

2009 Microfinance Funder Survey

Global Results

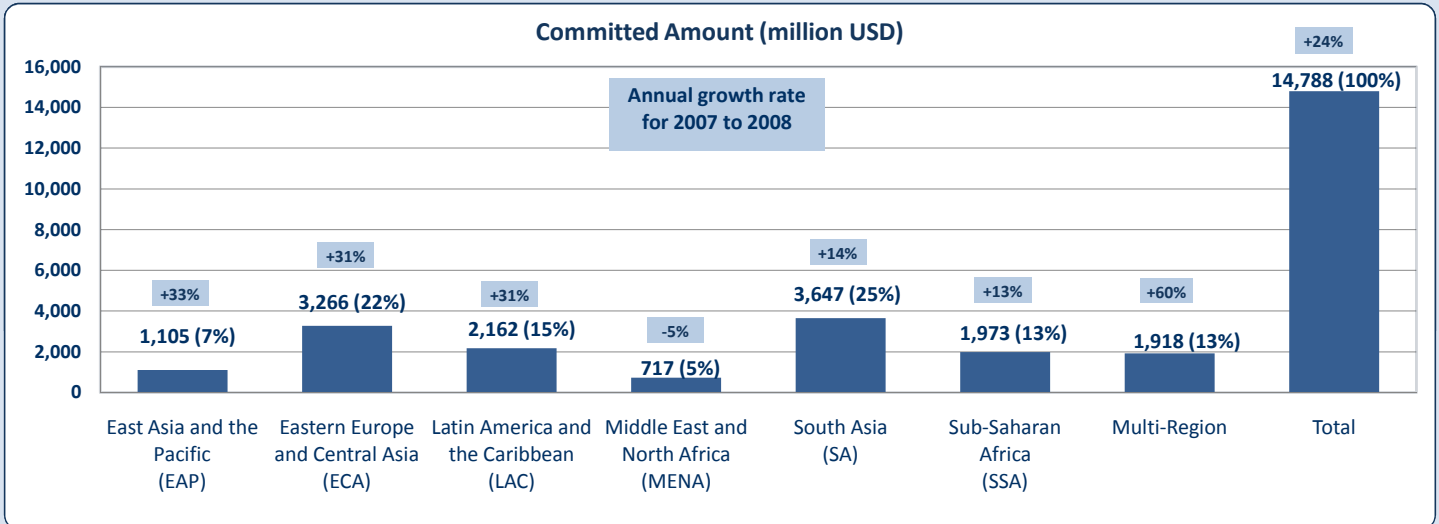


This annual survey captures the microfinance portfolios of leading donors and investors. For more information, visit www.cgap.org/funders.

At a Glance

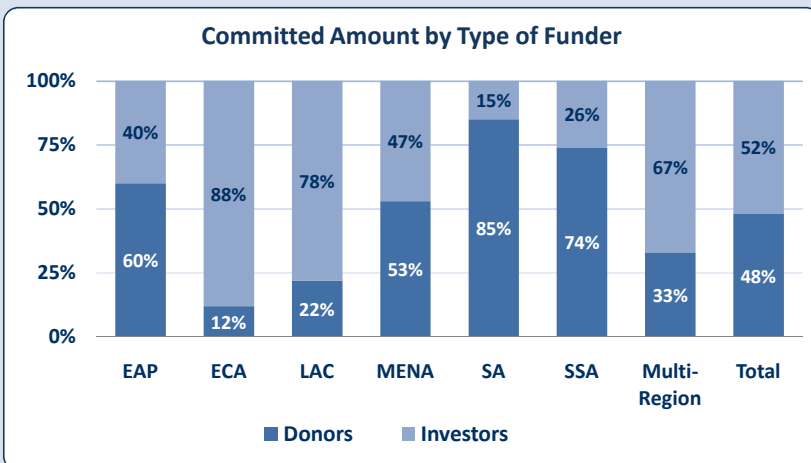
- 61 donors and investors committed \$14.8 billion to microfinance as of December 2008, of which \$3.9 billion are new commitments in 2008
- At least \$3 billion disbursed in 2008; two-thirds by investors
- Half of total funding committed is for ECA and SA
- Debt accounts for 63% of total funding committed
- 84% of total funding committed is destined for financing portfolios of retail institutions, directly or indirectly

How Much?



Number of respondents: 61

Who?



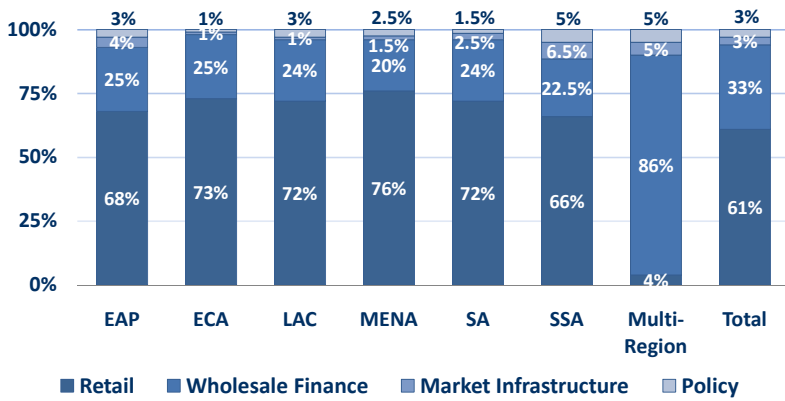
Number of respondents: 61

Top Five Funders Worldwide

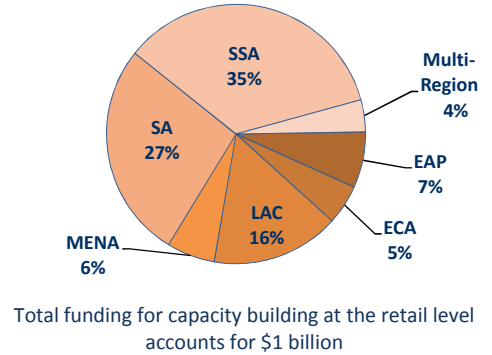
Rank	Institutional Type	Percentage of Total Funding Committed	Change in Rank
1	KfW (DFI)	13%	↑
2	AsDB (Multilateral Agency)	12%	↓
3	World Bank (Multilateral Agency)	10%	→
4	EBRD (DFI)	6%	↑
5	IFC (DFI)	5%	↑
All 5		46%	

Purpose?

Committed Amount by Level of Financial System



Funding for Capacity Building at the Retail Level by Region

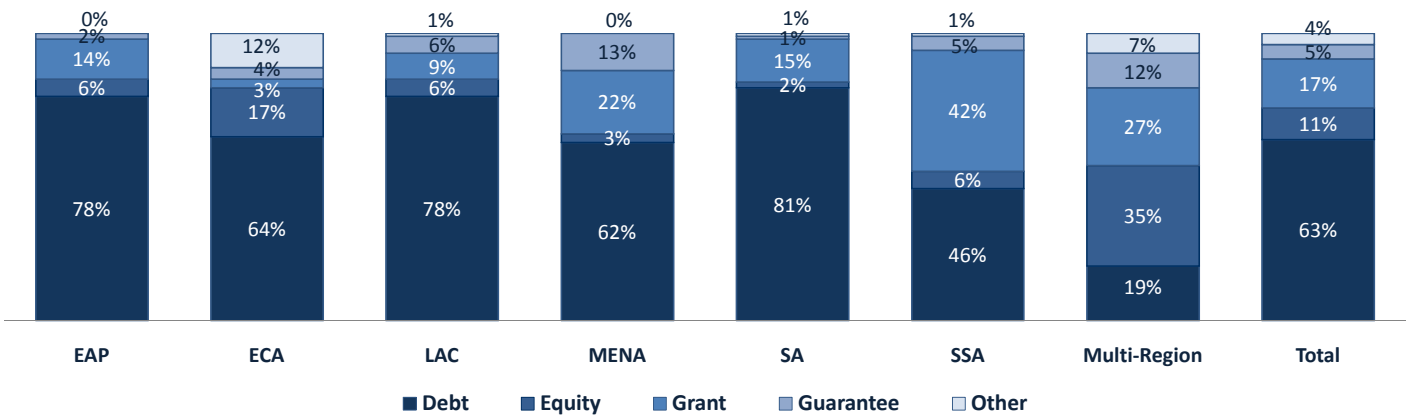


Number of respondents: 57

Note: Retail level funding is channeled directly to MFIs. Wholesale funding is channeled to MFIs through intermediaries, e.g., microfinance investment vehicles or apexes. Funding for market infrastructure supports the general infrastructure of the financial system, e.g., payment systems, credit bureaus, training and technical assistance providers. Policy level funding strengthens the enabling and regulatory environment for microfinance.

How?

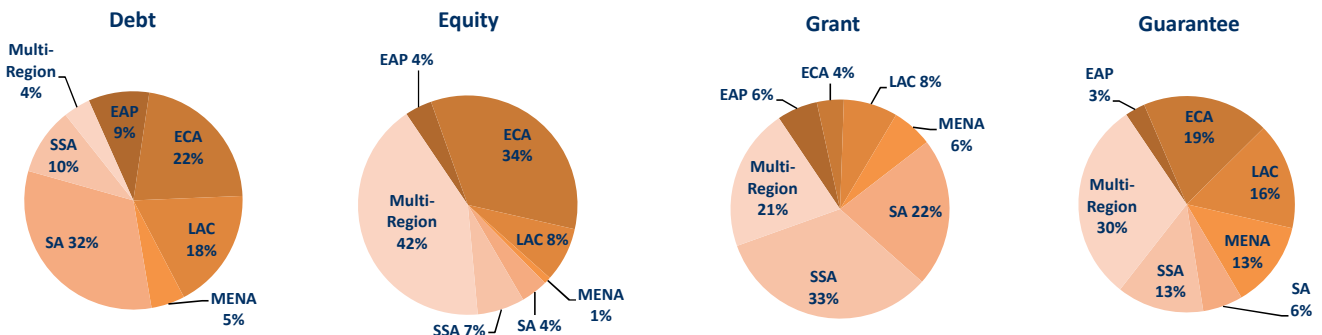
Committed Amount by Instrument



Number of respondents: 61

Note: The nature of the debt instrument is different for donors and investors. Investors typically provide debt directly to retail financial institutions or indirectly through investment vehicles. Many of the largest donors, however, channel their debt instruments as loans to governments. Governments can then use funds for multiple purposes, including on-lending to the retail level.

Instruments by Region



Spotlight on DFIs

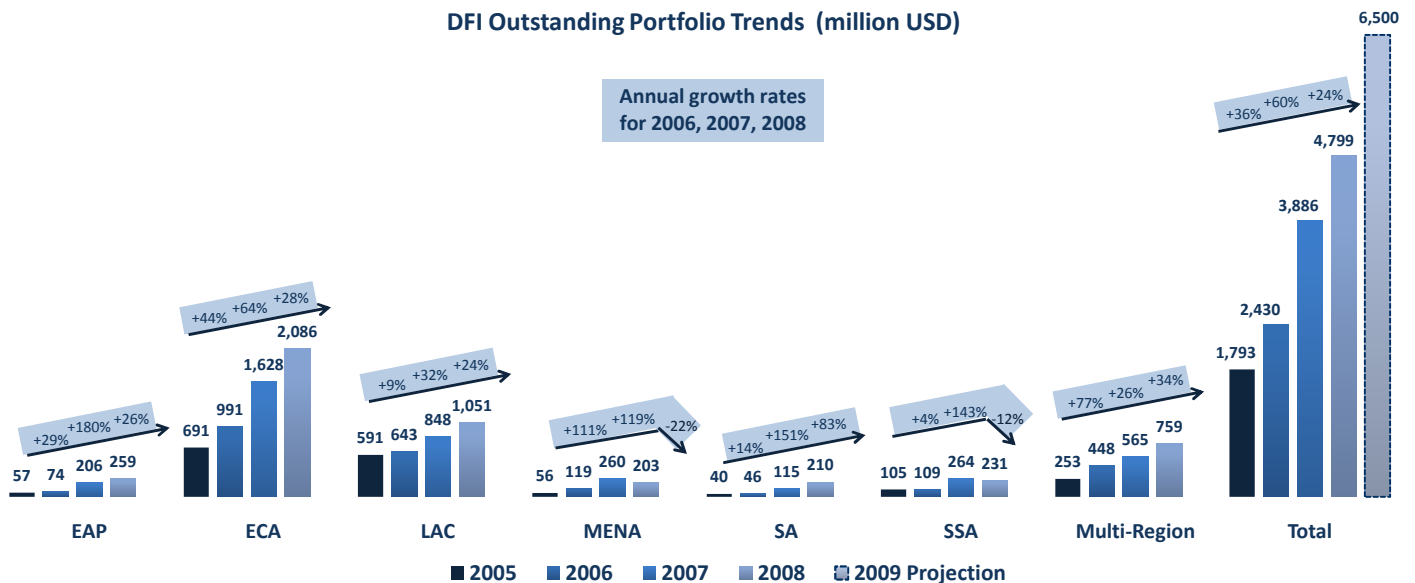
The 16 Development Finance Institutions (DFIs) reporting to the survey represent 45% of the total funding committed. Trend analysis for this important subgroup of funders is possible over a four year period. Highlights are provided for DFIs' outstanding portfolio.

DFI Highlights

- Top 5 DFIs (KfW, EBRD, IFC, AECID, FMO) account for three-fourths of the total outstanding portfolio of all DFIs
- ECA and LAC receive 65% of total outstanding
- 62% of DFIs' outstanding funding is in debt, 84% of which is in hard currency
- 2008 DFI growth of 24% is much lower than the 2007 growth of 60%
- Half of DFIs reported higher projections for 2009 due to the financial crisis

DFI Outstanding Portfolio Trends (million USD)

Annual growth rates for 2006, 2007, 2008



Number of respondents: 16

Survey Data Set (61)

Donors (38)

Bilateral Agencies

Aid agencies and ministries of governments in developed countries (e.g., Sida, USAID)

Multilateral Development Banks and UN Agencies

Agencies owned by multiple governments of the industrialized and developing world (e.g., World Bank, regional development banks, and UN agencies, e.g., UNCDF, IFAD)

Foundations

Non-profit corporations or charitable trusts typically funded by a private individual, a family or a corporation, with a principal purpose of making grants to unrelated organizations (e.g., Bill and Melinda Gates Foundation, Ford Foundation)

Other Donors

For example, international NGOs

Investors (23)

Development Finance Institutions (DFIs)

The private sector arms of government-owned bilateral and multilateral development agencies (e.g., KfW, IFC)

Individual Investors

Socially motivated individual "retail" investors who provide capital through organizations like Oikocredit, investment funds, and peer-to-peer platforms like Kiva

Institutional Investors

Commercial banks, pension funds, insurance companies, endowments, private equity funds, and sovereign wealth funds that channel capital into microfinance (e.g., Deutsche Bank, TIAA-CREF)

Survey Participants: ABP, AECID, AFD Proparco, AfDB, AsDB, AusAID, BIO, CAF, CDC, CIDA, Citi Foundation, Cordaid, CSIF, DANIDA, DCA USAID, DFID, DOEN Foundation, EBRD, EC, EIB, Finland MoFA, Finnfund, FIRST, FMO, Fondation Sen'Finances, Ford Foundation, Gates Foundation, Grameen Foundation, Grameen Jameel, GTZ, Hivos, ICCO, IFAD, IFC, ILO, ING, IsDB, Italy MoFA, JICA, KfW, Kiva, Lux Dev, Mastercard Foundation, MCC, MIF IADB, MSDF, Netherlands MoFA, NORAD, Norfund, Oikocredit, Omidyar Network, OPIC, Oxfam Novib, PGGM, SDC, Sida, SIFEM, TIAA-CREF, UNCDF, USAID, World Bank.

Contact: For more information about this survey, please contact Jasmina Glisovic-Mezieres at cgapbetteraid@worldbank.org. The suggested citation for this document is as follows: CGAP 2009 Microfinance Funder Survey.

Methodological Notes: The survey is based on self-reported data by 61 funders. All data provided is as of December 2008 (except for a few funders whose fiscal year ends in June). A few funders were not able to provide breakdowns by purpose. In such cases, CGAP used secondary sources and its best judgment to provide reliable estimates for the relevant breakdowns. Trend analysis is based on the set of funders that had data available for both years (December 2007 and December 2008 data). For DFIs, trend analysis is possible over a four year period. Minor adjustments were made to 2007 data based on additional information received. If not specified otherwise, analysis is based on committed amounts. Committed amounts represent all funds set aside for microfinance in all active projects/investments, whether or not disbursed. Outstanding portfolio represents all disbursed funds minus repayments.