



MICROFINANCE GOOD PRACTICES “EUROPE AWARD”
BY GIORDANO DELL’AMORE FOUNDATION & EUROPEAN MICROFINANCE NETWORK

“Second Edition 2009 – 2010”

COMPETITION ANNOUNCEMENT

This Award aims to increase the understanding of the importance of microfinance as a tool to fight poverty and social exclusion in Europe, to encourage European microfinance practitioners to share good and transferable practices in the field of microfinance and to promote and spread these good practices to other microfinance agencies in Europe.

The Microfinance Good Practices “Europe Award” promoted by the *Giordano Dell’Amore Foundation* and the *European Microfinance Network (EMN)* is open to any European institution or organization that has been involved in the delivery of microfinance and related services in the European Union member countries, European Union candidates and other European countries¹, for at least 12 months prior to the date of application.

The Award winner will receive 50,000 euros. These funds must be reinvested for the realization of new projects or towards the core costs of existing services.

The Award Ceremony will be held on the occasion of the *7th European Microfinance Network Annual Conference* scheduled for the end of June 2010 in London.

The travel and lodging expenses of two representative members of the five institutions shortlisted will be covered to participate in the Conference and the Award Ceremony.

In addition the five shortlisted organizations’ experiences will be profiled in a publication distributed during the Conference.

Application Procedure

The Giordano Dell’Amore Foundation Secretariat with the European Microfinance Network will carry out a preliminary examination of the applicants to verify the formal compliance with the Guidelines.

The Award committee, made up of selected experts in the field, will select a shortlist of five applications. The candidates short-listed will be announced on the Giordano Dell’Amore and EMN websites on **31 March 2010**.

The winner will be chosen by the Award Committee with the assistance of a leading expert in microfinance and announced during the Award Ceremony.

For further information, please refer to the Competition Announcement at:

Info: www.fgda.org and www.european-microfinance.org
Contact number: +39 0232168405/7 E-mail: award@fgda.org

¹ European Union Members: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom

European Union Candidates: Croatia, Former Yugoslav Republic of Macedonia, Turkey

Other European Countries: Albania, Bosnia and Herzegovina, Kosovo, Moldova, Montenegro, Norway, Serbia, Switzerland

Application Guidelines

Article 1

The Microfinance Good Practices “Europe Award” has three specific purposes:

- to increase the understanding of the importance of microfinance among the public
- to encourage European microfinance practitioners to share good and transferable practices in the field of microfinance.
- to promote and spread these good practices to other microfinance agencies in Europe

Applications will be expected to show evidence of how the initiative presented addresses these issues, especially in relation to the overall aims of the award.

Applications may be based on:

- a microfinance institution as a whole
- a microfinance product or service
- a microfinance project
- a specific microfinance approach

The initiative presented will be evaluated according to the following criteria:

- **Innovation (20%):** the candidate has transformed traditional practice through an innovative product, service, approach, application of technologies and ideas.
- **Sustainability (20%):** the candidate is achieving some degree of financial sustainability or is applying appropriate strategies that will help the institution to attain sustainability.
- **Impact or potential impact (30%):** the candidate implements the initiative presented directly with poor or marginalised beneficiaries. The impact manifests itself in quantifiable results.
- **Replication (20%):** the experience presented has a potential to be adopted by other providers to solve similar problems.
- **Quality of proposal (10%):** the candidate’s application presents the information needed to fully assess the initiative, in terms of completeness, clearness, transparency.

The European Union has declared the Year 2010 the European Year for Combating Poverty and Social Exclusion. In that context, particular attention will be given to initiatives with a clear focus on combating poverty and social exclusion.

Article 2

Prizes

The Award winner will receive 50,000 euros². The funds awarded must be reinvested for the realization of new projects in Europe or towards the core costs of existing services.

The five candidates short-listed will also receive travel and lodging expenses for the participation of two staff members in the *7th European Microfinance Network Annual Conference* and the Award ceremony.

In addition, the top five candidates (**Short List**) will be profiled in a publication distributed during the Conference.

The winner will be expected to account for its activities and finances at the following year's conference and award ceremony.

The prize will be paid in accordance with the terms and conditions specified by the award agreement that will be signed by the winner. The Foundation and EMN expect the winning organisation to adhere to standard accounting procedures and to allow a possible control on the use of the funds by the Foundation and the European Microfinance Network or by an independent financial audit.

Article 3

Eligibility Requirements

The Europe Award is open to any European institution and organization involved in the delivery of microfinance in the European Union member countries, European Union candidates and other European **countries**³.

If you apply for a project undertaken in partnership with another agency, such as a business support agency, then a joint application can be accepted but the microfinance agency is the applicant and eventual award winner.

The competition is open to microfinance institutions that have been in existence for at least 12 full months prior to the date of application.

For the purposes of this competition, microfinance is defined as “financial services offered to people with no access to mainstream financial services”.

Every organization is entitled to apply with only one proposal.

Applications are only accepted in English.

² Gross Amount

³ See note 1

Article 4

How to Apply

Applicants are required to complete the **Application Form (First Section and Second Section)**.

All completed applications must be received by **31 January 2010** (the date considered will be the date of receipt by the Foundation).

The application should be no longer than five pages excluding annexes; anything after the fifth page will only be reviewed at the discretion of the judges. Annexed documents may include texts, graphs, pictures, and other illustrative materials.

One paper copy of the application form **must be signed by the Legal Representative of the organization** and sent by post to:

Fondazione Giordano Dell'Amore, Via Monte di Pietà 12, 20121 Milano (Italia) clearly specifying the subject "**Microfinance Good Practices "Europe Award"**" on the envelope.

An additional copy of the same application form, signed by the Legal Representative, must be sent in **digital format** by e-mail to **award@fgda.org** or alternatively on **CD/DVD** by post clearly specifying the subject "**Microfinance Good Practices "Europe Award"**" in the e-mail subject line or on the envelope.

Applications received without signed forms will not be considered.

It is possible to **pre-register** for the Award by completing and sending the Application Form (**the First Section only**), duly signed by the Legal Representative of the organization, to the Foundation by e-mail or post by **20 December 2009** (the date considered will be the date of receipt by the Foundation). The First Section of the Application includes a copy of the Legal Representative's passport, the financial statements for the last three business years (or, alternatively, from the starting date of the activity) and the last available activity report.

Pre-registration is not compulsory but it is strongly recommended since it allows the applicant to access the consulting services offered by the Giordano Dell'Amore Foundation for the compilation of the Second Section (consultancy by phone and online).

All materials sent by participants will not be returned. Only case materials (not the supporting documents about the organisation) may be used, but not for profit, by the Giordano Dell'Amore Foundation and the European Microfinance Network, without any time limit, for the production of documents (informative, editorial, promotional and educational), for the promotion of institutional initiatives for themselves or for other institutions, and for the achievement of institutional goals, with the only obligation being to acknowledge the sources.

The Foundation reserves the right to request, if necessary, further documents from the participant organizations.

Article 5

Selection process

The Giordano Dell'Amore Foundation Secretariat with the European Microfinance Network will carry out a preliminary examination of the candidatures, on the basis of the materials received, to verify the formal compliance of the applications with the criteria expressed in the Guidelines.

The Award Committee, made up of international experts in the field of microfinance, with the support of the Giordano Dell'Amore Foundation Secretariat and the European Microfinance Network, will evaluate the eligibility and reliability of the candidates in addition to the substance and coherence of the experiences proposed.

The Award Committee will select the five best experiences that will be included in a **Short-List** and posted on the Giordano Dell'Amore Foundation and EMN websites (www.fgda.org and www.european-microfinance.org) by **31 March 2010**.

The shortlisted candidates should be prepared to receive a visit from Foundation/EMN representatives to confirm data submitted and to respond to queries raised by the Award Committee in preparing a case study on the candidate.

Shortlisted applicants could be also invited to submit further information on their organisation including photographic materials to help complete a case study for the AWARD PUBLICATION.

The Award winner will be chosen among the five candidates short-listed by the Award Committee with the collaboration of a leading expert in microfinance and will be announced during the *7th Edition of the EMN International Annual Conference* scheduled for the end of June 2010 in London.

Article 6

Data Protection (D. Lgs. 196/2003)

The requested information will be processed respecting absolutely the measures of the Legislative Decree of 30 June 2003, nr.196, as amended.

All data collected will be used exclusively in compliance with the terms of this competition announcement and will be processed by relevant employees and/or contract staff in the course of their duties in fulfilment of the privacy obligations that inspire the Foundation's and EMN's activity.

The winning organisations will be profiled on the Foundation and EMN websites; other methods of diffusion of the Award recipients' names are possible. The full list of participants will be posted on the Foundation and EMN websites.

The Giordano Dell'Amore Foundation and the European Microfinance Network are responsible for the treatment of data supplied by the applicants.

APPLICATION

Introduction

In view of the necessity to analyze and compare the different microfinance experiences, and in consideration of the need to harmonize/standardize the profiles for publication, we request applicants to pay maximum attention to the filling out of the Experience Presentation Form.

All documents must be presented in A4 sheet format (21x29.7 cm) using the Arial 12 character set. Application forms and all other documents are accepted only in English.

The application forms and all other documents must be sent in accordance with Article 4 of the Terms and Conditions of this Competition Announcement.

All applications must be signed by a member of the Board and one other Executive.

EXPERIENCE PRESENTATION FORM

Microfinance Good Practices "Europe Award"
2009/2010

FIRST SECTION: General Information

ORGANIZATION _____
Town _____ Postal Code _____
Country _____
Street _____ n _____
Code and Tel.(____) _____ Fax_(____) _____
Email _____
Website _____
CONTACT PERSON <i>(can be different from the Legal Representative)</i>
Name _____ Forename _____
Position _____
Code and Tel (____) _____ Email _____

Date: _____ **Legal Representative:** **Name, Forename**

Signature _____

N.B. Please attach a copy of the Legal Representative's passport, the financial statements for the last three business years (or, alternatively, from the starting date of the activity) and the last available activity report.

SECOND SECTION: Information on the Microfinance Agency

Title of the Initiative Presented:
Name of the Microfinance Agency
Type of Organization (NGO, bank, etc.):
Founded in:
Location (Country/Region/Municipality/Community):
Number of clients:
Microfinance products offered:
Portfolio (please specify currency):
Average Loan Size:
% of women clients or % of portfolio to women:
% of migrants or ethnic minorities
% of youth
% of clients living below the national poverty line (please specify the national poverty line of your country):

The Experience Presentation Form is made up of the following sections and must be no longer than FIVE PAGES:

1. BRIEF DESCRIPTION OF THE ORGANIZATION (Max. half a page)

Please briefly describe your organization:

History

Mission

Geographical area of operation

Activities

Adopted approach

Organizational structure

Strengths and weaknesses

Other relevant information

2 MICROFINANCE EXPERIENCE SUMMARY (Max. half a page)

Please briefly describe the main characteristics of the initiative presented. Give information on the context where the project is carried out and on the target population. Please indicate the starting date of the experience and the possibility of including it in a long-term programme, the funding sources, the characteristics of the beneficiaries and other relevant information.

3 PRODUCTS/SERVICES OFFERED (Max. one page excluding the table «Financial Achievements»)

Please describe products and services offered, explain conditions and criteria adopted, illustrate target population's needs, operative procedures, human and technical resources involved, etc. Please contextualize and describe products and services offered including data, graphs, pictures, and other illustrative documents.

It is recommended reporting at least the following data (institutional data or project/product data) concerning the last three years (or less, if the starting data of the experience is more recent).

TABLE: FINANCIAL ACHIEVEMENTS

	Dec. 07	Dec. 08	Dec. 09
Portfolio at Risk (PAR30):			
Write-off Ratio:			
Portfolio Yield			
Debt to Equity ratio			
Operating expense ratio			
Cost per Borrower:			
Staff Productivity			
Return on Equity			
Return on Assets			
Operational Self-Sufficiency			

4 INNOVATION (Max. one page, excluding possible annexes)

(Evaluation: Score 20%)

Please describe the innovative elements of your work or of the project you have proposed for the Award. Please indicate what differentiates products and services offered from other existing ones.

What is innovative about your activities?

5 SUSTAINABILITY (Max. one page, excluding possible annexes)

(Evaluation: Score 20%)

Please describe the criteria adopted to guarantee the economic and financial sustainability of your work or of the project you have proposed.

How do you approach sustainability and how do you consider your progress towards it?

What are your projections for growth?

6 GOALS ACHIEVED AND RESULTS OBTAINED (Max. half a page, excluding the table «Outreach Achievements»)

(Evaluation: Score 30%)

Please describe the impact or potential impact of your microfinance activities.

Depth of Outreach: average loan amount, number and percentage of vulnerable clients (rural dwellers, women, illiterates, other types of excluded people)

Breadth of Outreach: percentage of members; percentage of clients with active savings accounts; percentage of clients with active credit accounts.

For uniformity, please note that:

- ✓ Goals are defined as the anticipated results of the project and its final impact on the population and territorial area, for example “poverty reduction of female population in the area x”
- ✓ Results are defined as the definite and measurable output of the project, for example “realization of x female microenterprises”.

It is recommended reporting at least the following data concerning the last three years (or less, if the starting data of the experience is more recent):

TABLE: OUTREACH ACHIEVEMENTS

	Dec. 07	Dec. 08	Dec. 09
Active Clients			
• Women			
• Migrants, Minorities			
• Youth			
• Below Poverty Line			
Active borrowers			
• Women			
• Migrants, Minorities			
• Youth			
• Below Poverty Line			
Active savers			
• Women			
• Migrants, Minorities			
• Youth			
• Below Poverty Line			
Average Disbursed Loans Portfolio			
Number of Branches			
Staff			
Credit officers			
Drop out Ratio			

7 REPLICATION (Max. half a page, excluding possible annexes)

(Evaluation: Score 20%)

Please describe how and why you consider the project presented has potential for being adopted by other providers to solve similar problems.

(TOTAL APPLICATION: Max. five pages, excluding possible annexes)

Data disaggregation by gender will constitute a preferred selection criterion.

NB: Please create text documents in digital format using WORD format and Arial 12 character set