



ADVANCING FINANCIAL ACCESS FOR
THE WORLD'S POOR

ANNUAL REPORT 2011

TABLE OF CONTENTS

Letter from the Chair	1
Reflections on 2011	2
CGAP and Our Strategy	11
Developing a Better Understanding of Client Demand	12
Promoting Technology and Business Model Innovation	21
Fostering Enabling Policy Environments	29
Improving the Effectiveness of Funding	35
Governance Structure	42
Member Donors for FY2011	44
CGAP Financial Statements	49
Staff Biographies	58



LETTER FROM THE CHAIR

The past year reaffirmed the relevance and importance of CGAP as a global public good to advance financial services for the poor.

Even as the world was reeling from the effects of the global financial crisis, policy makers showed a deepening understanding of the importance of financial inclusion for stability, and the serious negative consequences of inequality. This recognition by policy makers and global standard-setting bodies in the G-20 context that financial *exclusion* is a risk to stability, and that financial *inclusion* offers an opportunity to improve lives, represents a significant step forward. Progress at this level was in no small part due to CGAP's influence behind the scenes.

At the same time, we saw significant innovation in new business models and delivery channels, and a better understanding of the business and policy environment that will encourage such innovations to thrive.

CGAP's commitment to a deeper understanding of poor clients and to the responsible delivery of high-quality affordable services underpins all of its work. In the past year we have seen—both within CGAP and emanating far beyond—a renewed commitment and direction behind the fact that understanding poor clients is central to any efforts to improve access to finance.

The field of financial services for the poor is almost unique in having brought together funders with widely varied perspectives and interests around a shared mission to advance knowledge that will contribute to improving lives of poor people. CGAP's members submit themselves to rigorous peer review, and engage in self-examination through the mechanism of SmartAid to improve their practices, in the common understanding that their work is to build self-sustaining markets. As an incubator for innovation, creator of new knowledge, and platform for broad knowledge exchange, CGAP is at the hub of all these efforts, and has driven the sector to strive for excellence across the board.

As Chair of the Executive Committee, I am pleased to reaffirm on behalf of my fellow board members our commitment to CGAP. We are proud of the hard work and engagement demonstrated throughout the past year by CGAP staff. And we are pleased to see highlighted in this year's Annual Report significant achievements of CGAP members, as well as other important partners who share a vision of financial inclusion that will improve the lives of poor people.

Vijay Mahajan
Chair of CGAP's Executive Committee

REFLECTIONS ON 2011

Our field made good progress last year. Building on the success and the experience to date, and learning from new challenges and insights, we started executing against a broader vision of financial inclusion: A vision that reaffirms the basic tenet that the right access to the right formal financial service helps households, microbusinesses, and the economy as a whole, and a vision that recognizes that financial services are not an end in and of themselves but ultimately must improve household welfare. Access to formal financial services needs to give poor families a broader range of choices to build assets, smooth consumption, manage risks, and as a result make them better off than when they have to use traditional, informal alternatives that are often limited, unreliable, and costly.

The importance of understanding demand

Perhaps the most important insight from the local microcredit market crises of the previous years is that, as a field, we had likely over-estimated the demand for the type of small, short-term working capital loans that started the microcredit revolution. We did not fully understand the true nature of the demand, often because we simply did not know enough about clients' lives, their behaviors, their needs, and their means of managing their money, including their use of other services beyond microcredit. The classic loans for capital-constrained microentrepreneurs who earn a steep return on marginal capital and thus can repay the relatively high interest rates and reinvest to grow out of poverty remain important for many. But not every borrower is a microentrepreneur, and not every credit need is for short-term, high-margin activities.

Take school fees as an example. All parents want a better future for their children, and in many countries that means paying for private schools. While school fees are a cash flow spike that a poor family needs to manage, it is not an unanticipated event. Why is it that poor families borrow and pay high interest rates for this



ALBERTO LOZANO MAMANI AND HIS FAMILY'S ASPIRATIONS

Alberto Lozano Mamani and his partner Epifania Vargas Chinchero are participants in 1 of 10 CGAP–Ford Foundation Graduation Program pilots, which aim to help participants “graduate” out of extreme poverty. Both in their mid-30s, they have seven children ages 4 to 17, and they live in the remote Peruvian mountain village of Urinsaya Ccollana, home to just over 100 families. It takes almost an hour to walk to the nearest school. They own a hectare on which they grow vegetables and raise 20 sheep, three cows, and seven guinea pigs. They want to buy more livestock, build a new stable, expand their house, and pay for school fees. To realize these aspirations, they need a range of suitable financial services.



purpose rather than accumulate savings in anticipation and earn interest? It probably is because we as a field did not understand the nature of this particular demand and as a result did not develop and offer the right service—in this case, a commitment savings product.

As a field, our efforts to better understand clients gained momentum last year, with practitioners and researchers redoubling efforts to better analyze client needs and behaviors, donors and investors supporting this work, and providers translating this new understanding into action.

The imperative of responsible delivery

If one starting point is that we want to provide formal financial services to poor families in the informal economy, then what we provide must be superior to the traditional informal sector alternatives. If not, we miss the bigger point.

We have embraced the imperative of responsible finance and last year accelerated our ongoing efforts. The Smart Campaign, which by mid-2011 had 2,200 signatories, began shifting from its focus of securing endorsements of the Client Protection Principles to implementing the Principles at the country level. The Social Performance Task Force (SPTF), the industry standard-setter for social performance reporting and management, agreed on a core set of 11 reporting indicators that have been integrated into standard industry reporting captured by the Microfinance Information Exchange (MIX). Responsible finance has also become a bigger priority for investors in inclusive finance. A first group of leading investors signed the Principles for Investment in Inclusive Finance (PIIF). These principles promote respon-



sible investment, which aims for positive social, environmental, and governance impact and for a balance between long-term social and risk-adjusted financial returns that recognize the interests of clients, retail providers, and investors.

The opportunities from business model innovation

To offer a broader range of services and lower costs, providers around the globe continued their efforts to innovate products and delivery channels last year. For example, to be attractive to consumers and economically viable to providers, the commitment savings product that would allow families to save up for school fees requires high-access convenience and ultra-low transactions costs. We are learning that the most promising business model innovations to meet these challenges build on existing consumer patterns and leverage infrastructure that already exists or is developing in parallel—for example, retail outlets in Latin America or mobile phone networks in Africa, where most people today use mobile phones for day-to-day activities and transactions.

One important insight on supply is that provider economics are very different across products. These differential economics make it very unlikely that one set of providers can deliver the broader range of services that poor households and micro-businesses in the informal economy seek. What we need instead is an ecosystem consisting of a variety of financial services providers that work together. Such an ecosystem needs, among other things, a large number of access points close to or within the community, a payment transaction infrastructure, and a smaller number of well-regulated entities at the backend that can aggregate and manage financial

MEASURING SOCIAL PERFORMANCE

Over the course of the past year SPTF and MIX agreed on 11 key indicators by which to measure the social performance of microfinance institutions (MFIs). Together with the financial performance data already captured by MIX, these indicators provide a platform for benchmarking and analysis and are reported by more than 400 MFIs to date.

The social performance indicators include measures of the provider's mission, social goals, and governance as well as the methodology used and products offered. Key indicators relate to client protection, transparency of cost of services, and client retention rates as a proxy for client satisfaction. Social responsibility toward staff is captured by measures of human resource policies and staff incentives. Providers' environmental responsibility is mainly captured by reporting on policies and processes they have in place. In addition, some social performance reporting indicators are directly focused on outcomes. These relate to poverty outreach and employment creation.

The common reporting framework helps standardize social performance measurement. Increasingly, raters and investors are integrating these indicators into their assessments and due diligence processes, ensuring third-party verification of self-reported data. Moving beyond improving transparency on social performance, SPTF started developing a set of universal standards for social performance management. These standards are designed to establish clear expectations on social performance for double bottom line providers.



WHAT SETS APART BUSINESS MODEL INNOVATORS IN FINANCIAL SERVICES?

We have found that business innovators do five things that set them apart from others:

- 1. Find the one consumer need to meet first.** Businesses such as easypaisa in Pakistan and others reached a large number of consumers without claiming to solve everything for them all at once. As other industries have figured out, mass market products and services do better when they are not loaded with bells and whistles and have a simple value proposition.
- 2. Model delivery to fit people's lives and routines.** Banks that have used retail stores and others as agents find that consumers overwhelmingly prefer the convenience of extended hours and better locations. State Bank of India was pleasantly surprised to find that decongestion drove more transactions through its network with Eko, originally set up to serve the unbanked alone.
- 3. Build a marginal cost business by borrowing somebody else's assets.** The low unit costs that businesses need to serve the poor profitability are best achieved by using existing infrastructure—post offices, air-time resellers, retail stores, or an already installed cell-phone base. This makes for partnerships rarely seen before like those between OXXO, a retail chain, and a large number of Mexican banks.
- 4. Create a network of partnerships to shorten the learning curve.** Businesses from India, to Mali, to Colombia partner across the value chain from the ground up, pulling in other businesses as they figure out their approach to low-income segments and core competencies.
- 5. Rally behind a dynamic leader or team.** The process of innovating requires someone to stick his or her neck out for an unproven idea or approach, and it requires the company to rally behind this innovation until the business starts to show promise. This is particularly important in financial services where risk aversion has its own rewards. Without the ambition of individual leaders, business model innovators in financial services often falter.

risks. An increasing number of providers recognized the need for cooperation to seamlessly deliver their services last year, and innovative partnerships flourished around the globe.

The catalytic role of policy and regulation

Globally, access to finance benefitted from strong political and regulatory interest and support. The G-20 made financial inclusion one of the key elements in its multi-year development agenda. The global financial services standard-setting bodies that give guidance to national-level policy makers, regulators, and supervisors identified for the first time financial exclusion as a critical risk that could destabilize a country's economy and started incorporating the principle of proportionality into their work, thereby acknowledging the realities of low-income consumers and low-capacity countries.

At the national level, an increasing number of countries adopted national financial inclusion strategies. Governments in particular recognized the virtuous cycle that their own payment interactions with poor households in the informal economy could catalyze: a financial system that reaches all citizens enables more effective and efficient social welfare payments, for example, when those payments are made electronically. At the same time, government deposits into an easily accessible, general purpose account can bring poor families for the first time into the formal finan-

FINANCIAL INCLUSION SUPPORT FROM THE GLOBAL STANDARD-SETTING BODIES

The global standard-setting bodies in financial services have a big influence on how many poor households get access to what range and quality of formal financial services and at what cost. For example, the Financial Action Task Force (FATF)—the body that provides the framework for country-level regulation on anti-money laundering and combating financing of terrorism (AML/CFT)—sets global norms on “know your customer” (KYC) requirements that can decide which cost-lowering business model innovations, such as mobile financial services or service delivery through retail outlets, are viable means of reaching financially excluded households and which are not.

Historically, such global standards and country-level regulation were often developed from a mature market perspective focused on those customers already served and on the traditional formal financial institutions that serve them. This perspective risked perpetuating financial exclusion by missing basic realities of poor

households and the countries in which they reside. Many of the estimated 2.7 billion working age adults globally who are currently financially excluded, for example, cannot prove their identity in the ways allowed under traditional KYC norms.

This year, with strong encouragement from the G-20, FATF broke new ground with its guidance paper “Anti-Money Laundering and Terrorist Financing Measures and Financial Inclusion”—the first instance of a global standard-setting body acknowledging explicitly that financial exclusion is a significant risk. By relegating the underserved majority to the informal world of cash, where money laundering and terrorist financing could go undetected, financial exclusion denies regulators and law enforcement a key means of strengthening financial integrity: the ability to trace the movement of money. FATF’s guidance paper commits to “continue to work to ensure that financial inclusion and AML/CFT objectives do not conflict and to keep financial inclusion issues on its agenda.”

cial system and reduce traditional barriers to access. Recognizing this dual benefit, an increasing number of social payments schemes around the world shifted away from traditional to modern payment methods.

The emerging consensus on the broader benefits of access to financial services

Lastly, progress over the past year also sharpened our understanding of the impact of access to finance. A growing body of empirical evidence shows that access to the right product at the right time helps households build assets, generate income, smooth consumption, and protect them from risks. An inclusive financial system allows for more effective and efficient social policy interventions. And at the macro level, deeper financial intermediation in an economy leads to more growth, and less inequality. Access to financial services is an important element for the success of an economy and the well-being of its citizens.

OUR ROLE AND OUR WORK

CGAP’s members, our partners, and our staff view access to financial services as a responsible market development effort. In such work, public subsidies should focus on two roles: first, to crowd-in the private sector providers and civil society through demonstration effects, since ultimately it is they who will deliver a broad range of services in a financially viable fashion and, second, to provide infrastructure and public goods when they are better placed than private sector and non-governmental bodies to do so.

As a global public good, CGAP aims to generate and share practically relevant knowledge and codify good practices on how to advance access to financial services for the poor. Our work helping the community better understand clients’ needs and

MORE ACCESS, LESS INEQUALITY

Financial development helps economic growth. This macro-level observation is well-established empirically. More varied and more accessible financial services permit larger pools of savings to be channeled with increasing efficiency toward productive investments that result in stronger growth.

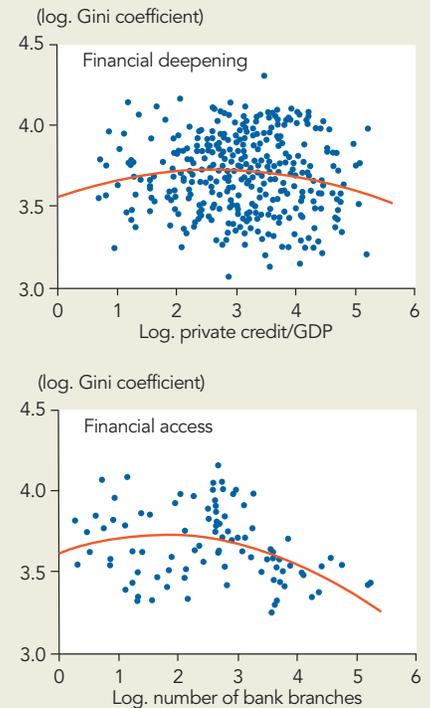
However, there is also an increasing recognition that financial development does not merely grow the economic pie—it also divides it more equally.

By offering better and cheaper services for saving money and making payments, the benefits of financial development extend beyond more productive allocation of capital. This allows households and enterprises to avoid the cost of barter and cash transactions, provide the opportunity to accumulate assets, and smooth income. Financial development should also disproportionately relax the credit constraints on the poor, who generally lack collateral, credit history, and connections.

The International Monetary Fund recently summarized the empirical evidence on the impact of financial development on inequality. Using the Gini coefficient* to measure inequality and private credit and bank branch growth as measures of financial market development, higher income segments seem to initially benefit more from deeper financial intermediation, but as it progresses, poorer segments benefit, too. Notably as access increases (as measured by branch growth), inequality declines sharply (as indicated by the red line in the bottom chart).

Source: S. Jahan and B. McDonald, *A Bigger Slice of a Growing Pie* (Washington, D.C.: IMF), September 2011.

*The Gini coefficient ranges from zero, when all households have the same income, to 100 when one household has all the income.



behaviors is a core input for product and business model innovations that are aimed at reaching more people, with a broader range of products, at lower costs. Our research and advice on best practice policies are helping policy makers create an environment in which financial access for the poor is appropriately supported. Most important, CGAP builds into its work direct and immediate peer learning among its members and partners to ensure we remain collectively at the cutting edge.

This Annual Report describes in more detail the high-impact areas we focused on last year, and the learning we derived from them.

OUR THANKS

Advancing access to financial services for poor people remains an important mission. With an improved understanding of the broad financial services needs of poor households and microenterprises, the task has grown more complex. The imperative and the opportunities to partner with a broader range of stakeholders have grown.

We remain humbled to be part of this critical and growing endeavor. And we are grateful to our partners for their support and confidence in our work. We end the year building on what we have learned and renewed in our commitment to advance access to financial services for the poor.

Tilman Ehrbeck
CGAP CEO



CGAP AND OUR STRATEGY

WHO WE ARE

CGAP is an independent research and policy organization dedicated to expanding access to finance for poor people around the world. CGAP was created in 1995 by a group of leading donors and practitioners with the mandate to develop and share best practices, set standards, and develop technical tools to support the development of the field. Today, CGAP is supported by more than 30 development agencies and private foundations that share a common vision to foster development and alleviate poverty by advancing access to financial services.

OUR VISION

CGAP works toward a world in which poor people are considered valued clients of their country's financial system. In our vision, microfinance will be integrated into mainstream financial systems that serve all the unbanked, including very poor and harder-to-reach clients with ever more high-quality, convenient, and affordable financial services. All actors will be focused on responsible finance, with the well being and needs of clients at the center of strategy and operations. We believe this vision to be attainable within our lifetime.

WHAT WE DO

CGAP's work on financial inclusion focuses on the following priority areas:

- *Developing a better understanding of client demand.* CGAP seeks to deepen understanding of poor people's needs, preferences, and behaviors so that financial markets can offer ever more relevant, valuable, and appropriate financial services, and so that the impact of access to financial services is maximized.
- *Promoting technology and business model innovation.* CGAP works in specific markets to distill global lessons for building efficient financial market infrastructure for poor people to make low-value transactions. CGAP collaborates with providers, policy makers and regulators, donors and investors, and other stakeholders so that technology-enabled business models can significantly lower costs and reach a large number of poor people with a range of financial services.
- *Fostering enabling policy environments.* CGAP works with governments to create a supportive policy environment for ac-

cess to finance—one that balances increased access, financial stability, and protection of poor clients. CGAP advises governments on policies and regulations that affect access to finance, develops policy diagnostics, promotes good practices, and offers training for supervisors and regulators.

- *Improving the effectiveness of funding.* CGAP helps donors and funders use their resources more effectively by promoting standards on good practices, increasing transparency on funding flows, and providing advisory services and training to funder staff.

CGAP'S STRATEGY

CGAP's objective is to help build financial systems that work for the poor by developing local, deposit-driven, financial markets. We aim to ensure that access to finance is fully integrated into mainstream markets, and that financial markets are both equitable—that they benefit poor people at all levels of poverty—and efficient—so that poor people do not pay for inefficiency in systems or institutions.

In June 2007, CGAP's members endorsed CGAP's current five-year strategy (FY2009–FY2013). CGAP's work focuses on three roles that emerge from our comparative advantages as identified from our stakeholders:

- Develop standards and provide advocacy and advisory services around those standards.
- Provide objective, high-quality market intelligence complemented by sector data and analytics.
- Support experimental new approaches, delivery channels, and products designs.

We aim to be an informed, credible, and objective industry organization that advocates for poor people. We are prepared to take on controversial issues and, when necessary, take unpopular positions. Building on our role as a convening platform, we seek to stimulate and facilitate industry debate.

This Annual Report presents CGAP's work in Fiscal Year 2011 (1 July 2010 through 30 June 2011). Our key achievements are described according to the key strategic areas set forth by CGAP's members for FY2009–FY2013, along with a recently added focus area around clients.

DEVELOPING A BETTER UNDERSTANDING OF CLIENT DEMAND

Developing a deeper understanding of poor people and their financial needs is critical if we are to reach the estimated 2.7 billion working age adults globally who do not have access to formal financial services. In FY2011, we dedicated staff to expand our work on clients and products. We are hopeful that co-funding from members will allow us to accelerate this new agenda in FY2012. Our objective is to deepen understanding of poor people's needs and behaviors so that financial markets offer ever more relevant, valuable, and appropriate services, and so that impact of access to financial services is maximized.

Rebalancing the industry's historically supply-driven approach makes sense for both clients and financial service providers. When clients can select from a range of tailored services they will no longer have to make do with products that fail to meet their needs. And the industry will likely see greater impact from access to financial services. It also makes business sense. New insights on clients, if used to serve clients better, will create opportunities for robust and responsible market expansion.

During the year, we engaged with researchers, providers, and funders who share a common conviction that focusing on clients is central to scaling up responsible financial inclusion. Our hope is to help foster a community of practice that works to synthesize knowledge, identify knowledge gaps, and generate new knowledge around clients' needs. CGAP will provide a platform for debate and discussion of ideas. Our learning agenda features three core areas and two cross-cutting issues.

Core Learning Areas

- Client needs and behaviors
- Products, features, and delivery channels
- Impact of financial services

Cross-Cutting Issues

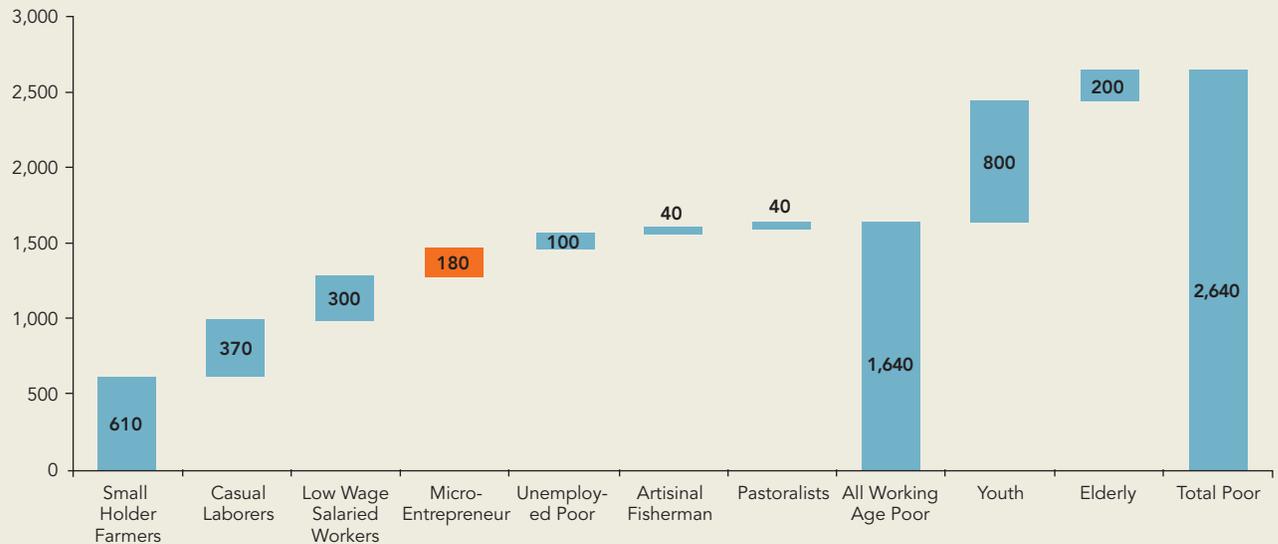
- Methodology—what research methods and industry tools can help us answer what questions about clients?
- Translating consumer insights into action—how can client insights translate into improved products, delivery mechanisms, and policy?

"Great to see CGAP putting attention to this issue. [It] sends an important signal to various stakeholders in the sector."

—Beth Porter, UNCDF



LIVELIHOODS-BASED SEGMENTATION, WORLD POPULATION <US\$2 A DAY



Source: Oliver Wyman, "Sizing and Segmenting Financial Needs of the World's Poor," unpublished paper commissioned by the Bill & Melinda Gates Foundation, 2007.

Meeting Clients' Diverse Financial Needs

More refined and empirical segmentation to understand clients across numerous dimensions is starting to shed light on where potential demand truly lies. For example, a study commissioned by the Bill & Melinda Gates Foundation identified that about 600 million are small-holder farmers. Of the 2.6 billion people living on less than US\$2 a day, about 180 million are microentrepreneurs. And there are 800 million youth living in poverty.

Over FY2011, CGAP focused on learning how to reach two specific segments: the extreme poor and youth. We also laid the foundation for new work on the micro and small business segment. Finally, we explored whether and how branch-less banking solutions could be effective channels for meeting poor and low-income people's needs beyond basic transactions.

Reaching the Extreme Poor. CGAP continued to provide strategic guidance to the CGAP–Ford Foundation Graduation Program, a global effort to understand how safety nets, livelihoods, and microfinance can be sequenced to create pathways for the poorest out of extreme poverty, adapting a methodology developed by BRAC in Bangladesh. We have helped implement 10 graduation pilots in eight countries, in partnership with local organizations. Five pilots have been completed and are scaling up. Impact assessments and/or qualitative research are being implemented.

We made a major push this year on knowledge generation, dissemination, and outreach. CGAP launched a community of practice that has become a vibrant hub



to learn and share information about the graduation model among implementing partners, practitioners, donors, and others interested in learning from or replicating the model. The community of practice's online platform (<http://graduation.cgap.org>) has an active blog and news section, frequently updated information on pilots and research, a library of publications, and a help desk. Another cornerstone of our outreach strategy was a road show to increase awareness about the graduation model among donors, foundations, and international nongovernmental organizations with a strong track record of targeting the extreme poor. The road show involved conversations with more than 15 organizations, including DFID, CONCERN, EC, FAO, GiZ, IFAD, IDB, MicroNed, Oxfam Novib, UNHCR, USAID, WFP, and the World Bank.

In March 2011, we convened the Global Meeting on Reaching the Poorest, where leaders from CARE, DFID, GIZ, CONCERN, Child Fund, Mercy Corps, Freedom from Hunger, and PLAN, among others, joined Graduation Program participants to discuss the challenges and lessons from different approaches to reaching the extreme poor. Specific sessions focused on understanding the lives of the poorest, building on practitioner experience, qualitative research, and early results from quantitative impact studies. Participants also shared programmatic approaches involving strategic alliances with government, healthcare, and other service providers.

All of our knowledge accumulated to date is synthesized in the Focus Note "Reaching the Poorest: Lessons from the Graduation Model."

Serving a Growing Demographic—Youth. Of the 2.6 billion people living under US\$2 a day, 800 million are youth. These youth not only live precarious lives, but they tend to have economic responsibilities fairly early on in their lives. There is increasing evidence that youth have financial lives of their own, and that they need safe places to store and grow their money. CGAP is a member of the YouthSave Consortium, a research project funded by the MasterCard Foundation that is piloting youth savings products in Kenya, Ghana, Colombia, and Nepal. Led by Save the Children, in partnership with CGAP, the Center for Social Development at Washington University, and the New America Foundation, YouthSave seeks to test the social impact of offering youth savings products and the business case for providers offering these products. CGAP's participation in the Consortium is funded in part by the Italian Ministry of Finance.

CGAP takes the lead in studying the business case for youth savings, and we presented at numerous conferences and learning events, and published articles and blogs on youth savings. In FY2011, CGAP conducted assessments of financial institution partners in Kenya, Ghana, Colombia, and Nepal. In addition, the Microfinance Gateway published "Youth and Money: Planting the Seed for Success," a Microfinance Voices article that presented key findings from interviews conducted with youth-focused financial services experts.

Understanding the Needs of Micro and Small Businesses. At our 2010 Annual Meeting, members expressed a strong interest in creating a CGAP Micro, Small, and Medium Enterprise (MSME) Working Group. In FY2011, we laid the foundations for the working group, focusing on research to prioritize the key issues and guide a decision on what specific activities we should undertake. We conducted research on MSMEs, drawing on the McKinsey–International Finance Corporation (IFC) MSME stock-taking report, a desk review on market segmentation, and interviews with 11 financial institutions and eight microfinance investors.

The Working Group agreed on a three-point work plan: (1) improve the understanding of the MSME segment, (2) explore the actual and potential role of MFIs in serving small businesses, and (3) gather more data on cross-border donor and investor support to small enterprises. CGAP is also an active member of the Global Partnership for Financial Inclusion's (GPII) Sub-Group on SME Finance.

FINANCIAL LITERACY AND CAPABILITY

In FY2011 CGAP contributed to the development of a global survey on financial capability and supported an innovative project on entertainment education for finance, with strong interest from the World Bank and the Russia Trust Fund for Financial Literacy and Education.

Global Survey on Financial Capability. CGAP contributed to the development of the World Bank Group's global survey of financial capability at the base of the pyramid, building on the well-regarded U.K. Financial Services Authority survey of financial capability. We tested the survey in Uruguay, with a focus on low-income, marginalized consumers. The Uruguay Government plans to implement the full global survey tool.

Entertainment Education. CGAP and the World Bank undertook a study to explore the potential of using entertainment education for economic and social development, with a focus on financial literacy and capability. We helped conduct research in two major developing country media markets—India and Mexico. The project culminated in a conference in Washington, D.C., attended by more than 150 people, including many leading figures in entertainment education from around the world, with speakers from Brazil, Kenya, Mexico, the Netherlands, South Africa, and the United States. Discussions focused on how to extend the use of these tools and increase the impact they could have on development. Incubated at CGAP, this work is now being taken forward by the World Bank.

IMPACT OF FINANCIAL SERVICES ON CLIENTS

In FY2011 discussions about the impact of microfinance evolved to examine when particular products and designs work, for what segments of people, and why. A new body of knowledge is creating a new narrative around how financial services for the poor really work, and a series of recent studies focus on how the industry can improve on product design. One of CGAP’s contributions to this discussion was to help clarify the range of quantitative and qualitative research methods available for data gathering and analysis to uncover changes in clients’ lives from using financial services. In the CGAP Brief “Measuring Changes in Client Lives through Microfinance: Contributions of Different Approaches” (May 2011), we discussed different research methods, and the pros and cons of various methods for answering different research questions about financial services.

Over the coming years, we expect to see a significant number of studies published that examine various effects of different financial services and products. The Poverty Lab at the Massachusetts Institute of Technology and its partners alone expect to publish more than 50 studies in the next few years, from measuring the impact of microsavings for school fees, to evaluating the social and economic impact of microcredit on individual borrowers and their communities. As part of its expanded client work, CGAP will help collect and synthesize new studies as well as create opportunities for virtual and face-to-face engagement on their results so that we can collectively continue to improve the quality of financial services for poor and low-income people.



IMPLEMENTING THE GRADUATION MODEL IN A CHALLENGING ENVIRONMENT

Macroeconomic shocks, political instability, and civil upheavals exacerbate the many challenges to helping extremely poor people seize opportunities to lift themselves out of poverty.

The graduation pilot in Yemen is tackling these challenges head on. Political turmoil in Yemen has led to rampant inflation, and commodities have doubled in value. Small traders are particularly affected because their stocks are not as marketable as before. A household-level intervention such as the Graduation Model cannot do much to combat inflation. Nonetheless, our partners are helping participants by providing advice on how to sell food or household items in smaller quantities so that they are affordable for their clients. The hike in fuel costs and the increasing violence are also posing a threat to program staff's weekly visits to participants. Pilot implementers are doubling transport allowances and are encouraging staff to stay with participant families in case of unexpected unrest while they are travelling. Finally, faced with a sudden interruption in the government safety net stipend, pilot leaders devised individual strategies for participants raising livestock, allowing them to sell some offspring to smooth their consumption while avoiding the total depletion of their small herds. In parallel, the pilot has secured two additional months of fodder provision, bridging a crucial gap before open grazing becomes possible again.

These adaptations increased the cost of the graduation pilot in Yemen. However, in addition to our commitment to participants in the existing program, changes that are necessitated by circumstance teach us a lot about how to adapt the program to crisis situations.

POLICY MAKERS, PROVIDERS, AND FUNDERS FOCUSED ON ENSURING HEALTHY MARKETS FOR CLIENTS

Policy makers, providers, and funders are concerned about the health of the microfinance sector in the West African Economic Monetary Union (WAEMU). The sector is seeing an increasing number of financial institutions under government receivership; deteriorating loan portfolio of several important microfinance providers; and proliferation of small, unsustainable MFIs. Ultimately, clients will suffer most from this situation.

CGAP is working closely with policy makers and funders on these challenges. We organized our Annual Funder Meeting in West Africa on the health of the sector and outlined specific ideas for what funders can do to help. We also collaborated with BCEAO, the regional central bank, on a two-day seminar in June 2011 that brought together 80 participants representing the banking commission, the supervision units of ministries of finance, promotion units, and national microfinance associations of the eight countries. At the conclusion of the meeting, participants presented a detailed action plan organized around three priorities—improve governance, implement the new law and regulations and make supervision more effective, and improve management information systems and internal controls within MFIs—to the BCEAO acting governor to take forward to the Council of Ministers of Finance for discussion.





PROMOTING TECHNOLOGY AND BUSINESS MODEL INNOVATION

When CGAP began to work on technology-enabled business model innovation to promote financial inclusion more than five years ago there were only a few start-up businesses and little discussion about the potential of this emerging approach. At the time, CGAP's work was largely about supporting innovative business projects and raising awareness with policy makers and regulators to establish enabling environments.

The landscape has quickly changed since then. Over the past few years, industry and governments have begun to embrace branchless banking—the use of technology and agents to provide financial services—as an opportunity to reach people who do not have access to formal financial services. In response, the global environment for technology-enabled business models has quickly evolved and has become a fertile incubator for innovation. According to recent analysis, at the end of 2010 there were 96 active branchless banking businesses worldwide, and 20 of these businesses had more than 1 million customers.¹ In the process, it was becoming evident that an ecosystem approach involving providers, policy makers and regulators, funders and investors, and other stakeholders is necessary for branchless banking to reach scale and work for poor people.

In FY2011 CGAP shifted its focus to researching, assessing, and analyzing country markets holistically, both to influence financial inclusion work in key markets as well as to learn lessons of global relevance. Taking a holistic market approach develops a perspective that encompasses all aspects of policy, business environment, competition, and customer needs and encourages sharing of perspectives and learning among stakeholders in the market. It has also resulted in more effective partnerships at the country level with CGAP members.

CGAP chose to focus on markets that have several characteristics. First, these are markets with a large number of poor and unbanked people. Second, policy makers and regulators in these markets are interested in driving a financial inclusion agenda, are supportive of branchless banking, and are open to learning more and adjusting their approach. Third, there are enough credible and interested businesses, including at least some early stage branchless banking businesses, to allow the market to take off in a relatively short time. And fourth, these focus markets are regionally, if not also globally, influential. The markets CGAP chose to focus on include India, Pakistan, Ghana, South Africa, WAEMU (eight countries), Mexico, and Brazil. Focusing on just seven markets extends the impact of CGAP's resources and helps develop deeper relationships over a sustained period of time.

Learning from and for the global market

The main focus of CGAP's Technology and Business Model Innovation Program, which is co-funded by the Bill & Melinda Gates Foundation, CGAP, and the UK Department for International Development, is to learn from global experience and analyze and distill lessons for a global audience. One example of this is an initiative

1. <http://technology.cgap.org/2011/05/11/the-state-of-the-branchless-banking-sector/>

FACILITATING DIALOGUE ON BRANCHLESS BANKING IN MEXICO

Mexico holds great potential for branchless banking: it has a large population, many large financial providers, and high variance in financial access—from developed world levels in its large cities, to many underserved rural communities. Mexico is also one of a handful of countries with a specific mandate from its government to increase financial access and inclusion.

CGAP's work in Mexico has involved strong coordination between the private sector—both traditional financial institutions and other actors, such as mobile networks and retail chains—and the government to stimulate innovation as well as the development of an enabling environment necessary to help innovative business models succeed. To help address these gaps, CGAP, IFC, and the National Banking Commission convened a seminar in September 2010 in Mexico City for more than 300 leading actors from the public and private sectors. Before the event, CGAP surveyed registered participants asking them to identify the key obstacles and opportunities in the industry. The findings were then presented and discussed at the seminar and formed the basis for identifying potential areas for improvement in regulations as well as business models. Mexico has since improved its regulations with low-income customers in mind, and leading banks, retail chains, mobile network operators, and utility companies are in various stages of launching branchless banking services.

begun in 2010 to survey customers of significant branchless banking businesses to find out more about how they contribute to financial inclusion.

Building a viable network of agents (also known as customer service points) is an essential component of branchless banking but is difficult to do. CGAP undertook an extensive research effort in 2010 to study agent networks in three reference countries—Brazil, India, and Kenya. This work included interviewing 466 agents and 24 providers and network managers and analyzing data on 16,000 agents. The findings were published in the Technical Guide “Agent Management Toolkit” (February 2011). This was followed by delivering workshops in Ghana, India and Pakistan to teach the fundamentals outlined in the Technical Guide.

Business models that can scale up, reach many poor people, and become profitable are becoming more varied and complex as time goes by. So far, however, two branchless banking business model environments dominate. In most of sub-Saharan Africa, mobile network operators drive the business, while in Latin America and South Asia business models center on banks and their efforts to create low-cost channels to reach unbanked customers.

In 2010–2011 CGAP undertook research on both models. Analysis of detailed data from mobile network operators shows that a key element in the business case is how offering financial services can benefit the existing core voice service business by increasing customer loyalty and making it cheaper to sell airtime. One conclusion from this is that scaling up outreach of financial services to large numbers of people while keeping fees low could work well for mobile network operators. In 2010 CGAP partnered with the Inter-American Development Bank on a research project to understand the business case for banks in Latin America where agents have been used for several years. Banks that have networks of agents as well as extensive branch networks and remotely managed automated teller machines have the lowest transaction costs at their agent channel. And there are bottom-line gains, both from decongesting branches and bringing added convenience to customers.



CGAP RESEARCH—DOES BRANCHLESS BANKING REACH THE POOR?

	Pakistan Easypaisa	India Eko	Mali Orange Money
Income levels			
% of customers living below \$2.50/day	41	—	41
% of customers living below \$2.00/day	—	46.4	—
% of customers living below \$1.25/day	5	13.8	6
Access to other financial services			
% of customers previously banked	45	48	40
% of customers accessing formal financial services	62	61	62

- In all cases over two-fifths of customers living on less than US\$2.50 per day.
- In all three services around two-fifths of customers lacked access to any formal financial services and over half did not have a bank account.

However, key challenges remain. One of the most widespread and crippling problems facing branchless banking providers is that of low customer activity. In a 2010 CGAP survey, 64 percent of managers of mobile financial services indicated that less than 30 percent of their registered users are active, and active rates of less than 10 percent are not uncommon. It's easy to simply think of inactive customers as a "customer adoption" problem, leading to tweaks in pricing or higher investment in marketing. However, CGAP has developed a framework that identifies six important levers that need to function properly for a customer to go through the process from awareness of a service to using it regularly. The six levers are product features (including pricing), marketing, the agent network, customer service, the user experience, and the system/network.

In FY2011 CGAP began a project to better understand customer use behavior and the causes of low activity rates based on detailed transactions from several businesses. One early insight from an Asian branchless banking service is that 20 percent of agents are responsible for registering 80 percent of all active customers. Understanding these 20 percent of agents and what sets them apart from the other 80 percent will yield actionable insights to the provider that can help boost activity levels. Another common theme is that a customer's activity in his or her first month after registration is strongly indicative of his or her ongoing activity levels. Even if customers do just one transaction in the first month after registration, they are 2.5 times more likely

"Here in the DRC, promoting financial inclusion is a key pillar of our strategy for post-conflict stability. CGAP's expertise has been central to our ongoing development of an enabling regulatory framework for branchless banking that will provide safe and low-cost financial services to many who have never had them."— Ramazani Mwambo, Central Bank of the Congo

FINANCIAL INCLUSION FOR THE UNBANKED POOR THROUGH GOVERNMENT SOCIAL PAYMENTS

Government-to-person (G2P) payments are a potential mechanism for increasing financial inclusion among poor households by channeling these funds through financially inclusive accounts. The recent fuel, food, and financial crises saw an increase in the use of social safety nets by governments. The World Bank estimates that 43 percent of households in emerging market countries worldwide receive funds from at least one social protection program and that 41 percent of the poorest 20 percent of households receive funds from at least one social protection program.^a

The first step is often shifting from physical cash payments to an electronic payment system via cards (smart or magnetic stripe) or in some cases via mobile phones. Electronic payments have clear benefits for governments and beneficiaries in terms of improved efficiency and convenience. In a few cases, however, there are efforts to go one step further and link electronic payments to financial accounts.

The Ministry of Social Development in Brazil manages the large social transfer program Bolsa Familia, which reaches almost 13 million households. Fifteen percent of recipients are now receiving their payments into mainstream simplified bank accounts offered by the state bank CAIXA. This allows them to maintain a balance, add funds, and access other services linked to the account. However, few recipients are using the accounts for more than simply withdrawing their payments. Research shows that the level of awareness among beneficiaries of the ways the accounts can be used to help meet their financial needs is low. CGAP has a project with CAIXA to research the financial lives of Bolsa Familia beneficiaries to improve communication around existing products, redesign existing products, or even design new products to increase uptake and use by Bolsa Familia beneficiaries.

In Bangladesh, CGAP is working with the South Asia Social Protection Unit of the World Bank to pilot a financially inclusive payment system for the Government of Bangladesh's Employment Generation Program for the Poorest. The pilot will test two electronic payment approaches—one via the Post Office's Postal Cash Card linked to a prepaid account and another via a branchless banking payment provider.

a. Atlas Social Protection, the World Bank. Estimates come from 70 countries around the world and from household surveys; estimated population in these 70 countries is 2.9 billion.

to be active customers six months later than customers who did zero transactions. This data point will influence how providers incentivize both agents and customers to not only register but conduct transactions in the first weeks after registration.

Another key challenge that became more prominent in 2011 was interoperation across different businesses in the same market. CGAP began to frame interoperation issues at customer, agent, and business (platform) levels to help define next steps for working on these issues in key markets.

Creating an Enabling Environment

Over the course of FY2011 CGAP has researched and distilled a number of lessons on branchless banking topics that are particularly challenging for regulators.

The Focus Note "Regulating Nonbank E-Money Issuers" examines how regulators in leading countries have met the challenge of how to protect customer funds in nonbank e-money schemes. There are two main requirements: (i) fund safeguarding (such as liquidity requirements) aimed at ensuring funds are available to meet customer demand for cash-out services and (ii) fund isolation, aimed at ensuring that customer funds are protected from claims by issuer creditors in the event of creditor bankruptcy or other events. This publication was used by regulators in the Democratic Republic of the Congo (DRC), Burundi, and Sri Lanka to help draft their regulations.



“Regulating Banking Agents” reviews global experience with the use of agents. This Focus Note concludes that regulators can safely permit the use of bank agents to offer financial services and verify customer identity with minimal restrictions on agent eligibility, compensation, and structuring provided that regulators hold banks liable for the provision of financial services by their agents.

“Protecting Branchless Banking Consumers” concludes that (i) holding financial service providers liable for their agents and (ii) clarifying which authorities oversee the market conduct of all players involved in branchless banking are two important elements of effective regulation and supervision.

Risk-based approaches to customer identification that can expand financial inclusion opportunities for low-income customers were widely discussed in FY2011. CGAP worked closely with regulators to overcome customer identification hurdles and promote financial inclusion by taking advantage of the flexibility inherent in FATF’s standards. Mexico adopted a tiered structure of accounts in early 2011, and CGAP worked with the State Bank of Pakistan (SBP), including linking it with the Mexico regulator, to simplify and recalibrate the customer identification process SBP first put in place in 2008. In June 2011 SBP adopted a tiered structure of accounts as well as increasing transaction limits, making it easier for low-income customers to sign up for accounts.



SOCIAL MEDIA AT CGAP

With more than 100 million active users of Twitter and over 700 million Facebook users around the world today, social media offer opportunities to reach new audiences, and engage existing audiences in new ways.

The pace of growth of these new channels is extraordinary. Twitter reached around 100 million tweets per day in January 2011. By June, that number had reached 200 million tweets a day. And as new technologies develop, the pace of change only accelerates.

These developments are relevant not only for the developed world. More than two-thirds of the world's nearly 5 billion mobile phone owners live in developing countries. And by the end of 2012 mobile devices will have overtaken all other means of accessing the Internet.

For CGAP FY2011 was a watershed year in our approach to social media. Over the course of the year we glimpsed what success could look like when we drive and manage a social media strategy. Since introducing a new editorial approach on the CGAP Microfinance Blog, traffic soared as the blog became a forum for the presentation of new ideas, data, and discussion on timely issues. The blog became a platform to engage on emerging issues such as the situation in Andhra Pradesh, the SKS IPO, and also fundamental issues such as savings mobilization, interest rates, and commercial approaches to microfinance. Significantly increased traffic and comments on the blog confirmed that users look to CGAP to provide commentary and guidance as events unfold. Users value evidence-based argument and values-driven commentary on key issues, and expect CGAP to offer insights into the latest developments in financial inclusion around the world. On Twitter we gained over 2,000 new followers, and CGAP was retweeted on average about 15 times a day. The number of members in the CGAP LinkedIn group doubled.

In October 2011 Melinda Gates launched on Twitter, asking "Why Twitter? Why Now?" By then the question was surely rhetorical. Earlier in the spring in Tahrir Square and across the Arab world we'd witnessed the power of social media as activists harnessed Facebook and Twitter as tools to empower change.

The same month first lady Michelle Obama sent her first tweet. Of course her husband had already blazed a trail, becoming the first American president to win office with an effective social media strategy that raised over \$600 million in campaign contributions, and activated voters and citizens, changing the dynamics of political campaigns, and potentially politics, forever.

The coming year will see CGAP using social media more and more as an integral part of our communications as we explore not only the most effective use of these tools to expand CGAP's voice, but how to expand our engagement through staff in their particular areas of expertise. For all of us working on financial inclusion, social media will no longer just be part of a formal communications strategy, but increasingly part of how we engage with the world.

The redesigned CGAP Web site planned for FY2013 will integrate social media as a core part of the site. Within a very short period of time we will look back on the social media numbers cited here as a quaint reminiscence of a time when social media was an add-on, rather than an integral part of everyday life for everyone, everywhere.



FOSTERING ENABLING POLICY ENVIRONMENTS

FY2011 marked significant milestones in global recognition of the importance of financial inclusion, not only for the households and individuals gaining access, but also as a key component for economic and social development. There is growing awareness among policy makers of the many ways that financial inclusion can benefit their countries and citizens. This includes new evidence on the correlations between financial inclusion and economic growth, the potential role of new financial delivery channels to improve programs such as G2P payments, and the power of access to appropriate financial products to smooth consumption and mitigate risks for low-income households.

The increasing leadership of policy makers in countries with large underserved populations has helped to encourage—and has been encouraged by—broad engagement from international bodies and global advocates. Thanks to these financial inclusion champions, the concept of financial inclusion policy as a fundamental development principle gained ever greater acceptance during the year, and CGAP played a prominent role.

Perhaps the biggest headline in financial inclusion policy this year was the decision by G-20 leaders to launch the Global Partnership for Financial Inclusion (GPII), of which CGAP serves as a key Implementing Partner (alongside AFI and IFC). GPII will serve as “an inclusive platform for G-20 countries, non-G-20 countries, and relevant stakeholders” to implement the G-20’s multi-year Financial Inclusion Action Plan. The naming of the UN Secretary General’s Special Advocate for Inclusive Finance, Her Royal Highness Princess Máxima of the Netherlands, as GPII’s Honorary Patron strengthened the synergy between the United Nations and the G-20 nations on promoting universal access to financial services, and further underscored the global nature of the commitment to financial inclusion among governments and policy makers.

These developments bore immediate fruit. Joint outreach by the UN Special Advocate and the G-20 to the five global standard-setting bodies most relevant to financial inclusion (the Basel Committee on Banking Supervision, FATF, the Committee on Payment and Settlement Systems, the International Association of Deposit Insurers, and the International Association of Insurance Supervisors [IAIS]) has helped solidify their commitment to incorporating access to financial services for the world’s poor in their normative standards and advisory guidance to country-level policy makers, regulators, and supervisors.

“The global standard-setting bodies have an important role to play in recognizing the complementarities among responsible financial inclusion, financial integrity, financial consumer protection, and financial stability. Their openness to collaboration with CGAP and the GPII’s other Implementing Partners and stakeholders offers great promise for closing the financial access gap.”

—Dr. Yongbeom Kim, Co-Chair, G-20’s Global Partnership for Financial Inclusion

Together, the normative standards and advisory guidance of these five bodies provide the basic frameworks for country-level regulation and supervision of formal financial institutions and the services they provide. In 2005 IAIS became the first standard setter to establish a formal mechanism to consider financial inclusion issues, in cooperation with CGAP, CGAP members, and an increasingly broad array of stakeholders interested in inclusive insurance markets. Since then, IAIS's broad membership of more than 140 countries has supported IAIS in making financial inclusion an ongoing priority. This includes extensive research, publication of issues papers, the development of guidance, and even the revision of the Insurance Core Principles to address important topics for more inclusive insurance markets, such as extending conventional insurance to reach excluded customers, and bringing existing informal providers of insurance products into compliance with the Insurance Core Principles and ultimately under supervision.

The efforts of IAIS demonstrate how the standard-setting bodies can help enable financial inclusion. Inspired by the G-20's call for relevant international standard-setting bodies to consider how they can further contribute to encouraging financial inclusion, consistent with their respective mandates, all five standard-setting bodies took concrete steps on financial inclusion during the year, and CGAP collaborated on many of these steps.

Consumer Protection for Low-Income and Inexperienced Consumers Takes Center Stage

In embracing financial inclusion last year, G-20 leaders and other global actors carefully underscored the importance of pursuing the goal of closing the financial access gap responsibly—with due attention to market conduct and effective financial consumer protection regulation and oversight. This emphasis coincided not only with a general increase in interest in financial consumer protection in the wake of the global financial crisis, but also with troubling developments in some microcredit

A “WIN-WIN” FOR FINANCIAL INCLUSION AND PREVENTION OF FINANCIAL CRIME

Inappropriate implementation of FATF standards on AML/CFT can have the unintended consequence of excluding millions of low-income people from formal financial services, relegating the underserved majority to the informal world of cash, undermining social and economic advancements, and denying regulators and law enforcement key tools. FATF's groundbreaking guidance paper “Anti-Money Laundering and Terrorist Financial Measures and Financial Inclusion,” which CGAP participated in developing during the year, presented examples of how FATF standards can be interpreted to support financial inclusion while simultaneously mitigating the risk of financial crime.

CGAP also provided commentary on a FATF Guidance Paper on financial inclusion and worked with the World Bank to compile an inventory of risk-based approaches from around the world to help inform FATF about global financial inclusion efforts.

The Philippines offers one very concrete example. The ability of AML/CFT authorities to track financially inclusive mobile phone-based transfers electronically—transfers that might otherwise have taken place in untraceable cash—permitted authorities to identify suspicious transaction patterns, such as many small payments of equal amounts going to a single e-money account, and led ultimately to the successful prosecution of a consumer fraud case.

markets, notably in Andhra Pradesh, India's most populated state and home to the country's largest and best known MFIs. Here, and in a number of other fast growing microlending markets, delinquency crises in the last year exposed over-indebtedness among some microborrowers, as well as governance weaknesses and irresponsible lending and collection practices among some lenders. All these developments pointed to the need to focus more of our efforts on understanding the needs and behavior of clients, so that product design fits their financial needs and economic realities, and adequate protections are in place to discourage potentially harmful products or practices.

Building on ongoing research, analysis, and engagement with policy makers over the past several years on the specific challenges of protecting customers at the base of the pyramid, CGAP was well-positioned to ensure that the unique characteristics of these market segments were factored into processes such as the Organisation for Economic Co-operation and Development's (OECD's) newly convened Financial Consumer Protection Task Force. This Task Force, along with the Financial Stability Board and other international organizations, was tasked by the G-20 Finance Ministers and Central Bank Governors with developing "common high-level principles" on financial consumer protection.

A key CGAP message—and a guiding principle for all of CGAP's work in financial consumer protection—is the need for deeper understanding of consumer protection issues of low-income consumers, and the products and providers they use. This has led CGAP to focus its consumer protection work on four specific policy objectives:

- *Transparency*—conveying information in a way that is relevant to consumers' lives and decision-making processes
- *Recourse*—providing access for inexperienced or underserved consumers to complaints channels that work for them
- *Fair treatment*—having basic protections against improper practices that extend to



ANDHRA PRADESH—AND MICROFINANCE— IN THE NEWS

The delinquency crisis in Andhra Pradesh garnered considerable attention worldwide. And CGAP stakeholders and others in the industry needed to learn more about the situation. The Microfinance Gateway sifted through the deluge of media coverage and commentary and published "Spotlight: India at a Crossroads," which featured a selection of news articles, opinion pieces, and research papers from August 2010 related to the events in India. The Gateway also published two timely Microfinance Voices related to the situation: "Covering the Coverage: A Reader's Roadmap to the Andhra Pradesh Crisis" (December 2010) and "What Does the SKS IPO Mean for Poor People?" (August 2010).



all consumers, regardless of provider or product type

- *Effective supervision*—providing supervision that is appropriate to new channels, dispersed populations, and limited resources of many supervisors

One approach CGAP uses to better understand how consumer protection differs for low-income consumers is gathering first-hand accounts of their experiences using a variety of consumer research tools. In the past year, CGAP has engaged with policy makers and other partners to amass an evidence base to address these issues effectively—even in lower income countries where regulatory and supervisory capacity are typically limited—drawing on insights from behavioral economics and direct consumer research. In the process, CGAP has brought policy makers into the room with the low-income consumers they seek to protect, to hear customer expe-

“As we anticipate success in our efforts toward financial inclusion and bring more people into the financial system, consumer protection emerges as an issue that requires our timely attention. At the Bangko Sentral, we are working with CGAP toward this end by enhancing our rules on fair dealing, proper disclosure, and transparency.”

—Nestor A. Espenilla, Jr., Deputy Governor, Bangko Sentral ng Pilipinas

USING CONSUMER EXPERIENCE TESTING TO IMPROVE DISCLOSURE AND PRICING TRANSPARENCY IN THE PHILIPPINES

As part of its efforts to improve consumer understanding of costs and key terms of credit products, Bangko Sentral ng Pilipinas, the Philippine central bank, in collaboration with CGAP, conducted a series of focus groups with 123 primarily low-income financial consumers to test proposed new disclosure formats. These consumers had experience with a range of bank and nonbank financial service providers (such as MFIs, cooperatives, and pawn shops) and were from several different geographic regions of the Philippines. The objective was to test consumer comprehension of key terms, understanding of cost, and ability to compare similar products across providers.

The focus groups revealed consumer behavior patterns and preferences. For example, participants preferred not to have costs separated between “finance” and “nonfinance” charges, but instead summed together as total charges and most found it confusing to have both nominal and effective interest rates displayed on disclosure forms, and preferred the latter. The research gave the central bank important information to factor into its policy making on how consumers actually use product information to make financial decisions.

periences in areas such as decision-making, use of recourse and dispute resolution mechanisms, and financial capability.

In Mexico, for example, CGAP convened focus groups to help the financial consumer protection body to understand critical differences in issues faced by low-income consumers.

In Senegal, CGAP led the effort to conduct a national financial consumer protection diagnostic exercise on behalf of the Ministry of Finance, financial sector Observatoire, and Ministry of Women’s Entrepreneurship and Microfinance. This included a national-level survey and focus groups with microfinance clients that were carried out by the Frankfurt School of Finance. This consumer research, combined with analysis of relevant existing regulation and key informant interviews, has led to the identification of key gaps in recourse mechanisms, industry standards, and pricing transparency. The government is using the analysis to inform planned improvements in financial consumer protection regulation, and industry is working on complementary measures to improve market conduct.

Effective consumer protection at the base of the economic pyramid—an indispensable component of responsible market development—will benefit from further such practical research to better understand the financial needs, preferences, and behaviors of financially underserved poor people. Looking to the next year and beyond, we will seek to translate our research and advisory work on specific financial consumer protection topics into broader lessons for national-level governments committed to financial inclusion, as well as informing the global dialogue on the links between inclusion, protection, and stability.



IMPROVING THE EFFECTIVENESS OF FUNDING

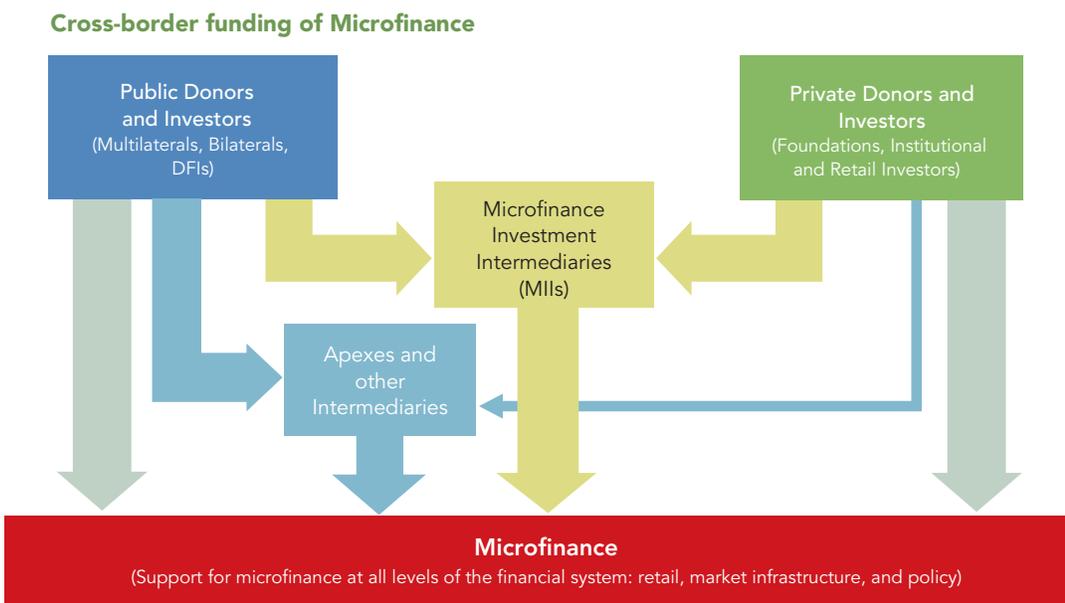
Over FY2011 we continued our work with donors and investors to improve the effectiveness of aid to microfinance and to promote financial inclusion. Cross-border funding has been an important driver of financial inclusion in the past and remains crucial to increase access to high-quality, convenient, and affordable financial services. As an industry, microfinance has succeeded in catalyzing private social investments to contribute to development objectives. CGAP's work with donors and investors aims at ensuring that funding contributes to the development of responsible local financial markets so that public subsidies are used where they can add most value.

High Commitment of Funders to Financial Inclusion

Building on the sustained commitment to transparency by CGAP members and other donors and investors, CGAP gathers data on trends in microfinance funding and publishes analyses that aim to help funders in adapting their strategies to the evolving microfinance funding landscape.

Our research has found that cross-border funding of microfinance increased continuously over the past four years. We estimate that cross-border commitments reached at least US\$24 billion as of December 2010. Whereas total commitments, or the stock of funding, keep growing, the growth rates decreased from an estimated 30 percent in 2008 to an estimated 13 percent in 2010 (CGAP Microfinance Funder Survey 2010, 2011).

These and other trends are analyzed in two complementary Focus Notes on microfinance funding. "Cross-Border Funding of Microfinance" explores who is fund-



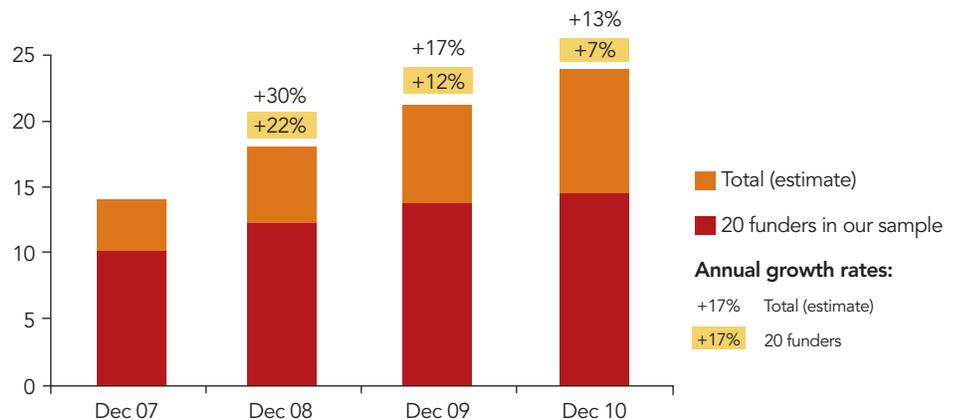
CGAP MIV DISCLOSURE GUIDELINES: A CALL FOR GREATER TRANSPARENCY

About half of total cross-border funding is channeled through financial intermediaries. Microfinance investment intermediaries include a diverse range of organizations, such as specialist microfinance funds or microfinance investment vehicles (MIVs); holding companies of microfinance banks, such as the Germany-based ProCredit; and non-governmental organization funds.

In a challenging and competitive market environment, cross-border investors need to carefully assess the capacity of fund managers, their commitment to social performance, and the quality of their investment processes. Improved disclosure on MIV performance provides investors with a greater level of confidence in the integrity, comparability, and completeness of MIV reporting and a better basis to compare fund performance.

After extensive consultations with microfinance industry leaders, capital market experts, and stakeholders, CGAP published the *MIV Disclosure Guidelines* in October 2010. More than 30 organizations, representing fund managers, rating agencies, banks, investors, and investors' associations, contributed to the document, which provides clear guidance for MIV reporting. The recommended disclosures provide key information on MIVs' profiles, including legal information and investment strategy, as well as selected indicators to assess financial performance and environmental, social, and governance policies. Leading asset managers and information service providers, such as Symbiotics and MicroRate, have already incorporated the MIV Disclosure Guidelines in their reporting platforms.

Cross-border funding commitments to microfinance—US\$million



ing microfinance and sheds light on how the funding is used. The vast majority of funding is still destined to refinance the microfinance portfolios of retail financial service providers. “Foreign Capital Investment in Microfinance” focuses on one subset of cross-border funding—foreign investment in microfinance. It explores the current investor landscape, including the role of development finance institutions (DFIs) and the growing interest of retail investors. It concludes with emerging lessons that responsible investors should consider when investing in microfinance.

Responsible Funding

While cross-border funding has contributed to financial inclusion in many countries, recent crises in several overheated microfinance markets have raised questions about the role of cross-border funding in fueling fast MFI growth. To address these concerns, several industry initiatives are focusing on responsible funding.

OVER-INDEBTEDNESS IN ECA—THE ROLE OF CROSS-BORDER FUNDERS

This past year, the Eastern Europe and Central Asia (ECA) region has continued to feel the effects of the 2008 global economic and financial crisis. For the first time, the aggregate microloan portfolio contracted (by over 12 percent), and MFIs in the ECA region were the least profitable worldwide, with the worst portfolio quality since the inception of the sector in the early to mid-1990s. Many commercial banks withdrew from microfinance due to the poor performance of microloan portfolios.

At the same time, the region received the largest share of cross-border funding for microfinance compared to other regions—over US\$6 billion, or about 29 percent of the global total. Coupled with worsened economic conditions, the abundance of funding and disbursement pressure on MFIs had significant adverse impact on both MFIs and client businesses. In the most saturated microcredit markets in ECA, such as Azerbaijan, Bosnia–Herzegovina, and Kyrgyzstan, the result was increasingly high levels of multiple borrowing and client over-indebtedness.

CGAP and MIX co-published “Eastern Europe and Central Asia Microfinance Analysis and Benchmarking Report 2010,”

which analyzed the over-indebtedness problem in the region. In partnership with the Microfinance Center, Russian Microfinance Center, and the Organization for Economic Cooperation and Development, we highlighted financial consumer protection and financial literacy and capability as key themes of the Fifth Krakow Forum on Policy, Law and Regulation for Inclusive Finance. Finally, we contributed to ongoing investor dialogue on over-indebtedness in ECA in coordination with Deutsche Bank and regional networks.

In Bosnia–Herzegovina, CGAP contributed to the IFC’s Debt Advice Center. The Center provides microfinance borrowers with training on financial literacy and basic debt management and advises them in loan restructuring negotiations with MFIs and banks. The Center is potentially a replicable model for other countries in ECA where over-indebtedness has emerged as a problem. To complement our involvement in this initiative, the Microfinance Gateway partnered with Bosnia’s Center for Financial and Credit Counseling to publish “Escaping the Debt Trap in Bosnia.”

Beyond fostering responsible provision of financial services at the retail level, CGAP works with both private social investors and DFIs to facilitate industry dialogue aimed at making funding more responsible. In January 2011 CGAP co-organized a Responsible Finance Forum together with the Ministry of Foreign Affairs of the Netherlands, Her Royal Highness Princess Máxima of the Netherlands, the German Federal Ministry for Economic Cooperation and Development, and IFC. The Forum focused on how proactive efforts by investors can motivate and reinforce responsible finance initiatives by retail microfinance providers and related networks and associations. It also addressed investors’ responsibility to their investees.

At the Forum, 40 investors signed the Principles for Investors in Inclusive Finance (PIIF). CGAP assisted in the development of these Principles and serves on the PIIF Steering Committee. In addition, CGAP and the Social Performance Task Force facilitated the annual social investor meeting in June 2011 in Den Bosch, the Netherlands, to discuss with investors how to put these principles into practice and how to monitor their implementation.

Funders Continue to Add Value in Advancing Financial Inclusion

While public funders remain committed to financial inclusion, the difficult economic situation in many donor countries means that foreign aid is under increased pressure and agencies face scrutiny to use public money more effectively. At the same time, the landscape of funding has changed in recent years with emerging countries becoming donors and private philanthropists and social investors offering an increasingly important source of funding.



Improving Access to Finance: Toward an Effective Role for Funders

CGAP has been working with its members to clarify the role of funders and to help them make progress in advancing financial inclusion. In FY2011, we organized a workshop with leading financial inclusion experts, aid effectiveness experts, and funders to discuss how funders can effectively support financial inclusion in the evolving development landscape. In light of global aid effectiveness initiatives and the upcoming High Level Meeting on Effectiveness in Busan, Korea, the workshop served as an opportunity to reassess the progress funders have made in improving their effectiveness in financial inclusion. The event highlighted two critical roles for funders in supporting financial inclusion: to invest in demonstration projects and to support public goods. One session allowed different agencies to discuss how they conceptualize, implement, and measure their added value.

SmartAid for Microfinance Index

Over the past nine years, we have worked with our members to improve the effectiveness of funding for microfinance. Our approaches and tools have evolved over time. Today, CGAP uses the SmartAid for Microfinance Index to help funders understand their strengths and weaknesses, measure changes in their effectiveness, and compare their performance with peers. Eighteen donors

and investors² have participated in the SmartAid Index to date, six of which participated in the third round of SmartAid offered in FY2011. Funders who have participated in multiple rounds of SmartAid have all seen significant improvements in their internal systems. One of the common weaknesses across all funding agencies is their accountability systems, and CGAP has focused much of our advisory work over the past year to help funders improve the learning from their projects (portfolio reviews). CGAP also works with funders to address common challenges they face in supporting financial inclusion through training and targeted advisory services.

Developing local financial markets

CGAP and its members share the goal of building efficient and equitable local financial markets that serve the poor with high-quality, convenient, and affordable financial services. We support our members and the broader funder community to identify and address the remaining market development barriers we need to overcome to develop responsible local financial markets that work for poor and low-income clients.

Branchless banking, discussed earlier in this Annual Report, is one approach that has the potential to fundamentally transform the way low-income clients access financial services and reach new client segments with a broader range of products at lower costs. DFIs as well as bilateral and multilateral development agencies have an important role to play in spurring the market and investing in public goods to harness the potential of branchless banking to advance financial inclusion. At a workshop hosted by KfW, CGAP facilitated an exchange among financial sector development specialists and branchless banking experts to distill the lessons learned of public funders in branchless banking. As a result, CGAP published “Emerging Lessons of Public Funders in Branchless Banking” (Focus Note 72), which describes how public funders can support branchless banking by advising policy makers, investing in knowledge for the public good, providing technical assistance, and funding branchless banking operations.

Savings have long been recognized as an important financial service for poor people and an integral part of local financial markets. More recently, concerns about over-lending and over-indebtedness in high-growth microfinance markets, the impact of the economic recession on the poor, and positive evidence from the only randomized impact study on savings have drawn renewed attention to the importance of savings. As a result, more funders are exploring how to support the development of savings services. With input and support from our members and other savings experts, CGAP published *Advancing Savings Services: Resource Guide for*

2. AFD, AECID, AfDB, AsDB, AusAid, CIDA, EC, EIB, IFAD, IFC, ILO, FMO, GIZ, KfW, MIF, SDC, SIDA, UNCDF.

“CGAP is a rich and reliable source of information on major thoughts, guidelines, experience, lessons learned, and prevailing trends of the microfinance industry.”

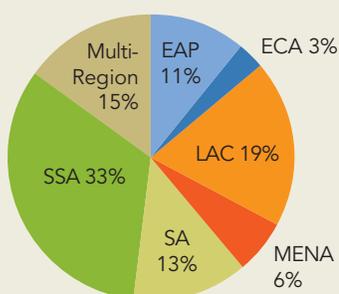
—Qifeng Zhang, Asian Development Bank

CAPACITY BUILDING IN SUB-SAHARAN AFRICA

According to the 2010 CGAP Microfinance Funder Survey, data on cross-border funding from 150 donors and investors show that nearly \$800 million, representing one-third of all global funds for capacity building, are committed to sub-Saharan Africa, the region with the highest unbanked portion of the population.

CGAP has collaborated with many funders on a number of efforts working with African stakeholders to build stronger institutions, expand outreach to harder-to-serve client segments, and improve staff capacity at all levels of the financial system. CGAP and Agence Française de Développement, the French development agency, continue to strengthen the network of training partners in Francophone Africa. The network now has more than 110 certified trainers, and it recently added a new course of financial education to its suite of nine courses.

Commitments for Capacity Building by Region (% of total commitments)



CGAP members also designed two new capacity-building facilities during the past year. CGAP advised the African Development Bank, which received funding from the Spanish government to establish the Microfinance Capacity Building Fund. The Fund will focus on increasing transparency and deepening outreach to rural areas.

CGAP is also a peer reviewer for the new World Bank and DFID Skills, Innovation for Micro Banking in Africa program and has helped facilitate inputs from other funders working in sub-Saharan Africa to ensure that lessons learned are integrated and duplication is avoided.

This work in capacity building is aimed at creating demand-driven, performance-oriented programs that are based on a real needs assessment. Mutual accountability and cost-sharing between provider and the recipients of capacity building services are also key components for success.

Funders to help guide donors and investors who wish to support savings mobilization. This Technical Guide provides guidance on actions related to client demand, institutional supply, intermediation, and regulation and supervision. It also includes advice on how funders can assess their own organizational capacity to support savings mobilization and discusses the most effective use of different funding instruments.

Apexes (or local wholesale facilities) in developing countries pool funding from cross-border funders and national governments and provide loans or grants to MFIs. An estimated US\$1.5 billion per year are disbursed globally to MFIs by local wholesale facilities, and the numbers are growing. While many cross-border funders support apexes, there is little guidance available on what works and what doesn't. As part of an ongoing research project, CGAP set up a donor working group to explore the role of apexes in building local financial markets and lessons learned for funders. The research, which included a survey completed by 23 apexes and in-depth case studies of six apexes in Afghanistan, Bangladesh, Colombia, Egypt, India, and Mali, found that many apexes have indeed contributed to the growth of sustainable MFIs. Success depends above all on good governance as well as an apex's ability to adapt to a changing funding landscape and the maturity of the microfinance industry. In May 2011, key funders of apexes participated in a one-day workshop and provided comments on the initial findings of the research. A publication primarily designed for funders, which draws out the main lessons in supporting apexes, is forthcoming.

CGAP'S MICROFINANCE GATEWAY REACHES A MILESTONE

The Microfinance Gateway celebrated its 10th anniversary in 2010. It has grown and evolved over the years along with the thousands of microfinance stakeholders who call it home. Using the convening power of the Web, the Gateway has become the go-to site for those who advocate for and influence financial inclusion. With a multi-lingual library of over 12,000 publications on financial inclusion, the Gateway is a central information hub as well as a welcoming place where users can learn from the industry's diverse voices, perspectives, and interests.

In FY2011, the Gateway family of sites (in English, French, Arabic, and Spanish) averaged over 93,000 visits per month with visitors coming from over 150 countries; averaged over 67,000 unique visitors per month; and had total page views of more than 4.5 million across all the sites.

In FY2011 the Gateway published original articles on social performance, youth savings programs, post-disaster microfinance, the SKS IPO, and saving services in rural sub-Saharan Africa. And, in response to the Arab spring, the Arabic Gateway collected and compiled data from MFIs in Yemen, Tunisia, and Egypt about how the latest revolutions and political uprisings affected the regional microfinance sector. In this fast-paced and ever-changing environment, the Gateway continues to have an important and relevant place in the industry.



GOVERNANCE STRUCTURE

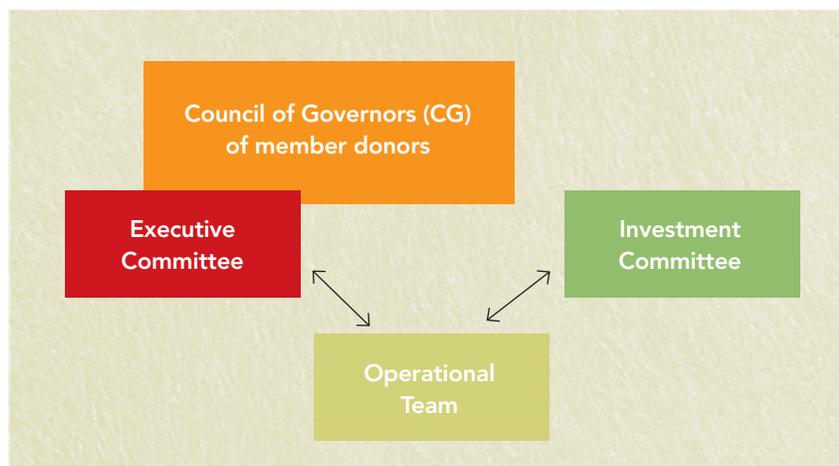
CGAP has an autonomous governance structure that consists of the Council of Governors (CG) of member donors, the Executive Committee (Excom), and the Investment Committee (IC). Housed within the Financial and Private Sector Development Vice Presidency of the World Bank Group, the Operational Team implements CGAP's activities.

The CG is CGAP's highest governing body and operates as a general assembly. It is responsible for setting CGAP's broad policies and strategic direction, providing inputs to the annual work plan and budget, adopting and implementing CGAP's consensus documents and guidelines, and determining the extension or disbandment of CGAP. The CG currently has 33 members; these include bilateral and multilateral development agencies, regional development banks, development finance institutions, and private foundations.

The Excom functions as CGAP's board and executive governing body. It has oversight of CGAP's activities and is responsible for providing strategic guidance to the Operational Team and approving the workplan and budget on behalf of the CG. The Excom is composed of representatives of the CG and leading microfinance industry practitioners.

The IC provides fiduciary oversight of CGAP. It makes decisions on key CGAP investment allocations and allocations for projects with budgets of more than US\$100,000. The IC meets several times a year and consists of senior-level World Bank Group managers.

The Operational Team, headed by CGAP's chief executive officer, is responsible for implementing CGAP's activities and programs. CGAP has offices in Washington, D.C., and Paris, France.





MEMBER DONORS FY2011

African Development Bank (AfDB)

Representative: Rafael Jabba
BP. 323 1002
Tunis Belvédère
Tunisia
www.afdb.org

Agence Française de Développement (AFD)

Representatives: Aude Flogny-Catrisse and Philippe Serres
5, rue Roland Barthes
75598 Paris Cedex 12
France
www.afd.fr

Agencia Española de Cooperación Internacional para el Desarrollo (AECID)

Representatives: Jose Monedero and Manuel Cadarso Galarraga
Avenida de los Reyes Catolicos, 4
28040 Madrid
Spain
www.aecid.es

Asian Development Bank (AsDB)

Representatives: Noritaka Akamatsu and Qifeng Zhang
6 ADB Ave., Mandaluyong City 1550
Manila
The Philippines
www.adb.org

Australian Agency for International Development (AusAid)

Representatives: Bob Quiggin, Alopi Latukefu, Robert Tulip, and Ruth Goodwin-Groen
GPO Box 887
Canberra ACT 2601
Australia
www.ausaid.gov.au

Bill & Melinda Gates Foundation

Representatives: Robert Christen, Rodger Voorhies, Ignacio Mas, and Daniel Radcliffe
P.O. Box 23350
(1555 Eastlake Ave. East)
Seattle, WA 98102
USA
www.gatesfoundation.org

Canadian International Development Agency (CIDA)

Representatives: Paul Samson and Joanna Richardson
200 Promenade du Portage
Gatineau (Quebec), K1A 0G4
Canada
www.acdi-cida.gc.ca

Citi Foundation

Representatives: Pamela P. Flaherty, Brandee McHale, and Graham MacMillan
399 Park Ave., 3rd floor
New York, NY 10022
USA
www.citi.com

The Ford Foundation

Representative: Frank DeGiovanni
320 East 43rd St.
New York, NY 10017
USA
www.fordfoundation.com

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

Representatives: Karen Losse and Wolfgang Buecker
Postfach 5180
65760 Eschborn
Germany
www.gtz.de

German Federal Ministry for Economic Cooperation and Development (BMZ)

Representatives: Susanne Dorasil and Stefanie Reiher
Adenauerallee 139-141
53113 Bonn
Germany
www.bmz.bund.de

European Bank for Reconstruction and Development (EBRD)

Representatives: Henry Russell and Alfonso Vega Acosta
One Exchange Sq.
London EC2A 2JN
United Kingdom
www.ebrd.com

European Commission (EC)

Representatives: Stefaan Pauwels and Michele Chiappini
Rue de la Loi 41
1049 Brussels
Belgium
www.ec.europa.eu

European Investment Bank (EIB)

Representatives: Edvardas Bumsteinas and Perrine Pouget
100 Boulevard Konrad Adenauer
2950 Luxembourg
Luxembourg
www.eib.org



Inter-American Development Bank (IDB)/ Multilateral Investment Fund (MIF)

Representatives: Tomas Miller, Nancy Lee, Sandra H. Darville, and Sergio Navajas
1300 New York Ave., NW
Washington, DC 20577
USA
www.iadb.org

International Finance Corporation (IFC)

Representatives: Martin Holtmann and Peer Stein
2121 Pennsylvania Ave., NW
Washington, DC 20433
USA
www.ifc.org

International Fund for Agricultural Development (IFAD)

Representatives: Michael Hamp, Francesco Rispoli, and Jamie Anderson
Via Paolo di Dono, 44
00142 Rome
Italy
www.ifad.org

International Labour Organization (ILO)

Representative: Craig Churchill
4, route des Morillons
1211 Geneva 22
Switzerland
www.ilo.org

Japan International Cooperation Agency (JICA)

Representatives: Kazuto Tsuji, Makoto Iwase, and Shinichiro Yoshida
3F Nibancho Center Building, 5-25
Niban-cho Chiyoda-ku
Tokyo 102-8012
Japan
www.jica.go.jp

Kreditanstalt für Wiederaufbau (KfW)

Representative: Matthias Adler
Palmengartenstr. 5-9
60325 Frankfurt am Main
Germany
www.kfw.de

Luxembourg Ministry of Finance

Representative: Anouk Agnès
3, rue de la Congrégation
2931 Luxembourg
Luxembourg
www.fi.etat.lu

Luxembourg Ministry of Foreign Affairs

Representative: Daniel Feypel
6, rue de la Congrégation
2931 Luxembourg
Luxembourg
www.mae.etat.lu

The Mastercard Foundation

Representatives: Reeta Roy and Ann J. Miles
2 St. Clair Ave. East, Suite 301
Toronto, Ontario M4T 2T5
Canada
www.themastercardfoundation.org

Michael and Susan Dell Foundation

Representative: Geeta Dutta Goel
E6, Qutab Hotel (Clarion Group), Shaheed Jeet Singh Marg
New Delhi
India
www.msdf.org

Ministry of Foreign Affairs, Italy

Representatives: Mauro Massoni and Nicola Pisani
Pizzale della Farnesina 1
00194 Rome
Italy
www.esteri.it

Ministry for Foreign Affairs, Finland

Representative: Mika Vehnämäki
P.O. Box 513
FIN-00161 Helsinki
Finland
www.formin.fi

The Netherlands Ministry of Foreign Affairs

Representative: Hans van der Veen
Bezuidenhoutseweg 67
P.O. Box 20061
2500 EB The Hague
The Netherlands
www.minbuza.nl

The Netherlands Platform for Microfinance (NPM)

Representative: A. J. Engelsman
P.O. Box 55
3700 AB Zeist
The Netherlands
www.microfinance.nl

The Netherlands Development Finance Company (FMO)

Representatives: Henk Nijland and Maurice A.M. Scheepens
P.O. Box 93060
2509 AB The Hague
The Netherlands
www.fmo.nl

Norwegian Agency for Development Cooperation (NORAD)

Representatives: Christian Fougner and Anniken Esbensen
Ruselokkveien 26
PB 8034 DEP
0032 Oslo
Norway
www.norad.no

Norwegian Ministry of Foreign Affairs

Representative: Havard Hugas
P.O. Box 8114 DEP
0032 Oslo
Norway
www.mfa.no

Omidyar Network

Representatives: Arjuna Costa and Amy Klement
Omidyar Network
1991 Broadway, Ste. 200
Redwood City, CA 94063
USA
www.omidyar.com

Royal Danish Ministry of Foreign Affairs

Representative: Jorn Olesen
Asiatisk Plads 2
1441 Copenhagen K
Denmark
www.um.dk

Swedish International Development Cooperation

Agency (Sida)

Representative: Ebba Aurell
Valhallavagen 199
105 25 Stockholm
Sweden
www.sida.se

Swiss Agency for Development and Cooperation (SDC)

Representative: Johann-Friedrich (Hans) Ramm
Freiburgstrasse 130
3003 Berne
Switzerland
www.deza.admin.ch

UK Department for International Development (DFID)

Representatives: Anuradha Bajaj, Haroon Sharif, and Claire Innes
1 Palace St.
London SW1E 5HE
United Kingdom
www.dfid.gov.uk

**United Nations Capital Development Fund (UNCDF) /
United Nations Development Program (UNDP)**

Representatives: Henri Dommel and John Tucker
Two UN Plaza, 26th Floor
New York, NY 10017
USA
www.undp.org

United States Agency for International Development (USAID)

Representatives: Shari Berenbach and Carissa Page
1300 Pennsylvania Ave., NW
Washington, DC 20523
USA
www.usaid.gov

World Bank

Representatives: Janamitra Devan and Simon Bell
The World Bank
1818 H St., NW
Washington, DC 20433
USA
www.worldbank.org

EXECUTIVE COMMITTEE MEMBERS

Vijay Mahajan, Chair

Chairman
BASIX
III Floor, Surabhi Arcade
Bank St., Koti
Hyderabad, 500001
Andhra Pradesh
India

Fouad Abdelmoumni

41, rue Oued Ziz, Agdal
10.090 Rabat
Morocco

Matthias Adler

Principal Financial Sector Economist
Kreditanstalt für Wiederaufbau (KfW)
Palmengartenstr. 5-9
60325 Frankfurt am Main
Germany

Robert Annibale

Global Director of Citi Microfinance
Citigroup Microfinance Group, UK
Citigroup Centre Canada Sq.
London E14 5LB
United Kingdom

Renée Chao Béroff

Centre International de Développement et
de Recherche (CIDR)
17 rue de l'Hermitage
60350 Autrèches
France

Robert Christen

Director, Financial Services for the Poor
Bill & Melinda Gates Foundation
P.O. Box 23350
(1555 Eastlake Avenue East)
Seattle, WA 98102
USA

Tilman Ehrbeck, *ex-officio*

CEO
CGAP
c/o World Bank
1818 H St., NW
Room P3-121
Washington, DC 20433
USA

Renate Kloepfinger-Todd

Rural Finance Adviser
The World Bank
Room MC-5-767
1818 H St., NW
Washington, DC 20433
USA

Karen Losse

Economic Development and Employment
Senior Advisor
Financial Systems Development
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
Postfach 5180
65760 Eschborn
Germany

Haroon Sharif

Senior Adviser (Private Sector Development)
UK Department for International Development (DFID)
British High Commission, Diplomatic Enclave
Islamabad
Pakistan

INVESTMENT COMMITTEE MEMBERS**Janamitra Devan, *Chair***

Vice President, Financial and Private Sector Development
The World Bank
2121 Pennsylvania Ave., NW, Room F4P-210
Washington, DC 20433
USA

Junaid Kamal Ahmad

Sector Manager
The World Bank
1818 H St., NW, Room J7-119
Washington, DC 20433
USA

Simon Bell

Sector Manager
The World Bank
1818 H St., NW, Room H9-215
Washington, DC 20433
USA

Deepak Bhattasali, *Vice Chair*

Lead Economist
The World Bank
1818 H St., NW, Room MC10-257
Washington, DC 20433
USA

Gerard Byam

Director
The World Bank
1818 H St., NW, Room H12-101
Washington, DC 20433
USA

Tomas Miller

Unit Chief/Access to Finance
Multilateral Investment Fund (MIF)
Inter-American Development Bank (IDB)
1300 New York Ave., N.W.
Washington, DC 20577
USA

David Satola

Senior Counsel
The World Bank
1818 H St., NW, Room MC6-427
Washington, DC 20433
USA

James Peter Scriven

Director
IFC
2121 Pennsylvania Ave., NW, Room F10K-252
Washington, DC 20433
USA

Antony Thompson

Sector Manager
The World Bank
1818 H St., NW, Room G8-129
Washington, DC 20433
USA

Robert Annibale (*Representing CGAP Executive Committee*)

Global Director of Citi Microfinance
Citigroup
Citigroup Centre, Canada Sq., Canary Wharf
E14 5LB London
United Kingdom

CGAP FINANCIAL STATEMENTS

Draft Notes on CGAP Financial Statements

Projections for Fiscal Year 2011, ending on 30 June 2011

CGAP is a trust-funded consortium of 33 members with a mandate of advancing access to financial services to the world's poor. It is housed in the World Bank, which, on behalf of other member donors, has legal, financial, and administrative oversight of CGAP. CGAP's grants, projects, and most of its initiatives span more than one fiscal year. CGAP follows the World Bank's fiscal year, which ends on 30 June.

These financial statements include a Statement of Revenues and Expenses, a Balance Sheet, a Statement of Cash Flows, and accompanying notes. The Financial Statements are unaudited. Internal audits are performed by World Bank Group Quality Assurance. CGAP also participates in the World Bank Group's single audit exercise annually.

Key Highlights

- *Donor Contributions.* CGAP members continued to demonstrate their commitment to CGAP's five-year strategy through sustained core funding. Total revenue in FY2011 was \$19.4 million, of which \$13 million were for core contributions. Core contributions have remained steady from FY2009 to FY2011. Designated contributions were mainly for the Technology Initiative Phase II.
- *Grant Commitments.* In FY2011, CGAP committed \$0.8 million in new grants and initiatives and allocated \$1 million of a \$3 million core contribution to the Technology and Business Innovations work. The initiatives approved by the Investment Committee in December 2010 included \$706K for the Microfinance Gateway Phase IV, \$60K for the Microfinance Banana Skins Report 2010, and \$55K for a Financial Capability Assessment for Uruguay.
- *Operating Expenses.* Operating expenses in FY2011 were at \$11.4 million, slightly decreased from \$11.6 million in FY2010. While there were efficiency gains in operating expenses in FY2011, these were mostly offset by unmaterialized contributions and some increases in staff cost. Increases in staff costs were attributable to transitioning two staff from consulting contracts to term positions, plus costs associated with filling existing positions (budget officer and new CEO), staff promotions, and marginal salary increases. In FY2011, however, there were no new net hires.
- *Communications.* CGAP's communications commitments include publications, mailings, translations, and dissemination by regional and national networks. Commitments for communications activities decreased from \$1.4 million in FY2010 to \$896K in FY2011. Disbursements were lower than past years due to the production of fewer hard-copy publications and planned commitments associated with CGAP.org. CGAP will continue to make investments in its communications infrastructure as this is the primary vehicle for knowledge exchange.

- *Information Technology (IT)*. Having a solid information technology infrastructure in place has become ever more critical as CGAP's internal and external knowledge management, knowledge products, and communications become more complex and dynamic. In FY2011, IT activities went from \$1.3 million in FY2010 to \$1.1 million. This cost savings was primarily associated with a delayed investment in a new IT platform. These costs will be absorbed in the following fiscal year.

1. Financial Position

CGAP's financial position is sound. Operating reserves have increased from \$6.6 million in FY2010 to \$7 million in FY2011. The CGAP Management Team committed to demonstrating efficiency gains by implementing several cost-saving policies. This included a policy of "no new net hires," a tightened travel policy of mostly economy flights, and streamlined other costs through programmatic alignment across teams. Each of these actions contributed to a \$372K surplus of revenue over expenses.

2. Basis of Accounting

CGAP changed its financial reporting from cash-based to accrual-based in 2003. This gives the reader a more accurate understanding of CGAP's financial position by showing funds approved for commitments separately from funds available for ongoing operations and future commitments. Resources are expensed when committed to projects.

Revenue from donor pledges is recognized when written notification of a donor's intent to process the grant is received. In most cases, pledges are fulfilled during the fiscal year in which they were made. Sometimes they are received in the following year(s).

These (unaudited) financial statements are prepared on a historical cost convention, and are denominated in U.S. dollars.

3. Contributions from Donors—Core and Designated

Donor contributions (including pledges that have not yet been received but are being processed by the donor), interest income, and foreign exchange gains are included in CGAP's revenues. Per CGAP's charter, all members are expected to contribute core funding to carry out CGAP's operations. Once donors have made core (unrestricted) contributions, they can make in exceptional cases a contribution limited to a specific purpose (designated). Amounts of donor contributions to CGAP's core funds can be found in the table on CGAP Member Donor Contributions and Pledges, FY2009–2013.

The Statement of Revenues and Expenses shows donor contributions allocated for FY2009–2012. The Statement of Cash Flows/Inflows, on the other hand, shows all donor contributions received during the fiscal year regardless of the fiscal year to which they relate.

4. Interest Income, Foreign Exchange Gains, and Adjustment

Interest income is the interest received during the fiscal year on cash balances held. Foreign exchange gains are the difference between the estimated U.S. dollar equivalent of donor contributions appearing in previous year's financial statements and the actual U.S. dollar value of the contribution when it was finally converted to U.S. dollars. Interest income in FY2011 is expected to be \$0.3 million compared to \$0.4 million in FY2010.

4. Grants and Initiatives

This expense category relates to CGAP's work program, which is carried out through grants to microfinance institutions and networks, as well as initiatives focused on policy issues, financial and social transparency, donors/investors, branchless banking and technology, and other multi-component projects managed by CGAP staff. Project-related commitments for consultants and travel come out of this category. Approved commitments that are not fully disbursed when they are closed are returned to the original trust fund where the commitments were derived. Commitment amounts are therefore reported net of returns.

5. Operating Expenses. Operating expenses are comprised of the following:

- Staff Salaries and Benefits include salaries and benefits of direct-hire CGAP staff.
- Office and Occupancy Costs include space, equipment, communications, supplies, and other overhead expenses.
- Monitoring and Evaluation include costs of consultants, travel, and meetings related to the external evaluation of CGAP initiatives.
- CGAP Internships include the costs of associate microfinance analysts and the summer fellows program.
- CGAP Representation, Member Services, and Training include costs that are not related to grants and initiatives (airfare, subsistence and hotel costs to give presentations, participate in external events, fund presenters, corporate consultants, trainers of CGAP staff, CGAP-hosted meetings, and brown bag events.)
- Communications Activities include publishing, printing, editing, and all Web site costs including Microfinance Gateway and CGAP.org, etc.
- Information Technology Activities include Web site development and maintenance, CGAP's intranet services, and back-end database support for project data, monitoring and evaluation, and market intelligence.
- CG and Excom Meetings include travel, facilities, food services, and other expenses connected with CGAP's annual meeting and Excom meetings.
- Foreign exchange loss is the difference between the estimated U.S. dollar equivalent of donor contributions appearing in previous year's financial statements and the actual U.S. dollar value of the contribution when it was finally converted to U.S. dollars.
- Returned donor contributions refers to donor contributions included in the previous year's financial statements but later cancelled or returned due to donor request.
- Administration fees are levied by the World Bank for costs related to trust fund administration (currently at 5 percent of contribution).

6. Operating Reserves

Reserves are funds available for ongoing operations and future commitments. Given that CGAP is not a self-standing, permanent entity, an operating reserve is maintained to cushion the effects of delays in donor contributions and to allow an orderly wind-down of CGAP activities should member donors decide to discontinue CGAP's operations in its present form.



7. Bank Balances

Bank balances on hand represent CGAP's available cash balances at the end of the fiscal year. In FY2010, this amount was \$4.1 million. In FY2011, this amount was \$5.6 million.

Bank balances relating to undisbursed grants/initiatives represent approved commitments that are in the process of being disbursed and hence not available for new commitments. In FY2010, bank balances for undisbursed grants/initiatives were \$23.1 million, and are expected to be about \$16.2 million in FY2011. The balances comprised of outstanding grant disbursements related to the Technology Initiative and to new initiatives committed in FY2010, which start disbursing in FY2011.

8. Donor Contributions Receivable

Donor contributions receivable represents FY2011 contributions that have not been received. In FY2011, donor contributions receivable was \$2.6 million (13.6 percent of total FY2011 donor contributions). The table below provides additional details.

DONORS (status as of 06/30/11)	ESTIMATED FY11 CONTRIBUTION (US\$000)
Australia	500
African Development Bank	200
France	576
IFAD	500
Japan	300
Spain	395
UNCDF	100
TOTAL	2,571

9. Liabilities

The undisbursed portion of Grants, Initiatives, and Communications Activities represents funding commitments approved not yet disbursed.

10. Contributions Received in Advance

Contributions received in advance represent pledges already received in FY2011 for future fiscal years.

DONORS (status as of 06/30/11)	CONTRIBUTIONS RECEIVED IN ADVANCE (US\$000)
European Commission	575
IFC	600
TOTAL	1,175

CGAP Financial Statements

Fiscal Years Ending 30 June 2010 and 30 June 2011

	FY10 Actual July 2009–June 2010	FY11 Actual July 2010–June 2011
Statement of Revenues and Expenses		
REVENUES		
Contributions from Donors—Core	13,201,645	13,298,399
Contributions from Donors—Designated	6,593,318	5,638,801
Reallocation from prior year commitments		
FPDVP Administrative fee transfer		419,987
Interest Income	442,729	223,680
Foreign exchange gains/Adjustment *	752,429	
Total Revenues (A)	20,990,121	19,580,867
EXPENSES		
Grants/Initiatives Committed	4,405,000	1,818,951
CGAP Technology Initiative	6,383,640	5,338,500
Staff Salaries and Benefits	4,576,586	5,266,237
Office and Occupancy Costs	1,473,351	1,066,620
Monitoring and Evaluation	4,835	28,581
Project Preparation and Rapid Response	196,621	18,054
CGAP Field Consultants	826,181	604,740
CGAP Internships	405,158	68,234
CGAP Staff Travel/Representation and Serv. Providers	853,961	707,483
Communications Activities	1,441,543	896,802
IT Activities	1,348,556	1,066,880
CG and ExCom meetings	227,137	196,066
Foreign Exchange Losses/Adjustment		
Unmaterialized contributions	539,260	1,452,854
Administration Fee	744,393	679,151
Total Expenses (B)	23,426,222	19,209,153
Excess of Revenues over Expenses for the year (A)–(B)	(2,436,101)	371,714
Operating Reserves at beginning of the fiscal year	9,081,212	6,645,111
Operating Reserves at the end of the fiscal year	6,645,111	7,016,825
Balance Sheet		
ASSETS		
Bank Balances on hand	4,072,098	5,621,111
Bank Balances relating to Undisbursed Grants/Initiatives and Communications/IT Activities	23,076,130	16,231,128
Donor Contributions Receivable	3,908,615	2,570,756
Total Assets	31,056,843	24,422,995
LIABILITIES		
Bank Balances relating to Undisbursed Grants/Initiatives and Communications/IT Activities	23,076,130	16,231,128
Contributions Received in Advance	1,335,602	1,175,042
Total Liabilities	24,411,732	17,406,170
Operating Reserves/(Net Assets)	6,645,111	7,016,825
Total Liabilities and Net Assets	31,056,843	24,422,995

	FY10 Actual July 2009–June 2010	FY11 Actual July 2010–June 2011
Statement of Cash Flows		
INFLOWS		
Donor Contributions received	19,107,869	17,858,461
Revenues received from FPDVP and Unused BBEFO		419,987
Interest Income	442,729	223,680
Foreign exchange gains	26,002	
Total Inflows	19,576,600	18,502,128
OUTFLOWS		
Cash spent against previous commitments	4,644,058	4,583,575
Grant Disbursements	1,453,964	1,628,516
Disbursements related to initiatives	3,190,094	2,955,059
Cash spent against current year commitments	1,447,902	900,325
Disbursements related to initiatives	425,100	277,531
Project Preparation and Rapid Response	196,621	18,054
CGAP Field Consultants	826,181	604,740
CGAP/Gates Technology Initiative	7,445,021	6,885,309
Grant Disbursements	4,179,480	2,511,696
Disbursements related to initiatives	3,265,541	4,373,613
Operating expenses	11,614,780	11,428,908
Staff Salaries and Benefits	4,576,586	5,266,237
Office and Occupancy Costs	1,473,351	1,066,620
Monitoring and Evaluation	4,835	28,581
CGAP Internships	405,158	68,234
CGAP Staff Travel/Representation and Service Providers	853,961	707,483
Communications Activities	1,441,543	896,802
IT Activities	1,348,556	1,066,880
CG and ExCom meetings	227,137	196,066
Foreign exchange loss		
Returned donor contribution	539,260	1,452,854
Administration Fee	744,393	679,151
Net increase/(decrease) in undisbursed grants/ initiatives, and communications/IT activities	598,952	(6,845,002)
Total Outflows	25,750,713	16,953,115
NET INCREASE (DECREASE) IN CASH	(6,174,113)	1,549,013
Bank balances on hand at beginning of the fiscal year	10,246,211	4,072,098
Bank balances on hand at end of the fiscal year	4,072,098	5,621,111

* Adjustment for FY2009 retroactive donor contribution.



CGAP Financial Statements

Fiscal Years Ending 30 June 2010 and 30 June 2011

Projected Total Donor Contributions to CGAP Budget—FY2009 to FY2013 in U.S. dollars

Core	FY2010	FY2011	FY2012
World Bank	3,900,000	3,315,000	2,920,000
AFD/France	355,076	355,076	355,076
African Development Bank	0	200,000	200,000
Asian Development Bank	0	0	0
Australia	407,300	900,000	1,000,000
Canada	726,427	0	0
Citi Foundation	100,000	100,000	100,000
Dell Foundation	100,000	100,000	100,000
Denmark	600,437	619,951	600,000
European Bank for Reconstruction and Development	0	0	0
European Commission	575,042	575,042	575,042
European Investment Bank	272,260	232,997	232,997
Finland	361,634	334,200	334,200
Ford Foundation*	0	0	0
Gates Foundation	400,000	400,000	400,000
Germany	311,975	362,250	362,250
MIF/IADB	100,000	150,000	150,000
IFAD	300,000	500,000	500,000
IFC	300,000	300,000	300,000
ILO	0	0	0
Italy **	203,828	202,605	199,840
Japan	300,000	300,000	300,000
Luxembourg	454,455	485,445	485,445
Mastercard Foundation	200,000	499,975	500,000
Netherlands	400,000	400,000	400,000
Norway	776,361	908,975	908,975
Omidyar Network	299,975	300,000	300,000
Spain	394,680	394,680	394,680
Sweden	412,065	461,063	461,063
Switzerland	415,244	455,327	455,327
UNCDF	100,000	100,000	100,000
United Kingdom	334,887	245,813	660,000
United States	100,000	100,000	100,000
Core	13,201,645	13,298,399	13,394,895
Designated***	6,593,318	5,638,801	7,858,733
Total	19,794,963	18,937,200	21,253,628

Contributions with donor pledge are italicized.

Contributions with signed administrative agreement but not yet received are italicized and bolded.

Contributions received are bolded (and not italicized).

Contributions in "red" are assumed pledge based on historical trend.

* Ford: Unable to contribute to CGAP directly due to conflicting WBG/Ford AML/CFT language.

However, Ford supports CGAP initiatives via direct payment to receiving organizations.

** Italy: FY12 contribution represents the difference between expected and actual funds returned to the donor balance account.

*** Designated contributions are:

— FY09 : Contribution received: \$2.5M from Gates Foundation, \$989K from Italy, \$211K from DFID, \$210K from AFD.

— FY10 : Contribution received: \$3.1M from Gates Foundation, \$3.3M from DFID. Contribution not yet received: \$210K from AFD.

— FY11 : Contribution received: \$3M from Gates Foundation, \$2.4M from DFID (Pounds Sterling 1.5M), \$54K from the World Bank.

Contribution not yet received: \$221K from AFD.

— FY12 : Contribution not yet received \$1.5M from Gates Foundation. Contribution with assumed pledge GBP1.5M from DFID. FY12

AusAid pledge AUS \$1M for G20 initiatives. MasterCard pledge \$3.02M

— MasterCard Foundation's Total pledge = \$11.44M (FY12: \$3.02M, FY13: \$4.89M, FY14: \$1.87M, FY15: \$1.66M)

STAFF BIOGRAPHIES

Julia Abakaeva, *Microfinance Specialist*. Julia Abakaeva joined CGAP in 2005 and works with the Technology Program. Before joining CGAP she was a consultant at the Internationale Project Consult for nine years. She has a master's degree in finance and management from Clark University. She speaks English and Russian.

Shweta S. Banerjee, *Analyst*. Shweta Banerjee coordinates CGAP's social media and events strategy and also conducts research, analysis, and writing related to knowledge products. Previously she worked as a policy analyst on the Global Assets Project at the New America Foundation and in the World Bank's South Asia Region on community-driven, rural livelihoods projects. She studied social anthropology at the University of Chicago and at Cambridge University, and history at Delhi University.

Chris Bold, *Microfinance Specialist*. Chris Bold joined CGAP in 2009, on secondment from the UK Department for International Development (DFID), as a member of the Technology Program. Bold rejoined DFID in late 2011. At DFID, he worked in the Financial Sector Team, where he led work on branchless banking; he also worked in Kabul, Afghanistan, where he managed DFID's portfolio of programs on private sector development. Before joining DFID, he was a financial sector consultant in Sierra Leone and in several European countries. He holds a bachelor's degree in science from the University of Cambridge and a master's degree in development and social policy from the London School of Economics.

Lauren Braniff, *Microfinance Gateway Managing Editor*. Lauren Braniff joined CGAP in 2006; her current position is managing editor of the Microfinance Gateway. Braniff is responsible for content development and the editorial strategy for the Gateway sites. Prior to joining the Gateway in 2011, she spent five years with CGAP's Technology Program, including three years as manager of the Information Systems Program. Before joining CGAP, she worked for an MFI in Cambodia and has a background in microenterprise development and education policy. She holds a master's degree in international development from SAIS at Johns Hopkins University and a bachelor's degree in political economy from the University of California, Berkeley.

Ann Courtmanche, *Senior Program Assistant*. Ann Courtmanche is a member of the Government and Policy Team. She works on budgeting, reporting, monitoring, and event coordination, as well as consultant relations. Before joining CGAP in

2005, she worked in agricultural marketing, including international grain market analysis for the U.S. wheat export market. She has a master's degree in agricultural economics from Rutgers University and a bachelor's degree in economics and French literature from Hobart & William Smith Colleges.

Eric Duflos, *Senior Microfinance Specialist*. Eric Duflos joined the Donors and Investors Team in 2003. Duflos previously managed CGAP's Microfinance Donor Peer Reviews and Country-Level Effectiveness and Accountability Reviews and currently manages CGAP's work on the broad role of government and advisory services for donors and investors. He leads CGAP's work on national microfinance policies and strategies and apexes, and he covers microfinance issues in East Asia and China. He teaches at the Boulder Microfinance Training Program in Turin and is lead trainer for CGAP's course for funders. Before joining CGAP, Duflos worked with UNCDF/UNDP, the World Bank, and the Central Bank in Laos. He has worked in Cambodia, Haiti, Indonesia, Mali, Nicaragua, Madagascar, Pakistan, and Sri Lanka. He holds a master's degree in management from the Lyon EM and a master's degree in economics and international relations from the Johns Hopkins University School of Advanced International Studies. A French national, Duflos speaks French and English, and some German and Lao.

Tilman Ehrbeck, *Chief Executive Officer*. Tilman Ehrbeck joined CGAP as its CEO in October 2010. Prior to CGAP, Ehrbeck was a partner with the management consulting firm McKinsey & Company, where he held a series of leadership positions in the firm's global Banking & Securities and Healthcare Payor & Provider Practices. He has worked in Africa, Asia, Europe, and North America. He was part of the leadership of the firm's Indian operations in 2005–2009. Over the past 10 years, he has advised a number of governments, microfinance networks, foundations, and commercial players on a variety of financial inclusion issues ranging from new products and services aimed at better meeting underlying end-user needs, to new business models significantly lowering operating costs, to enabling infrastructure and policy interventions. Ehrbeck holds a Ph.D. in economics from the European University Institute and an undergraduate degree from the University of Hamburg. He speaks German, English, and some French and Italian.

Mayada El-Zoghbi, *Senior Microfinance Specialist*. Mayada El-Zoghbi is the manager of the Donors and Investors Team, based in Paris. She oversees work products for donors and investors and serves as a core technical specialist on training, research,

and the SmartAid Index. Before joining CGAP, she founded and managed a development consulting firm for eight years, working with several funding agencies. She led numerous technical assistance, evaluation, and research assignments. She also served as a research director for a USAID knowledge management initiative on microfinance and conflict. From 2006 to 2008, El-Zoghbi was an adjunct associate professor at Columbia University's School of International and Public Affairs (SIPA). She holds a master's degree in international affairs from Columbia University and a bachelor's degree in business from the University of Minnesota. She is bilingual in Arabic and English.

Xavier Faz, *Senior Technology Adviser*. Xavier Faz advises the Technology Program on business models for branchless banking and the development of agent networks. More broadly, he supports the agenda on information systems and shared technology platforms in the context of microfinance. Before joining CGAP, Faz worked with Bansefi in Mexico, where he led the development of a shared technology platform, a network of MFI services, and a payments switch for the microfinance sector. Prior to that, he worked at McKinsey & Company on issues related to business strategy and technology for large corporations both in the public and private sectors. He holds a master's degree in computer science from Stanford University and an engineering degree from the Instituto Tecnológico de Monterrey, México.

Evelyne Fraigneau, *Executive Assistant to the Director*. Evelyne Fraigneau joined CGAP in 1999. She assists the CGAP director and CEO. Before joining CGAP, she worked in the World Bank's Africa region and at the French mission to the United Nations office in Geneva, Switzerland. She studied language translation at St. Bénigne Institute in Dijon, France, and Georgetown University.

Barbara Gähwiler, *Associate Microfinance Analyst*. Barbara Gähwiler joined CGAP's Donors and Investors Team in 2008. She works with participating funders on the SmartAid for Microfinance Index, conducts research, and supports the team's advisory and training services and the Microfinance Funder Survey. Gähwiler manages the team's communications and dissemination. She has master's degrees in international affairs from the University of St. Gallen and the Institute of Political Science in Paris, where she specialized in development studies. She is fluent in German, English, and French, and has working knowledge of Spanish.

Zoë Gardner, *Program Assistant*. Zoë Gardner joined CGAP in 2003 and supports the Donors and Investors Team in Paris and CGAP's work in the Middle East/North Africa region. Before joining CGAP, she worked as an office manager in the film production and publishing industries in Australia in addition to working in the media sector in the United Kingdom and for Texaco in Bermuda.

Jasmina Glisovic, *Microfinance Specialist*. Jasmina Glisovic joined CGAP in 2004 and works in the Donors and Investors team in Paris. She manages CGAP's Funder and Microfinance Investment Vehicle surveys and provides advisory services. She is CGAP's lead on the savings agenda. Before joining CGAP, Glisovic worked as a credit manager for the Danish Refugee Council in Serbia and for the Micro Development Fund. She has a master's degree in economics and speaks Serbian (native), English, and French.

Natalie Greenberg, *Microfinance Gateway Manager*. Natalie Greenberg co-manages the Microfinance Gateway and its French, Arabic, and Spanish affiliate sites. Prior to joining CGAP in 2010, she worked at QED Group, supporting USAID's Microenterprise Development office's communications and knowledge management initiatives. She also served as a Peace Corps volunteer in Bulgaria and later managed USAID-funded projects focusing on small and medium enterprise development. Greenberg holds a master's in public administration with an international development concentration from Rutgers University.

Luz Hurlburt, *Resource Management Assistant*. Luz Hurlburt joined CGAP in April 2007. She has worked for the World Bank since November 1995. Before joining the World Bank, she worked as an accounts analyst for Philippine Airlines. She holds a bachelor's degree in accounting and is a certified public accountant in the Philippines. She speaks English and Tagalog.

Tanaya Kilara, *Associate Microfinance Analyst*. Tanaya Kilara joined CGAP in 2010 and works on youth savings. She brings operational experience from a previous position serving as part of the start-up team for an urban MFI in India. In her four years there, Kilara worked on building the business plan, bringing in equity investors, designing financial products, and managing sales and operations. She has an MBA from the Wharton School and a bachelor's degree in economics from St. Stephen's College, Delhi. She speaks three Indian languages in addition to English.

Antonique Koning, *Microfinance Specialist*. Antonique Koning is a member of the Donors and Investors Team. She focuses on issues related to responsible finance and is a member of the Social Performance Task Force Steering Committee. Koning also coordinates CGAP's regional representatives in Africa, Asia, and Eastern Europe and Central Asia. In the past five years, she coordinated the European Union's Microfinance Program for Africa, the Caribbean, and the Pacific. Before joining CGAP, she worked with the World Savings Banks Institute. She has a master's degree in international trade management and policy from the University of Birmingham and a master's degree in applied economics from the Katholieke Universiteit Leuven. She speaks English, Spanish, French, and Dutch.

Kabir Kumar, *Microfinance Analyst*. Kabir Kumar works on CGAP's Technology Program. He designs experiments and builds partnerships on the use of cell phones and other technologies to expand the poor's access to finance. Prior to CGAP, he was an IT and telecommunications marketing and strategy consultant and has worked at the World Bank on gender equality and economic growth. He has a dual master's degree in public administration and international relations from the Maxwell School of Syracuse University.

Estelle Lahaye, *Microfinance Analyst*. Estelle Lahaye joined CGAP in 2007; she is currently on the Donors and Investors Team in Washington, D.C. She manages the Funder Training Program, supports the team's advisory services, and conducts research on several topics relevant to donors and investors. In addition, she works on responsible finance. Before joining CGAP, she worked as an account manager in Luxembourg at Banco Itaú Europa. She holds a master's degree in business administration from San Francisco State University and a bachelor's degree in banking, finance, and insurance from the University of Nancy 2 in France. She speaks fluent English, French, and Portuguese and has rudimentary skills in Spanish.

Rudeewan Laohakittikul, *Budget Officer*. Rudeewan Laohakittikul manages CGAP's funding portfolio and budget monitoring, planning, and analysis and ensures compliance with audit requirements of fund disbursements. Before joining CGAP in 2010, she managed the budget for several units in the World Bank Group, including the Information Systems Group Vice Presidency and the Sustainable Development Networks. Earlier, she worked with Citibank, Thailand, and developed a call monitoring and professional development system to improve the quality of the CitiPhone Call Center. She also worked at the planning and purchasing unit for Lever Brothers and Bristol Myers in Thailand. She holds an MBA with a concentration in finance from the University of Baltimore.

Alexia Latortue, *Deputy CEO*. Alexia Latortue joined CGAP in 2002 and moved to Washington, D.C., in 2010, after spending four years managing CGAP's Paris office. She leads CGAP's work in sub-Saharan Africa. From Europe, she led CGAP's aid effectiveness work, including the development of the SmartAid for Microfinance Index. She also headed the CGAP team that provides strategic and technical advice on microfinance to donors and investors and produces comprehensive data on cross-border funding for microfinance. Previously, she was a development specialist with Development Alternatives, Inc. She is a board member of the Microinsurance Network. Latortue has a master's degree in development economics from the Fletcher School of Law and Diplomacy at Tufts University. She speaks English, French, Creole, German, and some Spanish.

Christina Dawn Lee, *Microfinance Gateway Associate*. Christina Lee works on content development and management, social media, and Web site monitoring for the Microfinance Gateway and its affiliate language sites. Previously, she worked in the nonprofit sector developing outreach programs, and in the education sector helping faculty integrate digital technologies into the class curriculum and environment. She studied film at the University of Texas at Austin and holds a master of arts in communication, culture, and technology from Georgetown University.

Timothy Lyman, *Senior Policy Adviser*. Tim Lyman joined CGAP in 2005 to lead the Government and Policy Team. In this capacity, he focuses primarily on regulatory and supervisory issues in financial inclusion. Lyman also led CGAP's work in 2010 on behalf of the G-20's Financial Inclusion Experts Group, including CGAP's input into the G-20's *Nine Principles on Innovative Financial Inclusion*. He has worked in the area of microfinance-related policy and regulation in every region of the world. Prior to CGAP, he was a partner in the law firm of Day, Berry & Howard (now Day Pitney) and served as president of its affiliated philanthropic foundation. From 1994 to 2005, he served as principal outside legal counsel to Save the Children/U.S. Lyman holds a bachelor's degree from Harvard University and a law degree from New York University School of Law. He speaks English, French, Spanish, and Bosnian/Croatian/Serbian, as well as conversational German and Russian.

Meritxell Martinez, *Microfinance Analyst*. Meritxell Martinez works in the Donors and Investors Team. Prior to joining CGAP in 2009, she interned with the IFMR Trust in India and with UNICEF in Benin. She also worked for the European Commission in Albania for two years and spent two years working with the World Bank on human development in Washington, D.C. Martinez holds an MPA from Harvard's Kennedy School, where she specialized in international development and the analysis of policies and institutions. She completed a one-year degree in international trade at Solvay Business School, the College of Europe in Poland, and has a bachelor's degree in political science from Pompeu Fabra University. She is fluent in Spanish, Catalan, French, and English and has rudimentary skills in Italian, Portuguese, Russian, and German.

Anuj Mathur, *Chief Information Officer*. Anuj Mathur leads the planning and execution of the Information Technology Team. Prior to joining CGAP, he was a senior manager at BearingPoint, leading a variety of technology and management consulting initiatives across a global client base. Mathur holds an MBA from the Darden School of Business at the University of Virginia and a bachelor's degree in computer science from the University of Pune, India.

Rafe Mazer, *Associate Microfinance Analyst*. Rafe Mazer is a member of the Government and Policy Team. He works on a variety of issues, including the use of consumer experience and demand-side analysis to develop effective consumer protection and financial capability policy reforms. Prior to CGAP, he worked on community organizing, small-farmer agriculture, fundraising, and communications. He served as managing director of the Duke Microfinance Leadership Initiative, launching a student-run microfinance investment fund that is partnering with a community bank in rural Uganda. He has worked with Habitat for Humanity and Opportunity International in Ghana, with the Fair Trade coffee sector in Guatemala as a Fulbright Scholar, and with labor unions in Chile and the United States. He has a master's degree in international development policy from Duke University and a bachelor's degree in international relations from Pomona College. Mazer speaks fluent Spanish and some Portuguese.

Djibril Maguette Mbengue, *Microfinance Specialist*. Djibril Maguette Mbengue joined CGAP in 2007 and is a member of the Government and Policy Team, focusing on sub-Saharan Africa. He is a trainer of CGAP's financial and operational management courses for MFIs and funder training programs. Before joining CGAP, he was a portfolio technical manager at UNCDF, where he was involved in several inclusive finance projects in West and Central Africa. From 2000 to 2004, he served as director of operations at REMIX, a consulting firm specializing in providing microfinance services. Previously, he was the manager of Internal Control at Crédit Mutuel du Sénégal, a savings and credit cooperative network based in Senegal. He holds a master's degree in business administration and speaks English and French.

Claudia McKay, *Microfinance Specialist*. Claudia McKay is part of the Technology Team, focusing on research areas related to the large-scale adoption and use of branchless banking by low-income, unbanked people and to the business case for agents. Prior to CGAP, she spent seven years with Opportunity International, where she worked as director of product development. She also spent four years as the head of microfinance banking at Opportunity Bank in Malawi. She was a management consultant with the Boston Consulting Group, where she worked with various Fortune 500 companies around the world in areas of organizational development, strategic planning, and marketing management. She holds an MBA from Oxford University and a bachelor's degree in international relations from Claremont McKenna College.

Kate McKee, *Senior Adviser*. Kate McKee joined CGAP in 2006 as a senior adviser for Policy, Outreach, and Aid Effectiveness. She is leading CGAP's work on responsible finance. Prior to joining CGAP, she served as director of the Microenterprise Development Office at the U.S. Agency for International Development.

ment. She is a development economist, with a master's degree in public and international affairs from the Woodrow Wilson School of Princeton University.

Melanie Melindji, *Budget Program Assistant*. Melanie Melindji joined CGAP in 2008 as part of the Budget and Corporate Management Team. She processes the hiring and contracts for consultants, processes payments, and creates purchase orders and purchase requisitions. Before joining CGAP, she worked for the World Bank for nine years and at IFC for two years. Earlier, she worked in South Africa as a personal assistant for AfriOre, African Communication Agency in Johannesburg, and the Algerian Embassy in Pretoria. She was also the administrative assistant at Swiss Reinsurance Company. She holds a bachelor's degree in history and geography. She speaks fluent English and French.

Margaret Miller, *Senior Economist*. Margaret Miller joined CGAP in 2009, focusing on financial capability and social marketing. Other key areas of her work include savings, credit information, and demand-side analysis. Before joining CGAP, she worked in financial sector operations and research at the World Bank for 15 years. She has a Ph.D. in economics from the University of California at Berkeley. She also holds a master's degree in international policy studies and a bachelor's degree in economics with departmental honors from Stanford University. Miller also studied at the École Nationale des Sciences Politiques in Paris. She speaks French, Spanish, and Portuguese in addition to English.

Aude de Montesquiou, *Microfinance Analyst*. Aude de Montesquiou is the task team leader for the CGAP–Ford Foundation Graduation Program. She supports the overall coordination of the program and helps shape its research agenda. She also provides technical support to pilot implementation, facilitates global knowledge sharing, and distills lessons through various publications. For the past several years, she has also been the relationship manager for the Microinsurance Network. Before joining CGAP, de Montesquiou completed internships with PlaNet Finance and MFIs in Lebanon and Togo. She holds a master's degree *summa cum laude* from the School of Political Science in Paris, with a major in development studies, and holds a bachelor's degree in history from the Sorbonne. She is fluent in English and French, speaks Portuguese and Spanish, and has rudimentary German.

Zia Morales, *Microfinance Gateway Associate*. Zia Morales works on content development and Web site monitoring and management for the Microfinance Gateway and its affiliate sites. Before joining CGAP, she developed and managed communications and marketing projects for a variety of public and private sector clients. She holds a master's degree in communication, culture, and technology from Georgetown University.



Marve M. Mulavu-Biggedi, *Operations Assistant*. Marve Mula-vu-Biggedi is an assistant in the Budget/Corporate Management Team, where she helps in day-to-day business and administrative functions, including human resources and administrative services. She also provides back-up assistance to the executive assistant. Before joining CGAP, Mulavu-Biggedi worked as a branch communication officer and bank teller at Equity Bank Kenya. She also worked as a human resources manager with a security firm in Nairobi, where she managed payroll, recruiting, and training of ex-military and policemen, as well as led management initiatives. She is fluent in English and Swahili.

Anna Nunan, *Publications Manager*. Anna Nunan joined CGAP's Communications Team in 2005. She has more than 25 years of experience in all areas of nonprofit publishing. Her previous experiences include director of production for Island Press and director of book publishing for the American Society of Association Executives. Nunan has a bachelor's degree in journalism from the University of Maryland and a master's degree in business administration from Johns Hopkins University.

Jasobanta Panigrahi, *Technical Architect*. Jasobanta Panigrahi joined the Information Technology Team in 2009. He has more than 17 years of experience in the IT consulting industry, working the last seven years before CGAP with American Express in Web portal development, content management, search feature development, and Web analytics. Prior to that, he worked for Tech Mahindra/Satyam, OpenText/Vignette, and Tata Consultancy Services. He holds a bachelor's degree in physics, a graduate diploma in operations, and a master's degree in computer applications from Regional Engineering College in Rourkela, India.

Jake-Anthony Pauig, *Publications Assistant*. Jake Pauig joined the Knowledge Products and Communications Team in 2008. His responsibilities include inventory maintenance and fulfillment/distribution, events logistics, and electronic dissemination of communications material. Previously, he was a contracted site manager in charge of all operational and strategic processes for shipping, receiving, and messenger services for the World Bank in Washington, D.C. He is proficient in Six Sigma, ISO process management practices, and foreign customs clearance regulations. He speaks English and Tagalog.

Andrea Payne, *IT Manager*. Andrea Payne manages CGAP's business and Web technology infrastructure. Before joining CGAP in 2007, she managed the IT Development Intranet Team at Sprint Nextel and worked as a management consultant in business process reengineering. She holds a bachelor's degree in business administration from Radford University.

Mark Pickens, *Microfinance Specialist*. Mark Pickens works on the Technology Team on customer adoption with new banking technologies. Prior to joining CGAP, Pickens led an award-winning startup crowd-sourcing progressive news in New York City and founded a health enterprise that doubled child vaccination rates in a rural district of Madagascar. He worked as a microfinance consultant for banks and microlenders in Bosnia, Cambodia, Mali, and Madagascar. He holds a master's degree from Columbia University.

Stephen Rasmussen, *Technology Program Manager*. Stephen Rasmussen heads CGAP's Technology Program and has more than 25 years of experience in microfinance leadership. The

Technology Program at CGAP works to expand financial services for the poor using mobile phones and other technologies and is co-funded by the Bill & Melinda Gates Foundation, CGAP, and the UK Department for International Development. Prior to CGAP, Rasmussen was the World Bank's microfinance focal point for South Asia as well as the IFC's nominee director on the boards of two microfinance banks. From 2001 to 2008 he was CEO of the Pakistan Microfinance Network. From 1994 to 2003 he headed up the Aga Khan Rural Support Programme, in northern Pakistan, where he also helped establish First MicroFinanceBank, the first microfinance bank in Pakistan.

Xavier Reille, *Lead Microfinance Specialist*. Xavier Reille joined CGAP in 1999 and co-manages CGAP's Donors and Investors Team; he chairs the board of directors of the Microfinance Information Exchange and leads CGAP programs in the Arab world. He is also the founder of the Microfinance Gateway. Reille managed the G-8 CGAP MENA Initiative from 2005 to 2008 and led CGAP's transparency and technology programs from 2000 to 2005. Prior to joining CGAP, he set up several microfinance investment funds in Southeast Asia for Catholic Relief Services and worked for SIDI, a venture capital company focusing on SME investments. He has a master's degree from the University of Paris. He speaks French, Spanish, English, and Bahasa Indonesian.

Sarah Rotman, *Associate Microfinance Analyst*. Sarah Rotman works on the project and research agenda of the Technology Program, designing projects in the area of branchless banking to deliver financial services to unbanked customers. Her research projects include linking government payments to financial inclusion and exploring the business case for agents. Prior to joining CGAP, she was a Peace Corps volunteer in Benin, worked for a development nonprofit on educational projects in Haiti and Africa, and interned with an MFI in Rwanda. She has a master's degree in international relations from Johns Hopkins University's School of Advanced International Studies.

Ousa Sananikone, *Senior Private Sector Development Specialist*. Ousa Sananikone is responsible for CGAP's funding strategy and for reporting on CGAP's work. Before joining CGAP in 2000, she worked on microfinance and SME development in the World Bank's Private Sector Development Department, where she provided research and technical support to various World Bank projects. She holds a master's degree in international affairs from Georgetown University and a bachelor's degree in political science from Trinity College. She is fluent in Lao, Thai, French, and English.

Renu Sehgal, *Resource Management Analyst*. Renu Sehgal is a member of the Technology Team. She oversees all program administration activities, including budgeting, grant management, fund disbursement, procurement, event coordination,

and handling of consultant contracts. Before joining CGAP in 2008, she worked with USAID in India on urban sector reform agenda. She has a bachelor's degree in political science from Lady Sri Ram College of Delhi University, India.

Yanina Seltzer, *Associate Microfinance Analyst*. Yanina Seltzer joined CGAP in 2009 and focuses on branchless banking policy and regulation. She also coordinates CGAP's involvement in the G-20 Access through Innovation subgroup of the Financial Inclusion Experts Group. Before joining CGAP, Seltzer worked for Mobile Metrix, Sun Microsystems, the Inter-American Development Bank, and Nathan Associates, Inc. She has a bachelor's degree in economics, politics, and Latin American studies from Brandeis University and a master's degree in development economics and international business from the Fletcher School of Law and Diplomacy at Tufts University. She speaks English, Spanish, and Portuguese, and some French and Hebrew.

Pete Siu, *Operations Officer*. Pete Siu joined CGAP in 2008 to work on corporate strategy, monitoring and evaluation, and outreach to stakeholders. Previously, he worked at an international development consulting firm, where he managed agricultural reconstruction projects in Afghanistan and led change management initiatives at the firm's headquarters. He holds a law degree from the Northwestern School of Law, a master's degree in business administration from the Kellogg School of Management, and a bachelor's degree from the Massachusetts Institute of Technology.

Sherry Sposeep, *Microfinance Gateway Manager*. Sherry Sposeep joined CGAP in 2007 and manages the Microfinance Gateway and its French, Arabic, and Spanish affiliate sites. Before CGAP, she managed a microfinance research project at Chemonics International. She has a master's degree in development management from American University. She speaks English and intermediate Russian.

Michael Tarazi, *Senior Policy Specialist*. Michael Tarazi joined CGAP in 2008 as a member of CGAP's Government and Policy Team. He leads the team's efforts in the area of branchless banking regulation and has worked with regulators around the world, including in the Maldives, Nigeria, Rwanda, Fiji, Haiti, and Jordan, to develop regulatory frameworks. Tarazi teaches at the Boulder Institute's Microfinance Training Program. He was chosen as a Young Global Leader by the World Economic Forum and is a member of the Forum's Dialogue Series on Access to Finance through Technology. Prior to CGAP, he was a corporate attorney in private practice and served as an adviser to Israeli-Palestinian peace negotiations. Tarazi holds a bachelor's degree from Harvard University and a law degree from Harvard Law School. He speaks English, Arabic, and French.

Jeanette Thomas, *Head of Knowledge Products and Communications*. Jeanette Thomas and her team handle all corporate communications, media, and positioning for CGAP, as well as stakeholder engagement and project communications. The team is responsible for the strategy and management of a full suite of knowledge and communications products. Before joining CGAP in 2004, Thomas was news editor and senior producer in the BBC's Washington Bureau; she was with BBC for 11 years. Thomas has a master's degree and Ph.D. in English Literature from Oxford University. She speaks English, French, and rudimentary Spanish.

Tonia Wellons, *Senior Operations Manager*. Tonia Wellons manages CGAP's day-to-day business and administrative functions, including budget and finance, human resource management, and administrative services. She coordinates CGAP's Associate Microfinance Analyst Program and internship initiatives. Before joining CGAP, Wellons worked in local government training, technical assistance, and capacity building, both domestically and internationally. She has a master's degree in public administration from the University of Delaware and a bachelor's degree in political science from North Carolina A&T State University.

CGAP Regional Representatives

Greg Chen, *Regional Representative for South Asia*. Based in Dhaka, Bangladesh, Chen works to deepen CGAP's engagement across eight countries in South Asia, collaborating with regional partners on technology, policy, and funding issues. His engagements include extensive policy work with central banks and with many of the region's leading MFIs and commercial banks. Prior to CGAP, Chen worked for the Aga Khan Development Network, ShoreBank International, and Bank of America. He has an undergraduate degree in economics from Wesleyan University and a master's degree from Harvard's Kennedy School. An American national, Chen has resided in South Asia for most of the past 12 years.

Mohammed Khaled, *Regional Representative for Middle East North Africa Region (MENA)*. Based in Ramallah, Palestine, Khaled works to deepen CGAP's engagement in the MENA region, collaborating with regional partners on issues such as technology, policy, and funding for microfinance. He has over 25 years of experience in developing and managing innovative projects that empower women and the poor. Beginning as a practitioner in 1994, Khaled has served as the founding director and a senior trainer of Sanabel, the region's microfinance association. He has also been working as a consultant and an adviser for several donors in the region, including the Rockdale Foundation, Grameen Foundation/U.S. (later Grameen-Jameel), Agfund, and UNDP. A Palestinian national, Khaled speaks Arabic and English.

Moses Ochieng, *Regional Representative for East and Southern Africa*. Based in Nairobi, Ochieng has a joint appointment with CGAP and DFID as a financial sector specialist. From Kenya, Ochieng works to deepen CGAP's engagement in the East and South African region, collaborating with regional partners on issues such as technology, policy, and funding for microfinance. He has over 15 years of experience in development finance and consulting in the region as well as in Southeast Asia. Prior to CGAP, he ran a company and enterprise development consulting business in South Africa and worked for World Vision International and with CARE International in Bangladesh. He received his doctorate from the University of Bedfordshire and a master's degree from the University of Stirling. He is a Kenyan national and speaks English and Kiswahili.

Corinne Riquet, *Regional Representative for Francophone Africa*. Based in Abidjan, Cote d'Ivoire, Riquet works to deepen CGAP's engagement in Francophone Africa, collaborating with regional partners on issues such as capacity building, technology, policy, and funding for microfinance. She has lived in Côte d'Ivoire for the past 22 years and has 19 years of experience in microfinance, including advising for a program that financed small and microenterprises in urban and semi-urban areas. Since 2001, she has been working as an independent consultant in microfinance in several African countries. Since 2002, she has been a resource person for CGAP's MFI Capacity Building Program in Francophone Africa, where she serves as a supervisor in training-the-trainer seminars. A French national, Riquet holds a master's degree in developmental economics from CERDI, University of Clermont Ferrand. She speaks French and English.

Olga Tomilova, *Regional Representative for Europe and Central Asia (ECA)*. Based in Moscow, Tomilova has a joint appointment with CGAP and EBRD as a microfinance specialist. She works to deepen CGAP's engagement in the ECA region collaborating with regional partners on issues such as policy, technology, and funding for microfinance. Before joining CGAP in 2007, Tomilova managed the Central Asia Microfinance Center, a joint project of the Microfinance Centre (MFC) for CEE, NIS (MFC), and CGAP in Kazakhstan. She worked at MFC for four years as manager of training and consulting. Prior to that, she was a researcher for a microfinance project at Harvard University in Russia. In addition, Tomilova was executive director for the Russian Women's Microfinance Network in Moscow and an accountant and assistant to the finance manager for Opportunity International in Nizhny Novgorod. She has a degree in history, social sciences, and applied sociology from Nizhny Novgorod State University and holds a professional certificate in accounting. A Russian national, Tomilova speaks English and Russian.

The photos in this Annual Report are just a sampling of the nearly 1,000 entries to the CGAP 2011 Microfinance Photography Contest. Photo credits are as follows:

cover	Dien Truong Minh
inside cover	Robyn Nietert
3	Abdul Aziz
4	Seshadri Moitra
6	Thanh Hai Nguyen
10	Amit Mukherjee
13	Dinh Manh Tai
15	Sudipto Das
17	Zhang Quanli
19	Chetan Soni
20	Liu Baosheng
23	Robyn Nietert
25	GMB Akash
26	Mohammad Rakibul Hasan
28	Thanh Hai Nguyen
31	GMB Akash
32	Dinh Manh Tai
34	Aninda Kabir
38	Hadil Al-ramli
41	Egil Mongstad
43	Dhiman Banerjee
45	Dinh Manh Tai
52	Jashim Salam
56	Amit Mukherjee
62	Dhiman Banerjee





Consultative Group to Assist the Poor
1818 H Street, N.W., MSN P3-300
Washington, DC 20433 USA
Phone: +1 202 473 9594
www.cgap.org