité et Développement coopted Philippe Guichandut, Head of the Development and Technical Assistance Unit within the Grameen Crédit Agricole Foundation, as a Director.

The participation of Philippe Guichandut on the CASD Board, chaired by Jean-Pierre Laporte, Chairman of Crédit Agricole du Nord Est, will undoubtedly facilitate the convergence of actions conducted respectively by the Grameen Crédit Agricole Foundation and Crédit Agricole Solidarité et Développement.

For more information about Phoenix+: http://grameen-credit-agricole.fr/en/content/phoenix

For more information on the actions of CASD:
- in the field of social and economic integration in France: http://www.creditagricoleinfo.com/fmc/a1_931454/credit-agricole-solidarite-et-developpement-participe-a-la-lutte-contre-tous-types-de-pauvreté-aussi-bien-aux-adultes-que-des-enfants,395471091649

At the end of December 2012, Phoenix+ had a loan portfolio of €962,354 and had 1,692 active borrowers, 43.2% of them being women. Among its clients, 80% were located in rural areas and the average loan amount was €568.

The Grameen Crédit Agricole Foundation has been a partner of the institution since 2012 and has awarded Phoenix+ a loan in local currency equivalent to €240,000 over a three-year period.

In 2005, Phoenix+ was created as a not-for-profit organisation (Micro Lending Fund) following the adoption of new microfinance regulations in Tajikistan. The institution took over the microfinance activities implemented under the Development Fund, a local NGO whose main objective, since 1999, has been the development of rural areas and the agricultural sector.