

Stay abreast of good practices

Participate in CGAP training courses. The CGAP course for funders of microfinance is tailored specifically to donors and investors. The course “Developing Inclusive Financial Systems” will give you the knowledge, tools, and network to apply good practices in your daily work.

Get guidance on good practice in microfinance. CGAP’s Good Practice Guidelines for Funders of Microfinance capitalizes on 30 years of lessons learned about basic conditions for successful microfinance, and translates them into practical guidelines for staff of funding agencies. A practical e-book provides links to tools and other publications.

Endorse the Client Protection Principles. The Client Protection Principles and the accompanying Campaign for Client Protection are part of a collaborative initiative endorsed and led by a broad coalition of microfinance stakeholders. Sign on to the Principles and get guidance on practical ways of incorporating the Client Protection Principles into your due diligence and monitoring.

Analyze and improve the effectiveness of your microfinance operations

Assess your effectiveness in supporting microfinance. CGAP’s SmartAid for Microfinance Index measures whether funders are set up to support microfinance effectively. Participate in SmartAid and learn about your organization’s strengths and weaknesses and how you can become even more effective. You can also do a Self-Assessment using the SmartAid methodology.

Benefit from tailored advisory services and workshops. CGAP offers customized advisory services for individual agencies, groups of funders or regional networks to help improve the effectiveness of microfinance funding. A specific emphasis is placed on advice on strategy and accountability systems. CGAP can also play a convening role in multi-funder initiatives.

Access Practical Guides and Tools

Use performance-based agreements (PBAs) with your partners. Aligning performance targets with the outcomes you and your partners agree upon in advance helps increase the effectiveness of microfinance programs. Read CGAP’s Technical Guide on performance-based agreements.

Measure the results of your partner MFIs. Funders’ microfinance interventions produce better results when design, reporting, and monitoring systems focus explicitly on key measures of performance. Read the CGAP Technical Guide for guidance on minimum indicators that donors and investors should track.

Use the time-tested MFI Appraisal Guide. Refer to the field-tested CGAP MFI Appraisal Format to conduct due diligence on potential investees. The Appraisal Format is widely used throughout the industry as a guide to evaluating strategic objectives, institutional factors, services/clientele/market, and financial performance.

Measure the poverty levels and social performance of your partner MFIs. Help your partner MFIs determine the poverty levels of their clients. Check out the Progress-out-of-Poverty Index, jointly developed by CGAP, Grameen Foundation and the Ford Foundation. In addition, within the social performance task force, CGAP has also taken part in the elaboration of social performance indicators that measure the social performance of microfinance investees.

Access industry data and analysis

Find out who is funding what, where and how. The CGAP Microfinance Funder Survey collects data on microfinance funding. Keep updated on the fast-evolving funding landscape and compare yourself to your peers. Regional analyses help you identify funding gaps and provide information on who is active in which country.

Learn about microfinance investment vehicles' (MIV) performance. The annual CGAP MIV Survey provides an overview of the MIV landscape and presents information on financial and social performance.

Find regional or country-specific information. CGAP provides country-specific information through its country diagnostics in the areas of policy, funder effectiveness, savings, and branchless banking. Our Microfinance Regulation and Supervision Resource Center provides information on regulation in more than 50 countries. You can also find additional regional data on our regional market intelligence Web pages.

Learn about innovative ways to support the poor. CGAP is currently piloting seven projects aimed at reaching extremely poor people who are not being reached by traditional microfinance institutions. The pilot projects provide a pathway for the poorest to graduate from chronic food insecurity into sustainable livelihood and access to financial services. CGAP is documenting the experience with these graduation projects, including the pre-conditions for success in different types of environments.

Learn about specific topics in microfinance. The concise two-page CGAP Donor Briefs provide an insight into topical issues in microfinance, such as microinsurance, the effective use of guarantees, and the lessons learned around national microfinance strategies.

Check our Web sites. Read CGAP's Web site, blog and Microfinance Gateway for industry news, announcements and opinion. Consult the Microfinance Information Exchange (MIX), our partner for data, analysis and industry benchmarks

CGAP is an independent policy and research center dedicated to advancing financial access for the world's poor. It is supported by over 30 development agencies and private foundations who share a common mission to alleviate poverty. Housed at the World Bank, CGAP provides market intelligence, promotes standards, develops innovative solutions and offers advisory services to governments, microfinance providers, donors, and investors. For more information on services and resources for donors and investors visit www.cgap.org/funders or e-mail us at cgapbetteraid@worldbank.org.