

SOCIAL PERFORMANCE COUNTRY REPORT

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Objectives of the SP Country Report

Stock taking

- To take stock of MCPI's 10-year experience on social performance management (SPM)

Showcase

- To show the state of SPM among MFIs in the country by sharing SPM practices and how these comply with the Universal Standards for SPM (USSPM)

Uptake

- To increase awareness on the Universal Standards and improve uptake on SPM for better achievement of social goals and objectives

Social Performance

- refers to its effectiveness in achieving its stated social goals and creating value for clients. If an institution has strong SPM practices, they are more likely to achieve strong social performance.

Social Performance Management

- refers to the systems that organizations use to achieve their stated social goals and put customers at the center of strategy and operations.

Why is SPM important?

Puts clients at the center of strategic and operational decisions, making it more likely that financial services will be safe and beneficial for clients.

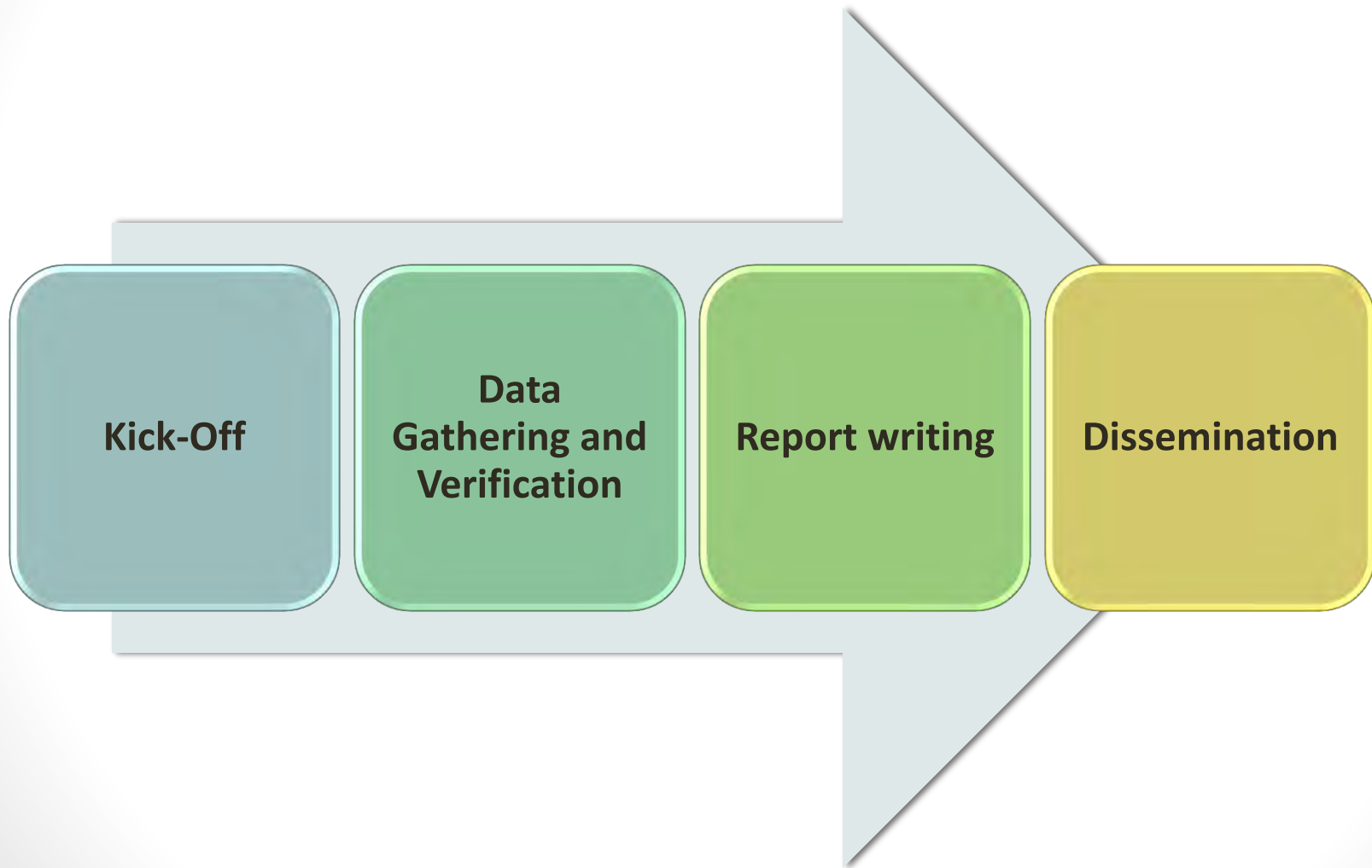


An industry that seeks to provide access to responsible financial services in order to achieve social benefits

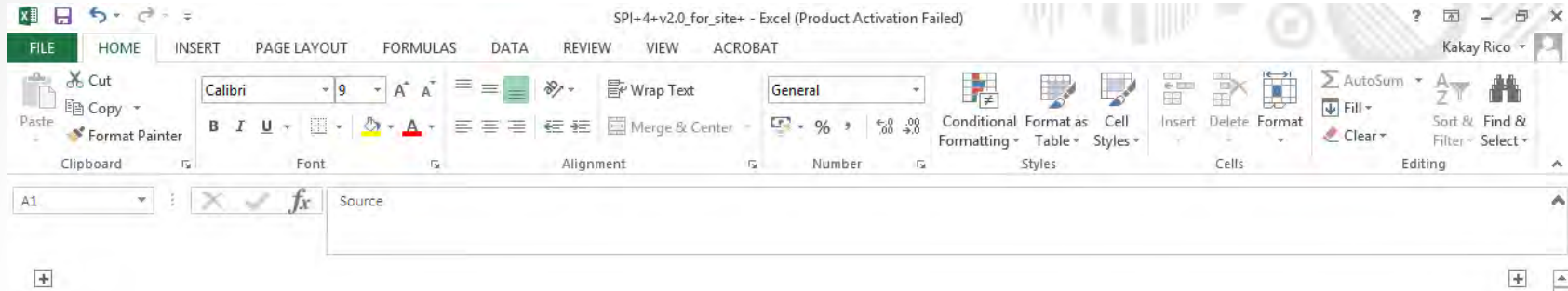
Responsible inclusive finance

- There are two key dimensions for implementing responsible finance: client protection and social performance management.
- **Client protection** is the effort to provide fair and safe services for clients.
- SPM includes client protection but is also explicitly concerned with how to generate benefits for poor clients.
- Client protection is the responsibility of all providers, while SPM is essential for all ***double bottom-line institutions***—those with both financial and social goals.

Developing the SP Country Report

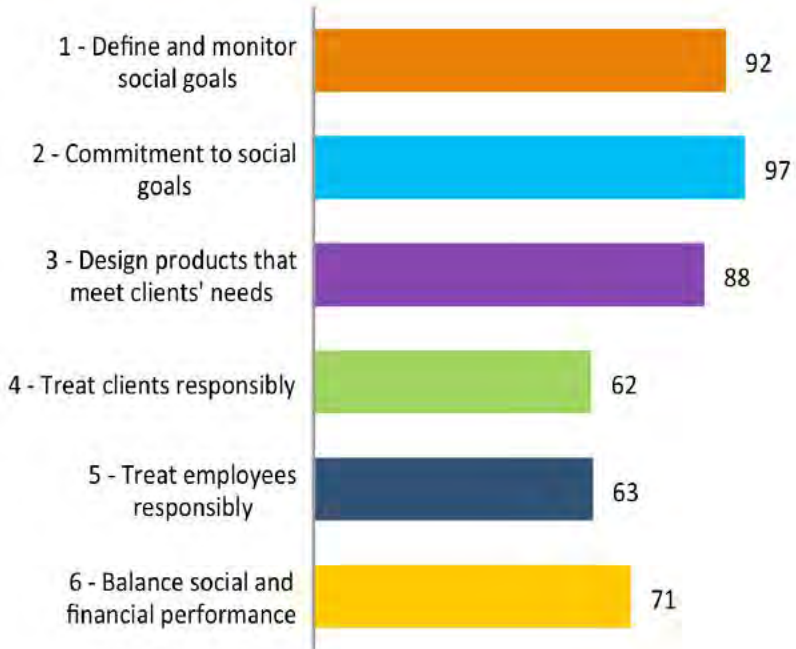


CERISE SPI4 Tool

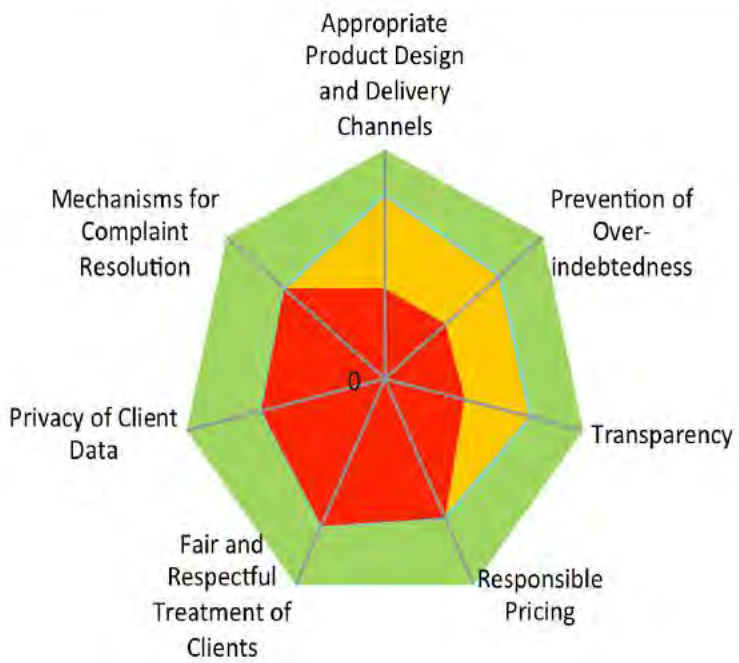


SPI4 – a tool to manage social performance

UNIVERSAL STANDARDS



SMART CAMPAIGN



Participating MCPI Members



ASHI
Ahon Sa Hirap, Inc.



ASKI

Alalay Sa Kamlaram, Inc.



Participating MCPI Members

11 Non-government organizations (NGOs)

1 Credit cooperative

1 Bank

Combined outreach: 2,577,492

Combined portfolio: PhP 12,704,258,354

Branch network: 2,261

Total number of staff: 18,316

Client Composition

	Total	Average
Number of active borrowers (13)	2,577,492	198,268.62
Women (13)	2,506,540 (97%)	192,811
Men (11)	70,952 (3%)	6,450
Rural (9)	1,752,515 (68%)	194,724
Urban (9)	712,807 (28%)	79,201

Loan Portfolio Composition

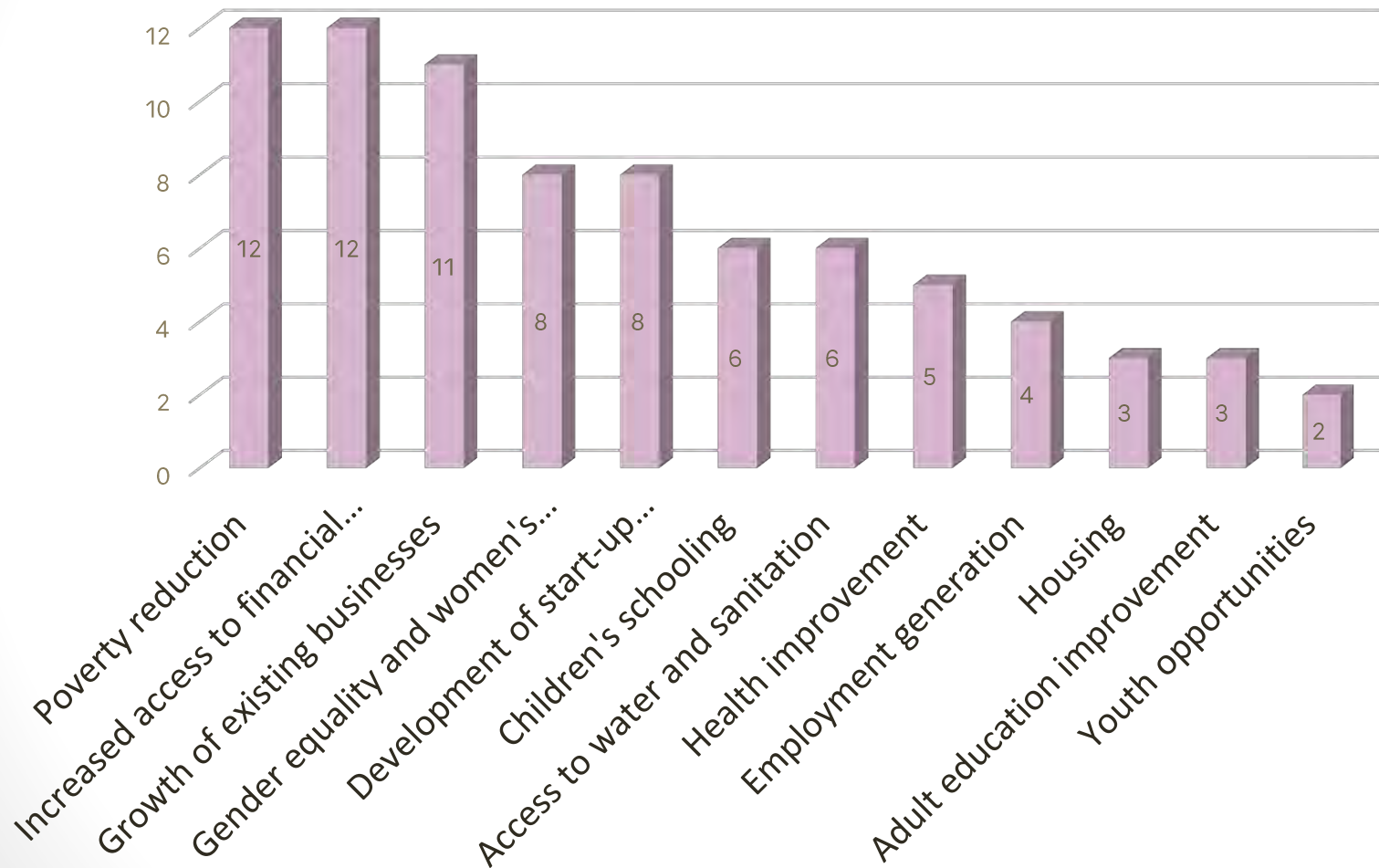
	Total	Average	Range
Number of loans disbursed (12)	1,022,862,689	85,238,557	17.7K - 2.32M
Number of outstanding loans (13)	647,862,655	49,835,588	26K - 1.08M
Amount of Gross Loan Portfolio in PhP (13)	12,704,258,354	977,250,643	197M - 5.6B

SOCIAL GOALS OF MICROFINANCE INSTITUTIONS

Social Mission of MFIs



Development Goals

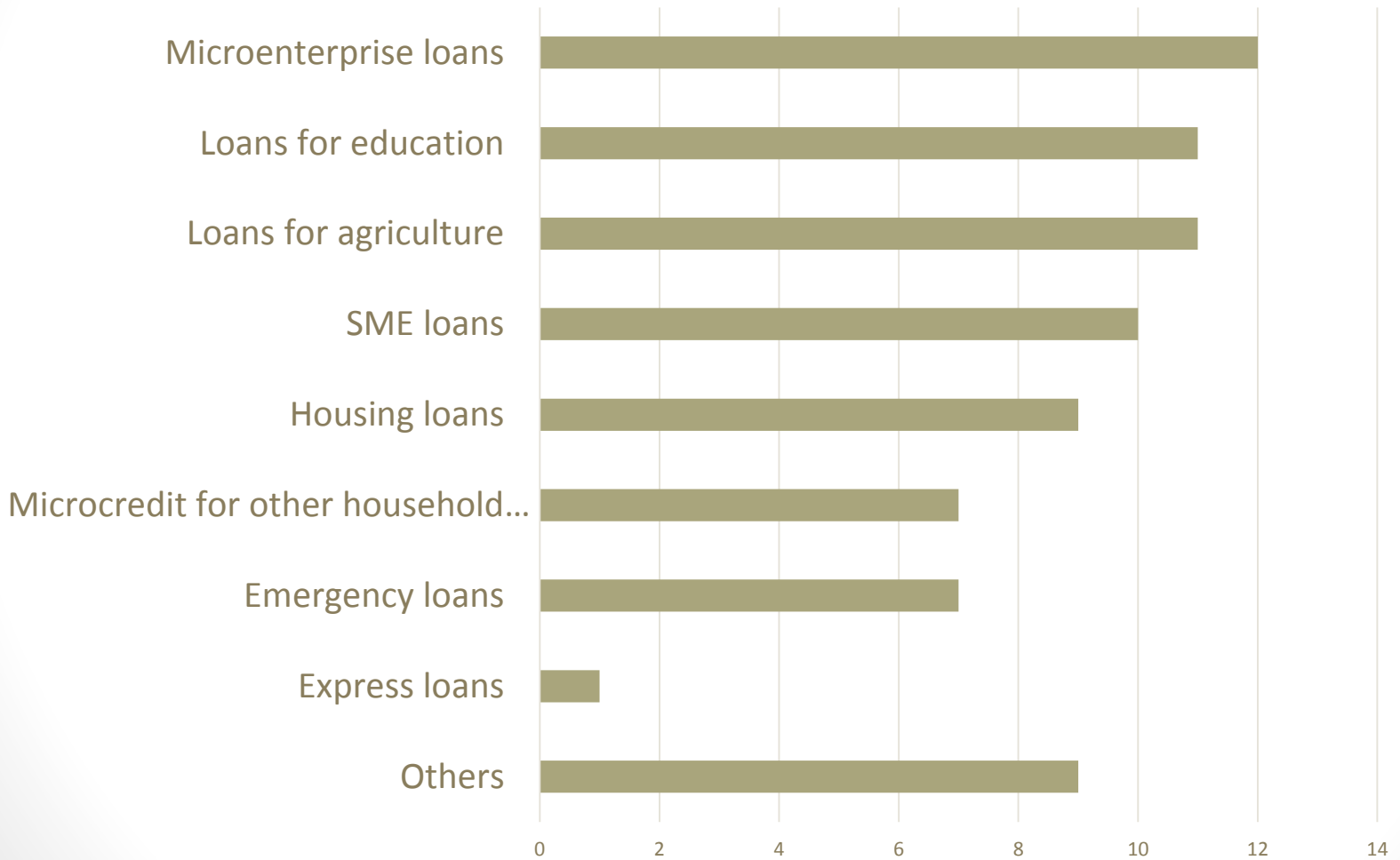


Poverty Focus

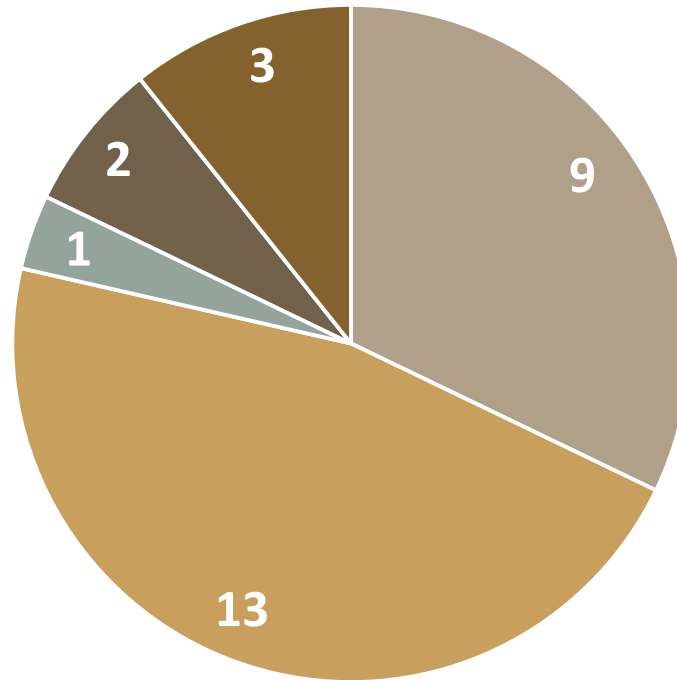
Targeting of New Clients	Average	Range
National poverty line (3)	45%	13% - 100%
USD 1.25 a day (4)	14%	1% - 39%
USD 2.50 a day (6)	28%	1% - 54%
Poorer 20% of the national population or nearest equivalent (1)	83%	
Poorer 40% of the national population or nearest equivalent (1)	42%	
Poorer 60% of the national population or nearest equivalent (1)	28%	

PRODUCTS AND SERVICES

Loan Products

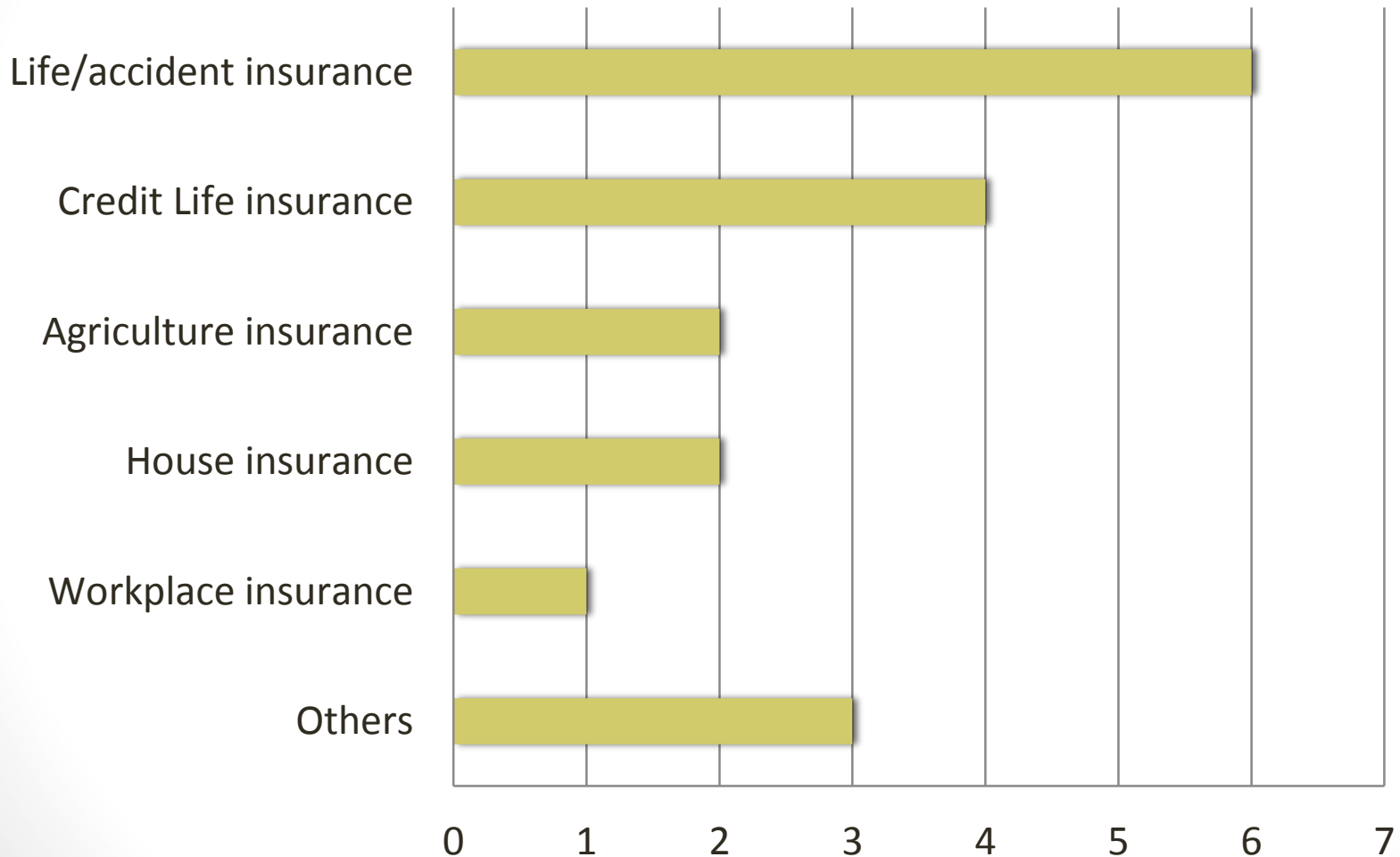


Deposit Products

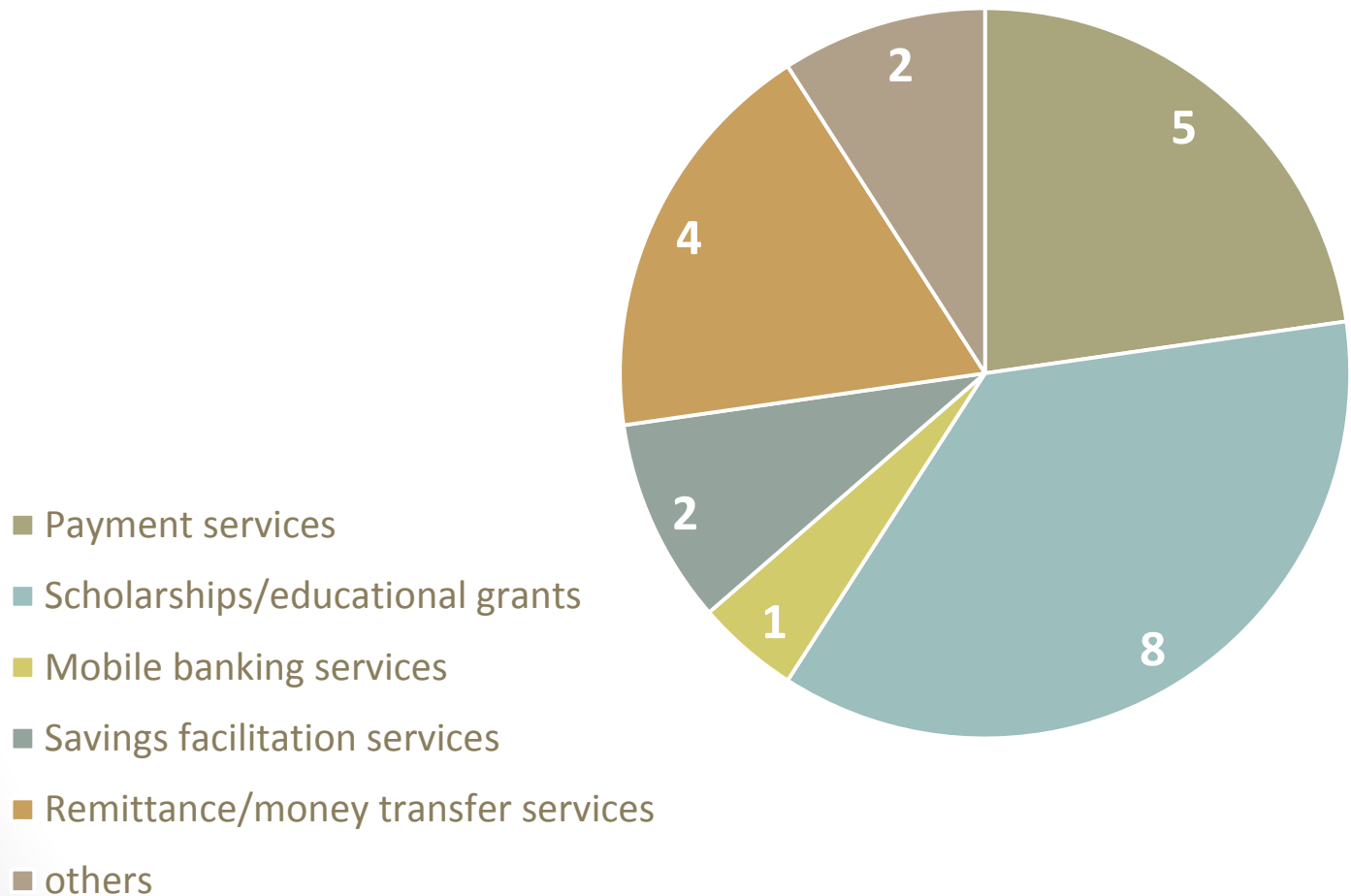


- Voluntary savings accounts
- Compulsory savings (cash collateral)
- Demand deposit accounts
- Time deposit accounts
- Special purpose savings account

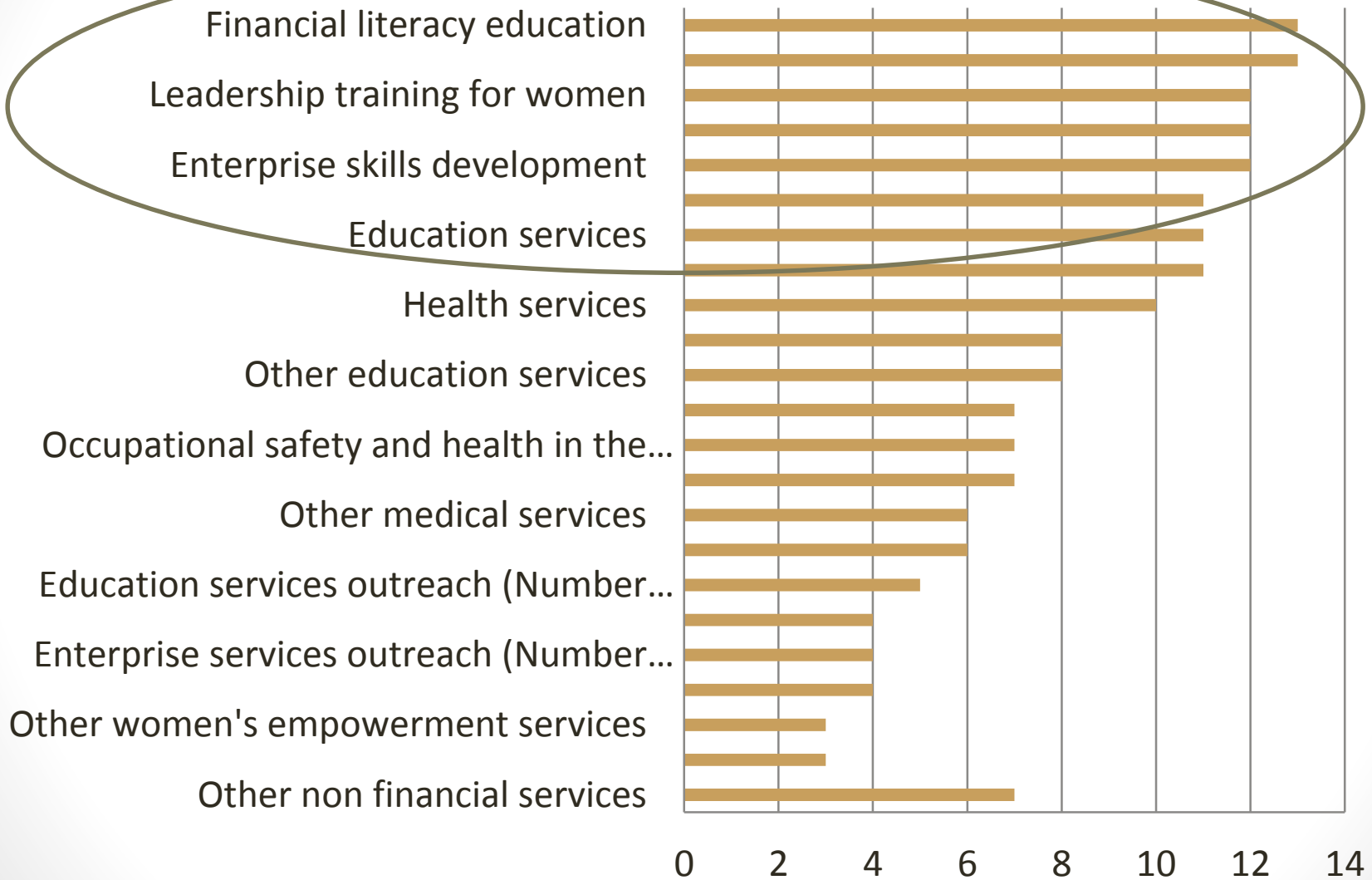
Insurance Products



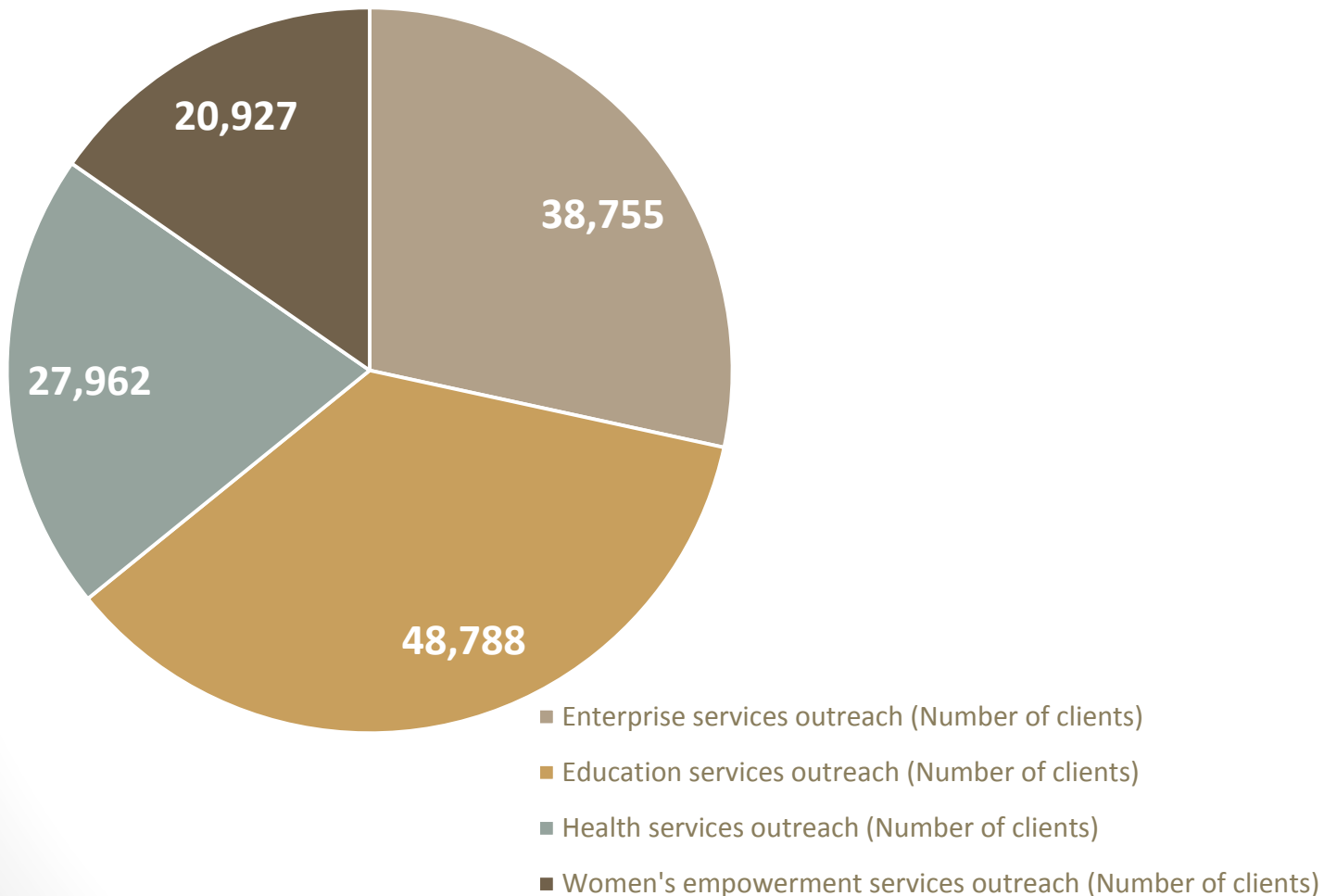
Other Financial Services



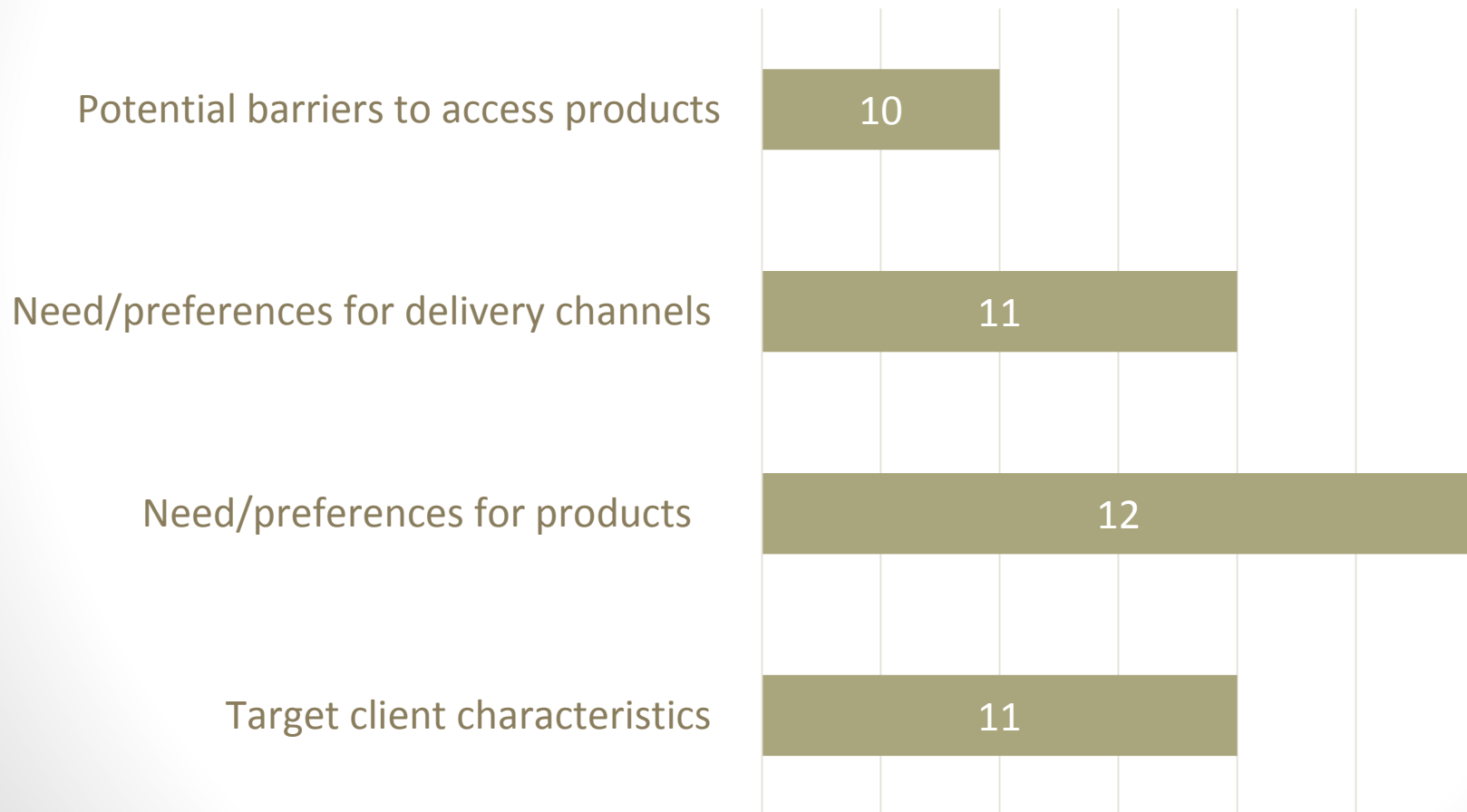
Non-Financial Services



Outreach of Non-Financial Services

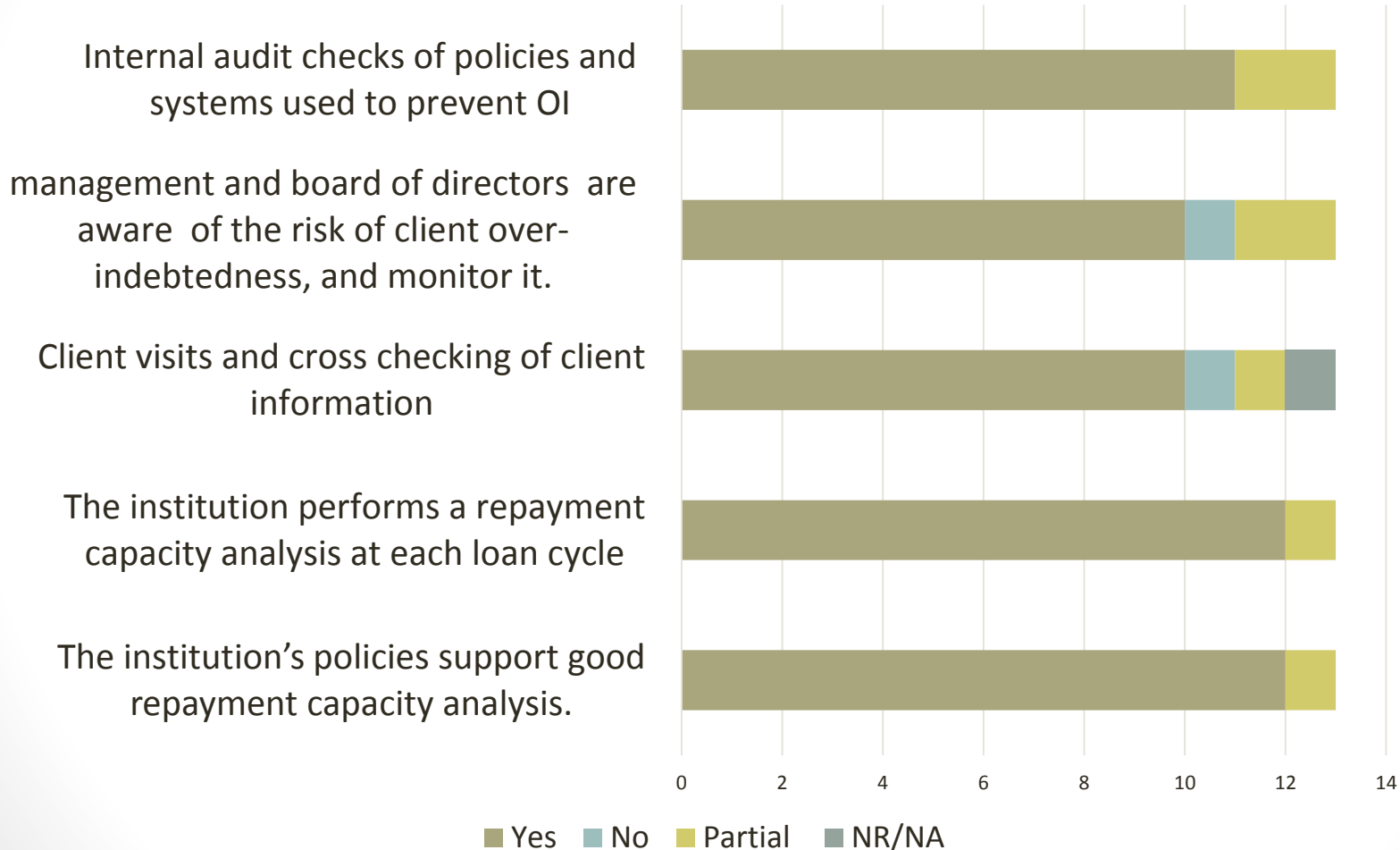


The following are considered when conducting market research:

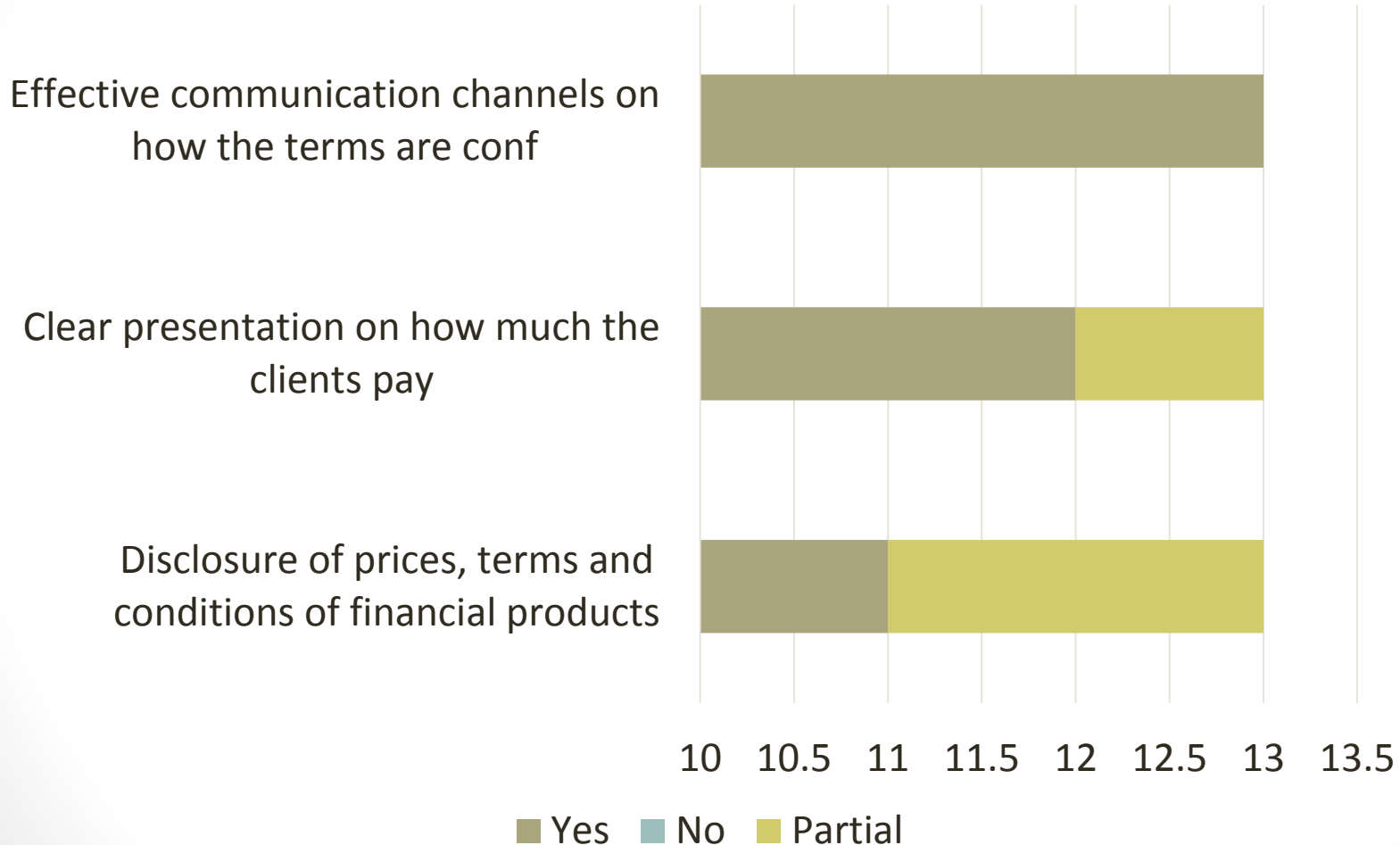


RESPONSIBLE TREATMENT OF CLIENTS

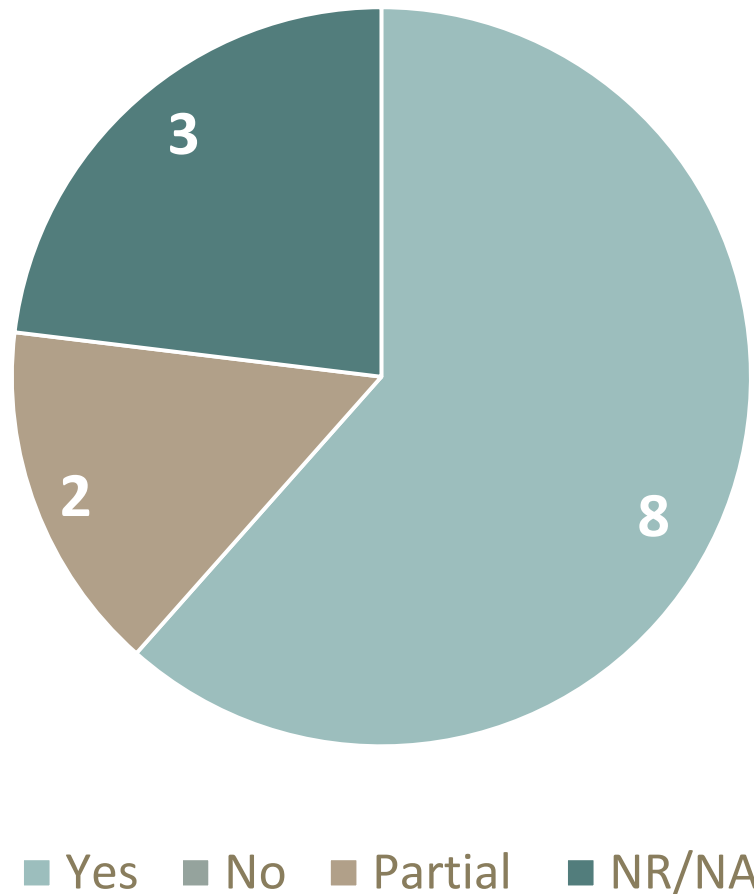
Over-indebtedness Prevention



Transparency

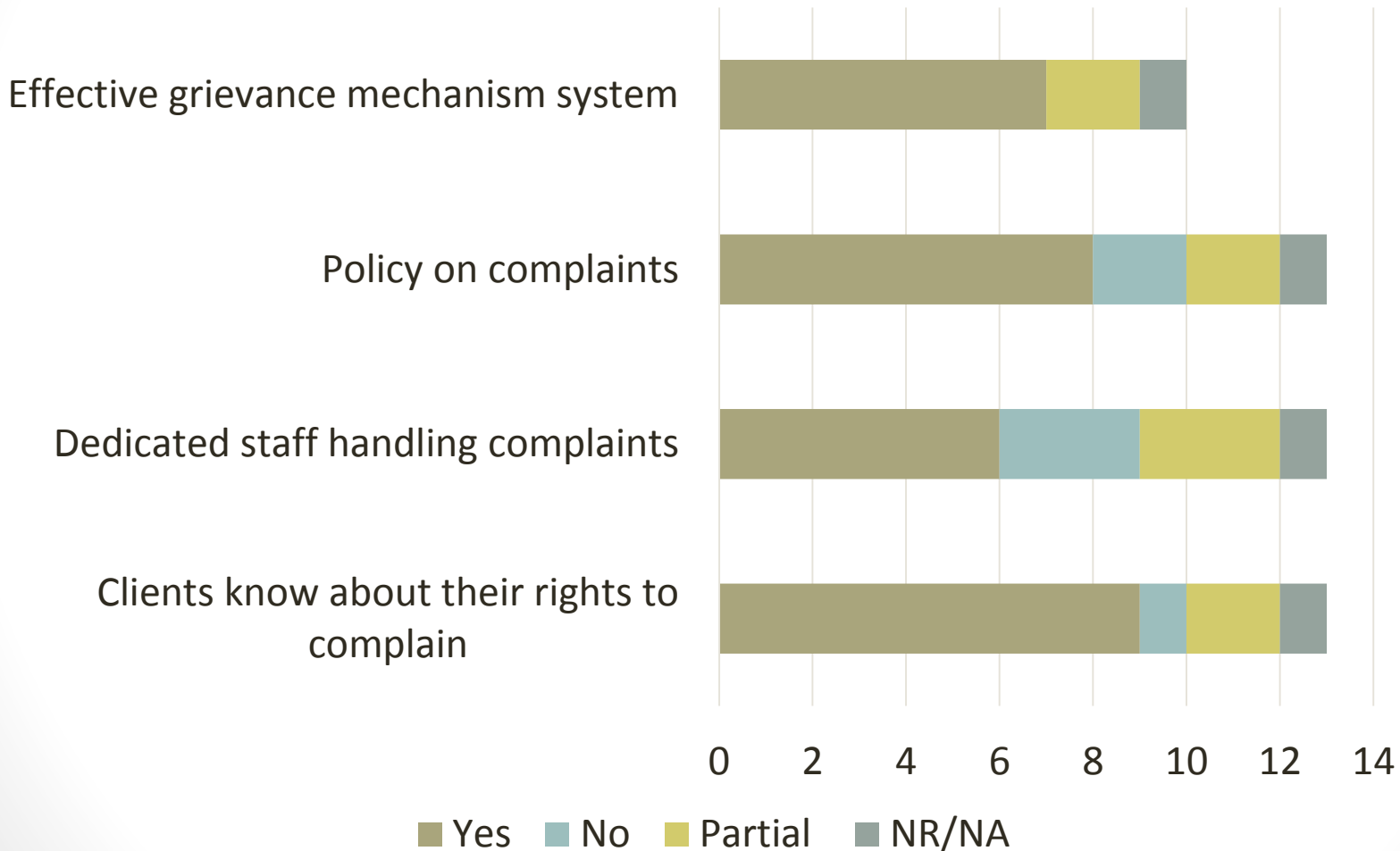


Policy on acceptable pledges of collateral

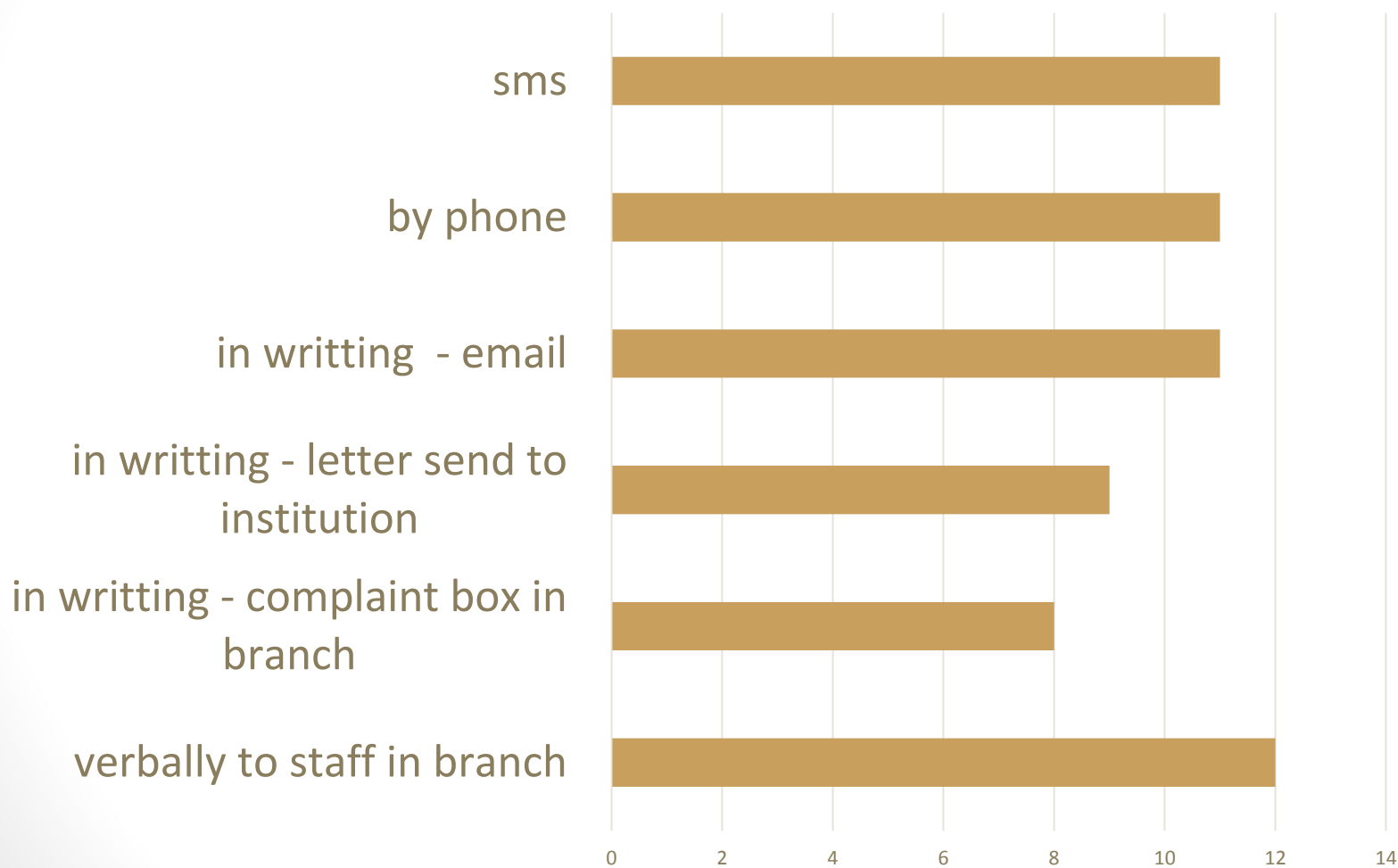


“...should not deprive clients of their basic survival capacity.”

Mechanisms for complaints resolution



Channels for complaints



RESPONSIBILITY TO STAFF

Salary Scale

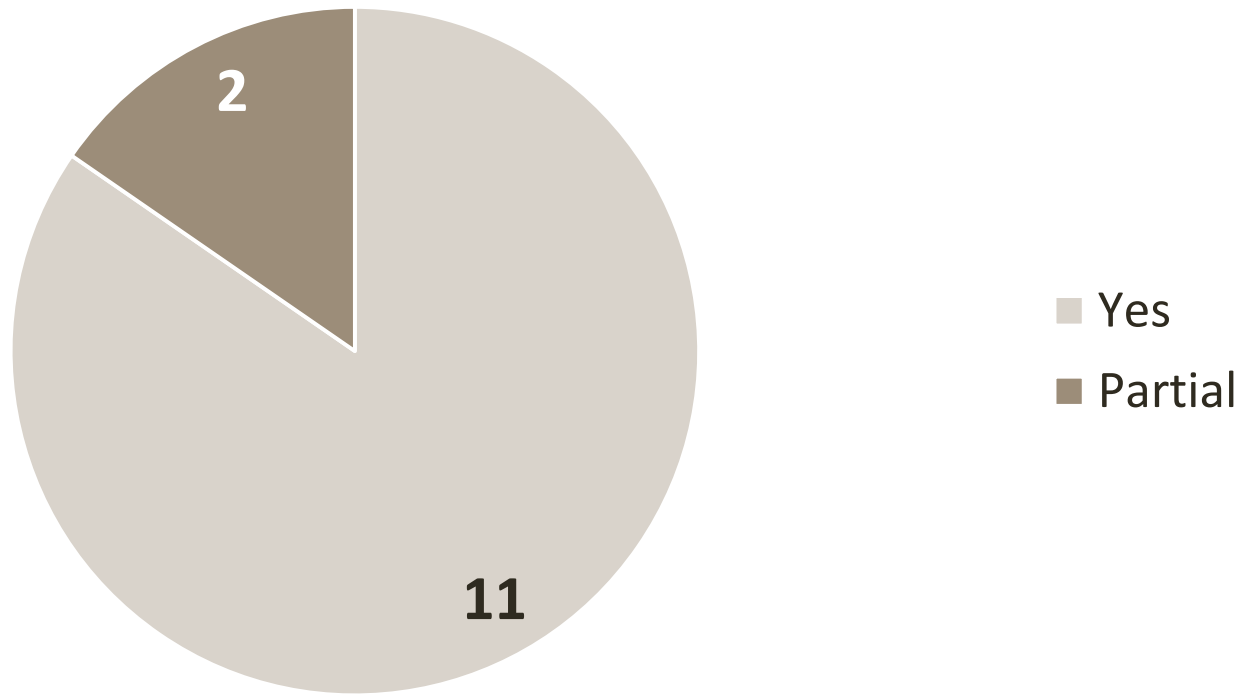
	Average (Php)	Range (Php)
Minimum wage at entry in the institution (11)	7,938	6,000 - 10,200
Maximum wage currently paid in the institution (9)	93,820	28,500 - 250,400
Minimum wage at entry for credit and front office staff (11)	8,130	6,600 – 11,500
Maximum wage currently paid for credit and front office staff (11)	17,743	14,000 – 28,500

Benefits to Staff

	Average	Range
Number of extra paid holidays per staff (e.g. for birthday, wedding, important family event) (8)	5	2 - 36 days
Number of days for paid maternity leave (12)	65	30 - 90 days

Staff Development

MFIs with employees receiving job-specific training and/or skill development.



Staff Development

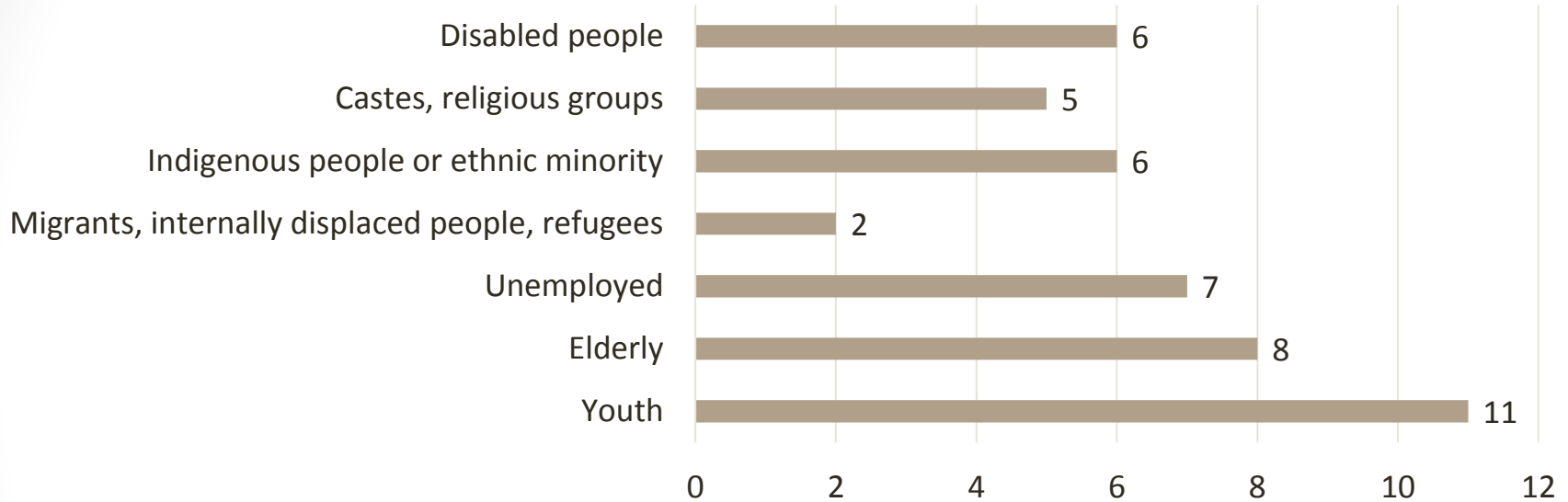
Number of days of all training per year received by:	Average	Range
Management staff (11)	13	2-36
Administrative and back office staff (10)	14	2-35
Credit and front office staff (10)	17	2-45
Board members (4)	4	2-5

RESPONSIBILITY TO THE COMMUNITY

Support to Local Communities

	Total	Average
Amount of total financial support provided in last 12 months to local communities (PhP) (10)	155,456,638	15,545,664
Number of paid staff days provided to support local community in last 12 months (7)	412	59

Support to Excluded Population

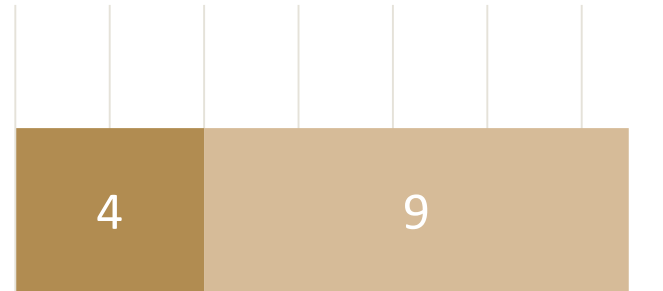


Total number of clients (6)	580,911
Total number of organizations (4)	33

RESPONSIBILITY TO THE ENVIRONMENT

Formal environmental strategy

Has a person appointed to manage environmental issues

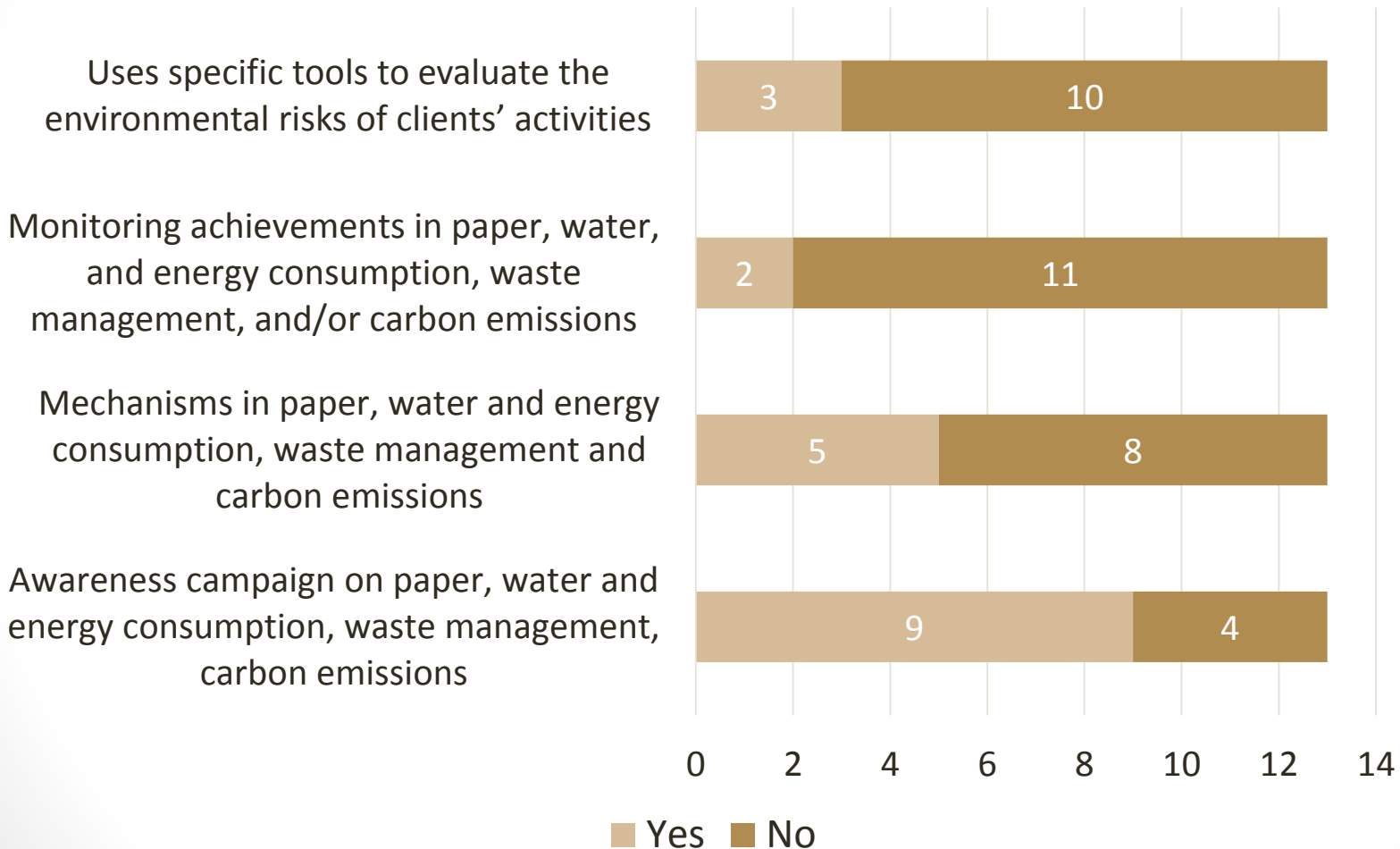


Has a formal environmental policy

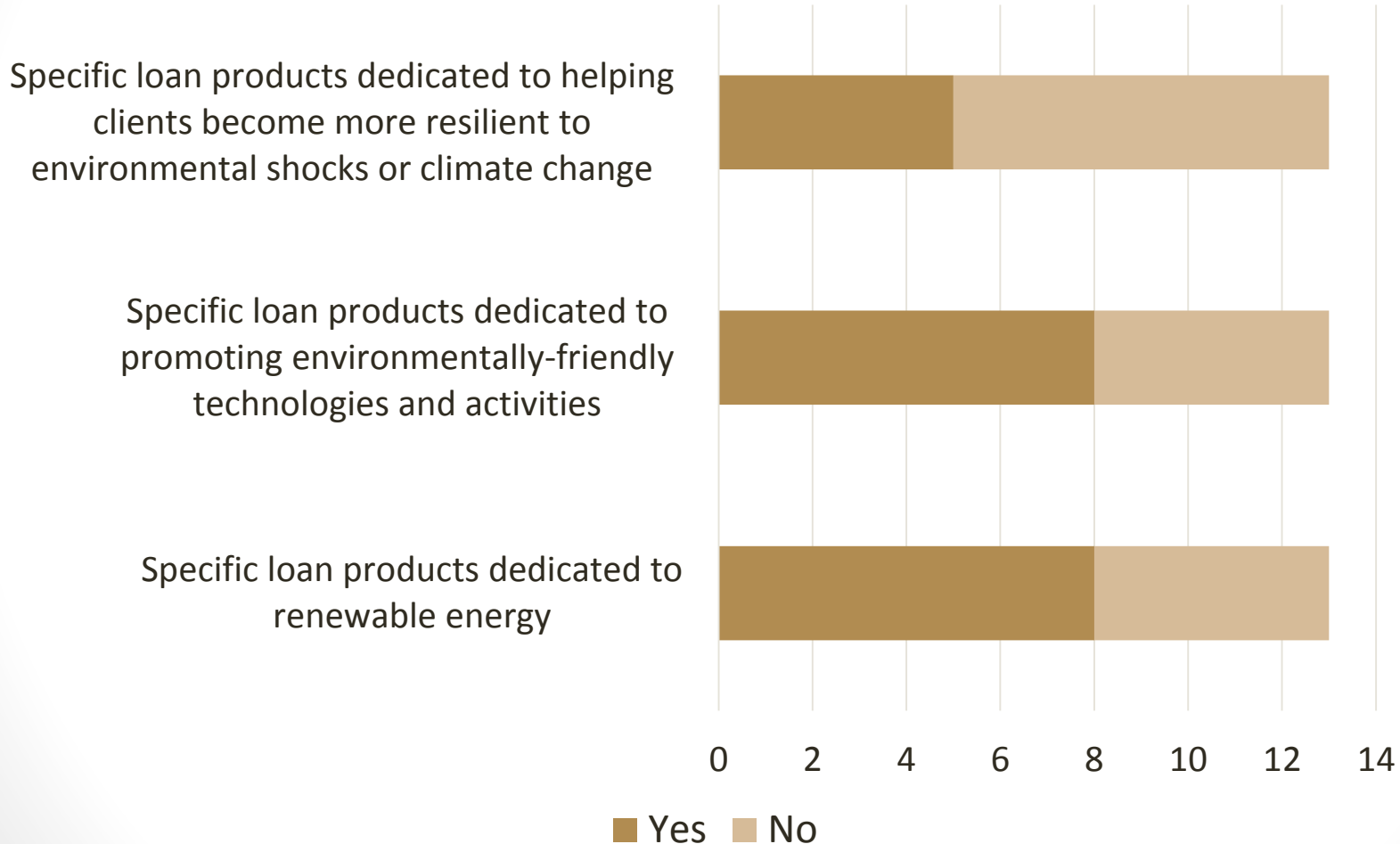


■ Yes ■ No

MFIs managing internal environmental risks



Provision of Green products and services



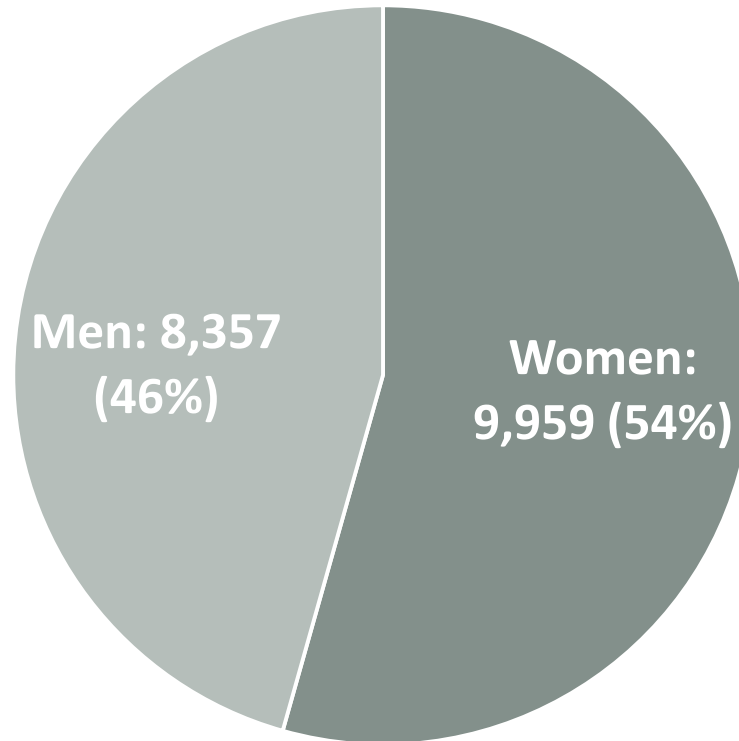
SOCIAL OUTPUTS

JOBS CREATED

	TOTAL	AVERAGE
Number of workers hired by financed enterprises (excluding owners and unpaid family members) ⁽³⁾	179,009	59,670

Jobs created

In terms of number of MFI staff



TOTAL NUMBER OF STAFF: 18,316

Recognitions

- Global and local recognition of MFIs on their SP initiatives
 - ASKI as Smart Certified MFI
 - ASHI as Truelift Compliant
 - CARD as Financial Inclusion **partner** of the *Bangko Sentral ng Pilipinas*

Recognitions

