

ugnayan

1st Digital Financial Inclusion Awards highlights digitalization efforts of microfinance and microenterprise sectors



The achievements and contributions of the country’s microfinance institutions (MFIs) and microentrepreneurs towards implementing digital solutions will be put to spotlight with the virtual launch of the 1st Digital Financial Inclusion Awards (DFIA) held on March 14, 2022.

Bangko Sentral ng Pilipinas (BSP) Governor Benjamin E. Diokno, Citi Philippines Chief Executive Officer Aftab Ahmed, and Microfinance Council of the Philippines, Inc. (MCPI) Chairperson Eduardo C. Jimenez led the launch of the 1st DFIA, which aims to strengthen financial inclusion through digitalization of the microfinance sector in the Philippines. The DFIA program is a financial inclusion initiative funded by Citi Foundation, in partnership with MCPI and supported by Citi Philippines and the BSP.

What’s Inside

- 1 1st Digital Financial Inclusion Awards highlights digitalization efforts of microfinance and microenterprise sectors
- 2 Training on CRVA and Energy Utilization Assessment Tool
- 3 MF NGO Data at a Glance (2021)

“With the DFIA, we carry our inclusive digital finance agenda and microfinance advocacy further by recognizing microentrepreneurs, as well as microfinance institutions who have successfully embarked on digitalization,” said Governor Diokno.

The 1st DFIA will have two main components: recognition of outstanding MFIs and microentrepreneurs for successfully adopting digital solutions in their operations and an awareness readiness campaign on digitalization of MFIs.

“We look forward to working with Governor Diokno, the Central Bank, Mr. Jimenez, and the Microfinance Council of the Philippines to enhance the digital journey of micro-entrepreneurs and microfinance institutions. Through DFIA, we hope to make a meaningful difference in the communities we live and work in. Our goal is to see micro-entrepreneurs flourish and prosper,” said Aftab Ahmed, CEO of Citi Philippines.

The first component of the awards program focuses on recognizing MFIs and microentrepreneurs who have successfully adopted digital solutions that will motivate other MFIs and microentrepreneurs to apply new digital technologies and incorporate them into their business operations.

To be recognized are four (4) MFIs that have successfully implemented digital solutions in their institution as well as twenty (20) microentrepreneurs who have notable achievements in improving their businesses

through digital solutions. MFI winners will be awarded with cash incentives worth Php 100,000 each that will be used for continuous improvement of their digital financial services program. Microenterprise winners will also receive Php 100,000 each for their additional capital and laptops.

Meanwhile, the second component focuses on awareness and readiness campaign wherein MFIs will participate in a digitalization training workshop. Five selected MFIs will be provided with technical assistance on digitalization. They will also have the chance to implement their pilot digitalization initiatives in their selected branches.

Through these efforts, the 1st DFIA will ultimately motivate other MFIs and microentrepreneurs to adopt digital solutions in their institutions that will expand digital financial services and empower local businesses.

The DFIA program is an evolution of the Citi Microentrepreneurship Awards (CMA) that enables Citi Foundation and MCPI to continue raising awareness about the importance of microentrepreneurship and microfinance in supporting the financial inclusion and economic empowerment of low-income individuals.

Training on CRVA and Energy Utilization Assessment Tool

MCPI through its Green Inclusive Finance program conducted a training on Climate Risk and Vulnerability Assessment (CRVA) and Energy Utilization Assessment (EUA) tool last April 7 in Baguio City. It aimed to capacitate the staff of partner-MFIs Bangko Kabayan and RPMI on the use of the baseline survey toolkit for the agri-based microenterprises. The training was facilitated by climate change and renewable energy experts from Agafer Creatives.



MF NGO Data at a Glance (as of December 31, 2021) collected from 29 accredited MF NGOs

**₱61.4
billion**

**Gross Loan
Portfolio**



**7.5
million**

**Number of
Clients**



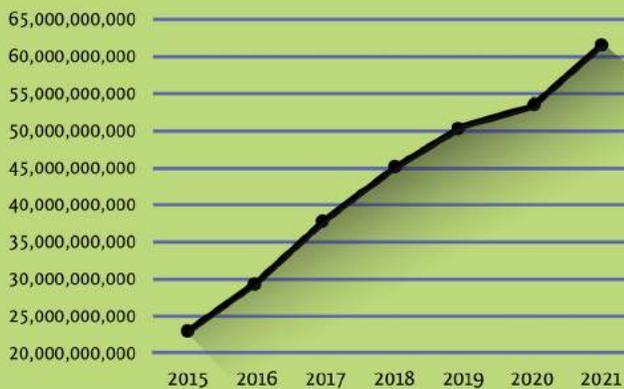
15%

**PAR > 1 Day
Ratio**



MF NGO Data Trend (2015-2021)

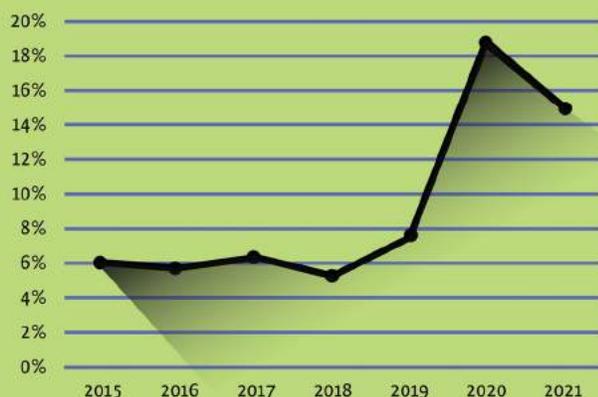
Gross Loan Portfolio (PhP)



Number of Clients



PAR > 1 Day Ratio



	Data		Change
	2020	2021	%
Gross Loan Portfolio (PhP)	53,249,632,628	61,393,642,767	13.27%
Number of Clients	6,743,033	7,531,760	10.47%
PAR > 1 Day Ratio	18.85%	15.09%	-24.92%

Source: Data collected by the Microfinance Council of the Philippines, Inc.