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Membership Strategies for Microfinance Associations: An Extensive Review of Practices from the Field

2010

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Membership Strategies for Microfinance Associations: An Extensive Review of Practices from the Field

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Association of Ethiopian Microfinance Institutions (AEMFI)
L'Association Professionnelle des Systèmes Financiers Décentralisés de Côte d'Ivoire (APSFD-CI)
Association Professionnelle des Systèmes Financiers Décentralisés du Bénin (Consortium ALAFIA)
Azerbaijan Microfinance Association (AMFA)
Association of Microfinance Institutions of Uganda (AMFIU)
Asociación de Entidades Financieras Especializadas en Micro Finanzas de Bolivia (ASOFIN)
China Association of Microfinance (CAM)
Cambodia Microfinance Association (CMA)
Consorcio de Organizaciones Privadas de Promoción al Desarrollo de la Micro y Pequeña Empresa, Peru (COPEME)
Microfinance Council of the Philippines (MCPI)
Pakistan Microfinance Network (PMN)
Palestine Network for Small and Micro Finance (PNSMF)
ProDesarrollo, Finanzas y Microempresa
Red Financiera Rural, Ecuador (RFR)
Sa-Dhan, Association of Community Development Finance Institutions, India
Banking with the Poor Network (BWTP)
Microfinance Centre for Central & Eastern Europe and the New Independent States (MFC)
Red Centroamericana de Microfinanzas (REDCAMIF)
Sanabel Microfinance Network of Arab Countries
The SEEP Network

ABBREVIATIONS

AEMFI	Association of Ethiopian Microfinance Institutions
APSFD-CI	L'Association Professionnelle des Systèmes Financiers Décentralisés de Côte d'Ivoire
ALAFIA	Association Professionnelle des Systèmes Financiers Décentralisés du Bénin
AMFA	Azerbaijan Microfinance Association
AMFIU	Association of Microfinance Institutions of Uganda
ASOFIN	Asociación de Entidades Financieras Especializadas en Micro Finanzas de Bolivia
BWTP	Banking with the Poor Network
CAM	China Association of Microfinance
CMA	Cambodia Microfinance Association
COPEME	Consorcio de Organizaciones Privadas de Promoción al Desarrollo de la Micro y Pequeña Empresa, Perú
FDC	Foundation for Development Cooperation
FSS	financial self-sufficiency
MCPI	Microfinance Council of the Philippines
MFC	Microfinance Center for Central & Eastern Europe and the New Independent States
MED	microenterprise development
MFI	microfinance institution
MFIN	Microfinance Institutions Network (India)
MIX	Microfinance Information Exchange
NGO	non-governmental organization
NPO	non-profit organization
OSS	operational self-sufficiency
PMN	Pakistan Microfinance Network
PNSMF	Palestine Network for Small and Micro Finance
REDCAMIF	Red Centroamericana de Microfinanzas
RFR	Red Financiera Rural
SHG	self-help group
The SEEP Network	Small Enterprise Education and Promotion Network (SEEP)

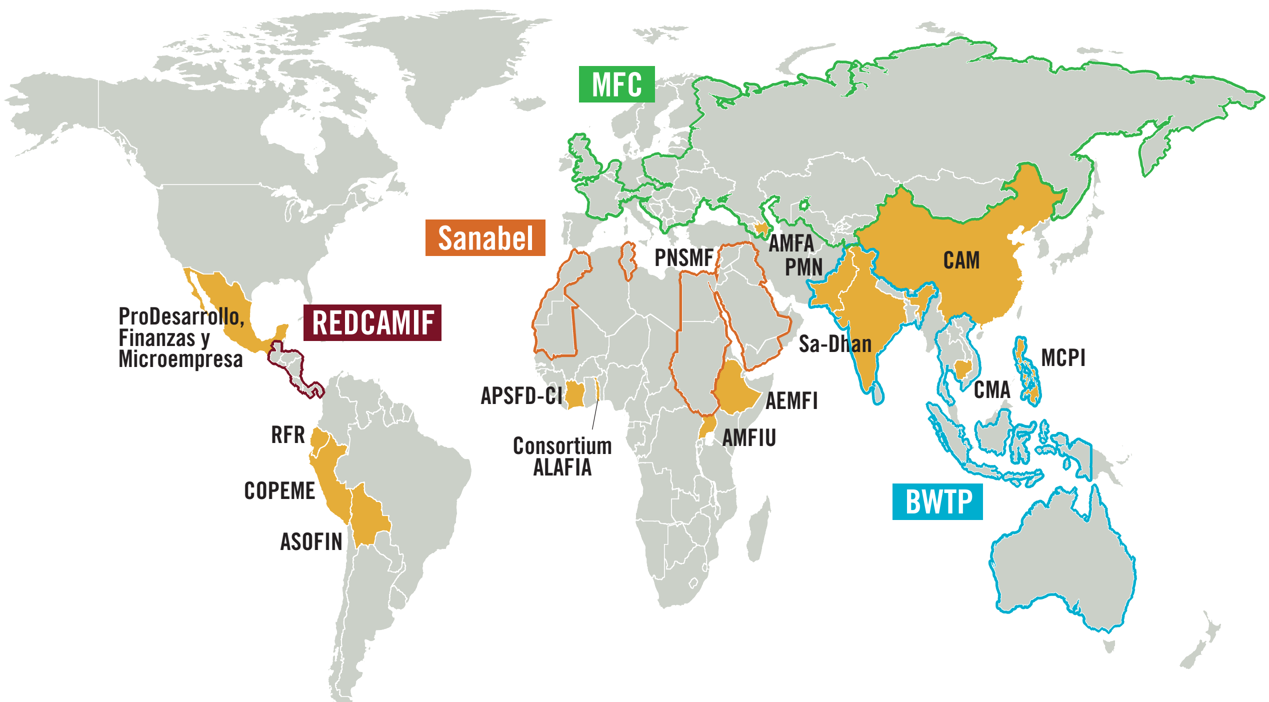
Overview

This technical note examines the membership strategies of a broad range of microfinance associations surveyed by SEEP in 2010. Its purpose is to review the different approaches, policies, and processes associations have adopted to serve their members and their organizational missions. The diversity of experience shows there is no one best practice. Instead, associations need to define their strategy based on a clear understanding of the market, the needs and demands of their members, and their own long term vision for development.

Membership strategy is crucial for success because it touches on all aspects of the organization (governance, operations, financial sustainability, services, and external relations). The key elements of a membership strategy are membership base, dues structure, and benefits offered to members.

The findings presented in this note are based on a survey of 20 microfinance associations.[1] The sample was designed to include associations in different geographic regions, at different levels of institutional development, and with different maturity of the microfinance market. Figure 1 lists the participating associations. (See annex 1 for a brief description of each association.)

Figure 1. Participating Associations



Background

In order to fully understand an association's membership strategy, it is important to begin with a definition of what an association is, along with an introduction to some of the common origins of existing associations. Microfinance associations are membership organizations that promote best practices, collect and disseminate industry information, and promote a positive, enabling policy and funding environment for microfinance. Association membership is generally made

1. This note is based on information collected from these surveys and is current as of May 2010.

up of retail institutions that engage directly in microenterprise lending,[2] including specialized microfinance institutions, credit unions, cooperatives, and commercial banks, plus other stakeholders in the industry, such as funders or technical service providers. Some associations focus on a specific segment of the microfinance sector, such as only regulated institutions, while others more broadly include all stakeholders operating in the market.

In some cases, such as Central America, the Middle East and North Africa, regional (or multi-country) associations have emerged. These associations often focus on representing and strengthening MFIs and/or national associations in their region. A few countries (e.g., Cambodia, Cote d'Ivoire, and Morocco), have regulations requiring that all MFIs belong to an association, which serves as an official link between government financial regulators and the microfinance industry.

How Microfinance Associations Emerge

Microfinance associations come in to being under a variety of circumstances, depending on the local context, the level of maturity of the microfinance market, and the availability of funding, among other factors. The following are a few examples of how some of the associations participating in this survey were established.

Emerging Independently

Sa-Dhan, the Association of Community Development Finance Institutions in India, was formed when key practitioners realized that MFIs needed a common platform to more effectively increase program outreach, launch new initiatives, and negotiate with policymakers for a favorable regulatory environment. As stakeholders increasingly recognized the common constraints and challenges, consensus for a comprehensive approach to expand the provision of microfinance services in India emerged, despite the diversity of microfinance models and organizations. A number of MFIs, banks, and foundations came together to identify a leader and establish Sa-Dhan.

Created as a Project by a Parent Organization

The Banking with the Poor (BWTP) network arose out of the Banking with the Poor project of the Foundation for Development Cooperation (FDC). The Foundation is an independent, non-profit organization based in Brisbane, Australia, whose aim is to strengthen international cooperation and development, especially in the Asia-Pacific region. The BWTP project was dedicated to exploring, demonstrating, and publicizing the potential for increased access to credit for the poor on a sound commercial basis. FDC conducted research in eight south and southeast Asian countries and held a number of regional workshops. This eventually resulted in the formal establishment of the BWTP network to establish linkages between commercial banks on one hand, and non-government organizations (NGOs) and self-help groups (SHGs) of the poor on the other. The network is an autonomous body with its own executive, but the Foundation continues to serve as its secretariat.**

Formed by National Associations

REDCAMIF, the Central American regional association, emerged from the context of relatively developed microfinance industries. Several Central American countries had well-established national microfinance networks. These networks, consisting of leaders in national microfinance industries, recognized the potential value of regional collaboration and thus established REDCAMIF as a network of networks in 2002. Because the region consists of small countries with relatively homogenous populations, REDCAMIF was a strategic effort to achieve economies of scale by formally bringing together the national microfinance sectors to work toward common objectives. The four founding associations were the Red de Instituciones de Microfinanzas de Guatemala (REDIMIF), the Asociación de Organizaciones de Microfinanzas de El Salvador (ASOMI), the Red de Instituciones de Microfinanzas (ASOMIF) Nicaragua, and the Red de Instituciones de Microfinanzas de Honduras (REDMICROH).

* This example draws from Sa-Dhan Microfinance Resource Center, 2009, "Journey of a Decade: Building the Sector of Community Development Finance," (New Delhi, India: Sa-Dhan), 13.
** *bwtp.org*, "About Us: History," "A Brief History of the Network," http://www.bwtp.org/history.html. Accessed September 2010.

2. This technical note refers to all institutions engaged in microenterprise lending as microfinance institutions, or MFIs.

Membership Base

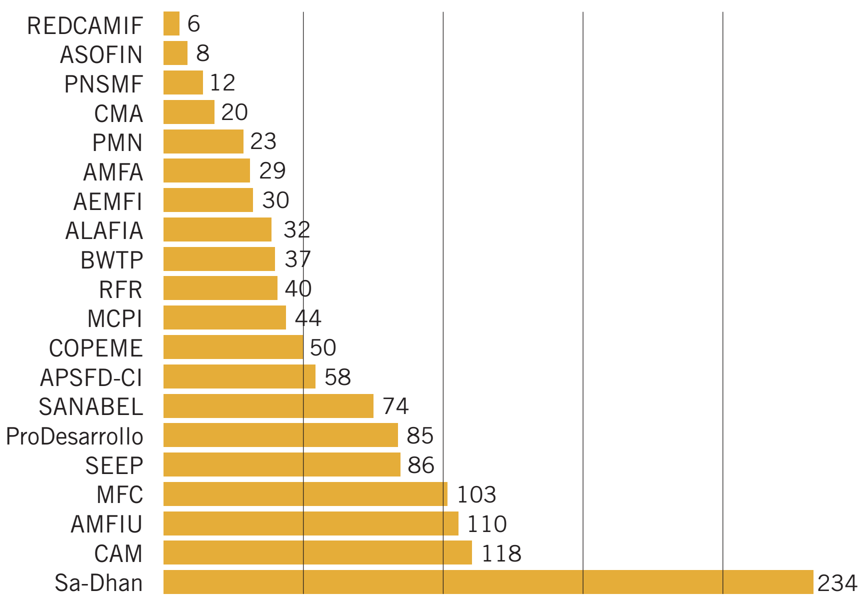
The primary source of legitimacy for associations is their membership base, defined by the association's target market, membership categories, and eligibility criteria. The membership base should be directly tied to the association's mission and should be clearly defined in the constitution and by-laws. The specific organizations an association wishes to target should be defined as part of the association's strategic planning, which may change as the association and the microfinance market evolve.

The membership base varies significantly among the associations surveyed. Of the 20 associations, the number of members ranged from as few as 6 members (REDCAMIF), where members are national networks, to 234 (Sa-Dhan) in India with numerous small NGO members. The average number of members per association is 60, while the median is 42 members. Graph 1 below shows the total number of members belonging to each association discussed in this note.

Defining a Membership Base

- Target Market
  - Broad outreach
  - Larger or commercial MFIs
  - Smaller, non-profit, or unregulated MFIs
  - Associations
- Membership Categories
  - Type of institution or role in industry
  - Size
  - Duration of membership
  - Honorary membership
- Eligibility criteria
  - Operational characteristics
  - Financial performance
  - Social performance

Graph 1. Number of Members



Target Market

A target market is defined by the type of organizations the association seeks to represent and serve. A well-defined target market is fundamental to organizational success, as is an effective market strategy with appropriate products, promotions, and pricing. Target markets will vary. Some associations define their market very broadly to include as many sector stakeholders as possible. Others choose to target a more homogenous group of institutions, based on legal structure or focus on niche markets, such as rural service providers. As mentioned, in some countries, like Cambodia, Cote d'Ivoire, and Morocco, association membership is mandated by law.

Regional associations may operate as a network of networks, or support MFIs across their region, or both. In the case of REDCAMIF, only national associations are eligible for full membership, although all the associations' members automatically become honorary members of REDCAMIF. In contrast, BWTP's statutes require that 75 percent of their members be MFIs, while 25 percent are other actors involved in the industry across Asia. Sanabel and MFC seek to include a broad range of microfinance players in their respective regions. However, because more national associations are beginning to emerge in these regions, both associations are moving to invite national networks into their membership to expand their reach and impact.

An association's target market is a fundamental strategic concern. Associations need to ensure their membership base evolves and matures along with the microfinance market. This implies ongoing evaluation by the association's leadership and may mean increased specialization or, in some cases, greater diversity. Table 1 presents a typology of association target markets.

Table 1. Common Target Markets for Microfinance Associations

Target market	Key characteristics	Associations
Broad outreach	Members represent a diverse range of microfinance providers and other players in the industry, such as training or technical service providers, donors, and other contributors to the sector.	• AEMFI • APSFD-CI • AMFIU • MCPI • MFC • PMN • PNSMF • ProDesarrollo • RFR • Sa-Dhan • Sanabel
Regulated and/or commercial institutions and banks	Membership may not exclude non-profit organizations, but services are geared toward larger and/or regulated institutions.	• AMFA • ASOFIN • BWTP • CMA • Consortium ALAFIA
Non-profit and/or unregulated institutions	Services are primarily for non-profit institutions. This more often exists where microfinance industries are dominated by NGO MFIs or where there are important distinctions between regulated and unregulated institutions.	• COPEME • CAM
National associations	Regional or international associations design specific services for national microfinance associations. Often associations extend membership to, and provide services for, MFIs and other stakeholders in the industry.	• REDCAMIF • Sanabel • MFC • SEEP

Targeting Large MFIs and Banks: AMFA

The Azerbaijan Microfinance Association has a range of MFIs as members: 34% are small, 11% are medium size, and 55% are large MFIs and banks. Its strategic focus, however, is medium and large commercial banks that are making a strategic decision to move down-market to offer microfinance services. AMFA decided to focus on this group for several reasons. For one, 17 of 19 MFIs in Azerbaijan are already members of AMFA. A strategic planning exercise in 2006–2007 revealed that AMFA needs the support of medium and large banks to continue growing institutionally. Larger members can contribute necessary leadership skills, participate in AMFA governance, and provide sponsorship support for AMFA's bi-annual conference and other events. They also represent the largest potential audience for fee-based trainings, workshops, seminars, and other products and services, which provide nearly 50% of AMFA's annual revenue. Additionally, medium and large banks support cutting-edge initiatives and can expand AMFA's capacity in areas, such as financial transparency, client protection, and financial education of clients. By co-funding some of these initiatives with members, AMFA demonstrates commitment to innovation, which helps attract new donors.

AMFA believes its strategic focus on medium and large banks does not affect its smaller MFI members. To meet the small MFIs' needs, AMFA developed a package of customized training and consulting services. AMFA's medium and large MFI members support the incorporation of large banks even though, as banks expand their outreach, they become direct competitors to MFIs. However, AMFA can help cultivate relationships and enable MFIs to compare their performance with the banks'. AMFA also considers attracting medium and large banks to be essential to its policy advocacy agenda. All members benefit from the strong linkages that the larger banks have with the government and their influence in advocating for better microfinance policies.

Membership Categories

While some associations target specific segments of the microfinance market, most have diverse members with varying needs. This diversity is reflected in the number of membership categories many associations have created. Associations commonly structure their membership dues, eligibility criteria, and benefits (such as participation on the association board of directors) based on these categories.

Of the 20 associations surveyed, all but four have two or more membership categories. Categories are usually based on the organization's legal type, the role the member plays in the market, and/or the member's size. Some associations also draw distinctions between newer members and more senior members, while others grant honorary memberships. For the four associations with no categorical distinctions, all members are subject to the same eligibility requirements, receive the same benefits, and, with the exception of AMFA, all members pay the same dues.

Table 2. Examples of Association Membership Categories

Type of categorization	Description	Examples
No categorization	All members are subject to the same eligibility criteria, receive the same benefits, and usually pay the same dues	COPEME • Places all of their members into one category. AMFA • Cannot legally draw categorical distinctions among members in terms of eligibility or benefits, but is able to charge different fees to different types of members.
Type of institution/ role in industry	One of the most common structures for membership categories is based on the institution's legal form (MFI, commercial bank, etc.) or the role the member plays in the industry (donor, technical service provider, association, etc).	PMN • Microfinance banks • MFIs • Commercial financial institutions ProDesarrollo • MFIs • Contributors to the sector • Independent participants BWTP • MFIs • National microfinance associations • Technical service providers Sa-Dhan • Technical service providers • Retail-level financial institutions • MFIs • Networks/industry stakeholders.
Size	Members are categorized based on the number of clients, the size of the outstanding loan portfolio, or a member's total assets.	ASOFIN • Total assets >US$ 60 million • Total assets $25–$60 million • Total assets <$25 million CMA • Small: portfolio <$3 million • Medium: portfolio $3–$10 million • Large: portfolio >$10 million
Duration of membership	Different membership categories are based on the amount of time a member has belonged to the association.	Sa-Dhan • Associate members for first three years of membership have lower dues and fewer benefits. • Primary members after three years of membership in good standing receive full benefits (including voting rights and the possibility of running for the board of directors) and higher dues.
Honorary Membership	Membership is extended to other players in the industry, often involving lower, if any, dues and fewer benefits.	REDCAMIF • Honorary membership is extended to all members of the national networks that make up REDCAMIF's membership. RFR • Honorary membership is offered to key players, such as NGOs without microfinance portfolios, training service providers, and donors.

Criteria for Eligibility

It is strategically important for an association to clearly define its criteria and requirements for membership. These requirements may be uniform across the membership or may vary by membership category. Eligibility criteria are shaped by the types of members an association chooses to represent and serve. As previously mentioned, some associations only offer membership to non-profit organizations (COPEME) while others require that members be regulated institutions (ASOFIN). In some cases, eligibility criteria may be relatively minimal. AEMFI, for example, extends membership to MFIs and only requires that they be legally registered organizations. However, criteria for membership can go far beyond basic size and type to include specific standards and objectives that align with the mission of the association and define the association's legitimacy and position in the microfinance market.

Common Eligibility Criteria

- Commitment to association's mission
- Adherence to association's code of ethics or code of conduct
- Requirements related to percentage of loan portfolio dedicated to microfinance
- Minimum size and/or time in operation
- Progress toward financial sustainability and/or growth

Table 3. Eligibility Criteria Statistics of Surveyed Associations

20 Participating Associations	% including this criteria	Description of eligibility criteria
Operational criteria	65%	Types of services provided, legal status, market focus
Financial performance criteria	50%	Portfolio size, quality, number of client, financial performance
Social performance criteria	75%	Commitment to association mission, code of ethics, serving vulnerable/ poor population

The eligibility criteria of many associations stipulates a commitment to promoting microfinance best practices and maintaining a transparent and democratic institutional structure, a willingness to be independently audited, and a goal of keeping clients and communities at the center of their operations. Pledging to support industry growth by actively participating in association activities and initiatives is also common, as are requirements that members have missions consistent with the association's, such as the expansion of services in vulnerable rural and urban sectors.

Of the 20 associations surveyed, only four explicitly required that members sign a code of ethics or code of conduct. Nevertheless, associations are increasingly recognizing the importance of creating and incorporating some standard of conduct and ethics. For example, CAM recently developed a code of conduct, which will be incorporated into future eligibility criteria, and is in the process of getting current members to commit to adhering to the code.

All 20 associations have members directly involved in the provision of microfinance services, and six of them limit membership exclusively to MFIs. Eligibility criteria for MFIs often specify that a minimum percentage of an institution's portfolio must be dedicated to microfinance; some even have ceilings for average or maximum loan sizes. ASOFIN, for example, requires that their members have more than 60 percent of their total loan portfolio in microfinance. ProDesarrollo requires that at least 80 percent of members' microfinance loan portfolios be dedicated to microenterprise loans and at least 70 percent be loans of less than US$ 3,000. ProDesarrollo also has criteria related to portfolio quality. PNSMF requires that members' loans not exceed $20,000 per loan.

Additionally, associations often stipulate a minimum size for clients or portfolio, and/or a minimum time in operation for membership. BWTP, for example, requires potential members to have been in operation for at least three years and demonstrate a progressive scale of outreach over a three-year period. PMN requires microfinance banks be at least one year old and have 5,000 active clients, NGO MFIs must be a minimum of three years old and have at least 4,000 active clients, and commercial financial institutions must be three years old and have at least 5,000 clients. Sanabel, as a regional association, has a client requirement based on the population of the countries in which members operate. In countries with more than 8 million people, prospective members must have at least 5,000 active clients, while smaller countries need only 2,000 to 3,000 clients.

In cases where membership is extended to other players in the industry, an association may have specific criteria for each kind of actor. For example, AMFA offers membership to donors, but they must have contributed at least $200,000 in funding to microfinance in Azerbaijan in order to be considered for membership. Associations structure their eligibility criteria to be more exclusive to ensure their members meet high quality standards and promote growth and integrity in the industry.

How Associations Manage Eligibility Criteria: MCPI and NGOs

MCPI has relatively strict membership criteria. This is a strategic decision tied directly to the mission and vision of the association, which places commitment to the reduction of poverty at the core of its work. They deliberately pursue the highest global standards of excellence and require the same from their members. MCPI's eligibility criteria not only identify the types of organizations that can be members, minimum time in operation, size of portfolio, and number of borrowers but also require that members have definite plans to extend outreach to 10,000 borrowers or savers over a certain period of time. Members must clearly articulate a mission and vision to reach low-income clients and must employ an acceptable poverty assessment tool to select first-time clients. They must also have detailed internal control policies. Because this latter stringent criterion excludes many small MFIs that could benefit from association representation, MCPI recently included regional councils in its membership, which represent smaller MFIs that do not individually meet MCPI membership criteria. However, with the regional councils as members, smaller MFIs gain indirect representation and MCPI extends its reach without lowering its eligibility criteria.

A final criterion mentioned in survey feedback is progress toward financial sustainability. Sanabel requires that members have a demonstrated commitment to both operational and financial sustainability. For Sanabel, operational and financial sustainability is defined and measured in accordance with the Microfinance Information Exchange (MIX) calculations of operational self-sufficiency (OSS) and financial self sufficiency (FSS). Sanabel does not yet have an enforcement mechanism to ensure that their members are actually committed to increasing OSS or FSS. Likewise, BWTP uses FSS to measure sustainability and asks its members to commit to becoming self-sufficient, but does not strictly enforce this. ProDesarrollo's members must also seek full financial sustainability. Sustainability is currently measured using the financial performance information submitted by members for the benchmarking reports. Those members that are not yet sustainable must show constant progress toward achieving sustainability in order to remain in good standing with the association. ProDesarrollo hopes to make this criterion more stringent in the future.

Enforcement of Eligibility Criteria

While all associations have an application process for new members to ensure they meet the eligibility requirements for initial membership, only eight of the 20 associations surveyed have a system in place to monitor and enforce compliance. Several examples of these association's current enforcement strategies are listed below:

- AMFA has a membership monitoring system that allows direct contact with each member on a monthly basis. Four staff members regularly monitor performance and compliance of the 29 members.
- ASOFIN membership is exclusively regulated financial institutions. The Bolivian Banking Superintendent is charged with oversight and enforcement of the banking laws. In order to retain membership, institutions must be in full legal compliance. Additionally, ASOFIN verifies that at least 60 percent of members' portfolios are dedicated to microfinance through an annual review of members' audited financial statements.
- MCPI collects financial performance data and uses this information to ensure that members remain in compliance

with minimum standards. Similarly, PMN tracks member performance in a benchmarking matrix each year, and BWTP requires annual submission of portfolio status reports.

- Sa-Dhan uses an annual membership renewal form to monitor members' compliance with its criteria. This includes initial eligibility criteria, such as commitment to Sa-Dhan's code of conduct, as well as ongoing requirements, such as active participation in association events and data collection.
- RFR's membership policies outline a process where the executive director must present an institutional investigation of membership violations to the association's board to analyze. If required, a resolution may be presented to the general assembly for a simple majority vote on the removal of a member.

There are multiple benefits associated with monitoring and enforcing eligibility criteria. Currently, one of the most important threats faced by the microfinance sector is reputational risk. Members have a vested interest in ensuring their association attract and retain institutions that positively represent the sector. Poor performance and/or unethical behavior on the part of one institution can have negative repercussions for other members. Additionally, as the microfinance sector has grown, so has the diversity of institutions. Many associations have found it useful to create a distinct identity that sets them apart from others that may not share their values or development goals. Through ongoing monitoring and enforcement of eligibility criteria, these associations can better preserve this identity. Finally, legitimacy with external stakeholders, particularly governments, is often closely tied to the quality of the association's members. In many cases, associations are moving to becoming self-regulating organizations, where minimum standards in performance and practice are mandatory.

How an Association Can Enforce Its Eligibility Criteria: ProDesarrollo

While 60% of the associations surveyed had no enforcement system in place, ProDesarrollo represents the other end of the enforcement strategy spectrum. This association has developed a detailed process to track compliance with membership requirements. Members must submit quarterly, semi-annual, and annual reports with financial, outreach, and performance information. ProDesarrollo uses these reports to ensure members meet portfolio criteria, such as loan size and a low portfolio-at-risk rate. If a member fails to meet membership requirements at any point, they move into "irregular" status, where they cannot access member discounts and lose scholarships, voting rights, and other member benefits. Institutions then have one year to make the adjustments necessary to once again meet regular membership requirements. If they fail to achieve regular membership status within that year, the association's membership committee reassesses the situation and the efforts shown by the member. A recommendation is then made to the board of directors who can, by majority vote and with the authority granted to them by the annual general assembly, determine whether the member in question can remain a member or should be removed.

Membership Dues

Membership dues are a core component of an association's membership strategy and overall financial viability. The level of dues charged should be tied to the benefits package offered and should be designed to ensure the association's financial sustainability. However, as evidenced by the survey data, this is an area in which many associations struggle.

Structure and Amount of Dues

The structure of annual dues varies by association, but there are five common approaches among those surveyed:

- Flat rates for all members
- Different fixed rates for different membership categories or types of organizations
- Scaled dues based on the size of the member's portfolio, total assets, or number of clients
- Dues based on a combination of variable rates based on membership category or type of organization and scaled based on size (portfolio, client or asset)

REDCAMIF is the only association surveyed that charges only a one-time membership fee, although seven others charge one-time subscription fees to new members when they join, in addition to ongoing annual dues. Five associations charge the same rate for all members, regardless of whether or not they have membership categories based on size or type of institution. Four charge different fixed rates depending on the type of institution (for example non-profit or for-profit) or membership category (regular or associate, MFI or consultant). Six associations utilize a scaled dues structure, where dues vary based on the size of the member. Finally, three associations use an approach that combines different rates for different membership categories, as well as scaled dues within some or all of the membership categories based on the size of the member. Table 4 summarizes the different membership categories and rates charged by all associations surveyed, grouped by these common approaches.

Table 4. Membership Dues

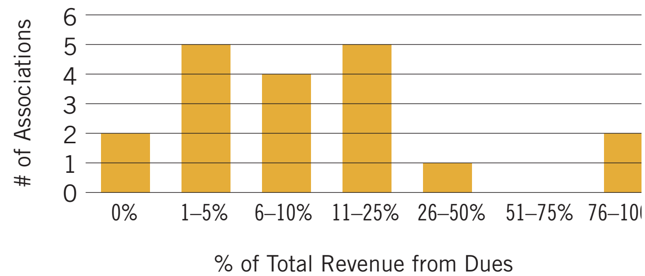
Fee Structure	Association	Membership categories	One-time subscription fees	Annual member dues	Frequency of payment
One time	REDCAMIF	Founding members	$5,000.00	$ 0.00	Over three years
		Active networks			
		Honorary members	$0.00		
Flat rate	AEMFI	Regular	$0.00	$200.00	Annually
		Associate			
		Ordinary			
	CAM	No categories	$73.00	$73.00	Annually
	COPEME	No categories	$500.00	$600.00	Paid in quarterly installments
	MFC	No categories	$0.00	$666.00	Annually
	PMN	MF banks	$1,191.00	$476.00	Annually
		NGOs (specialized MFIs, rural support programs)	$596.00		
		Commercial financial institutions	$1,191.00		
Variable, based on type of institution and/or membership category	BWTP	MFIs	$0.00	Non-profit: $250 For-profit: $500	Annually
		Non-MFIs		Non-profit: $250 For-profit: $500	
		MF national networks		$150.00	
	MCPI	Regular members	$50.00	$50.00	Annually
		Associate members	$25.00	$25.00	
	Sa-Dhan	Associate members	$0.00	$45.00	Annually
		Primary members		$113.00	
		Formal financial institutions		$564.00	
	Sanabel	Full member	$0.00	$650.00	Annually
		Affiliate member		$500.00	
		Friends of Sanabel		Individuals: $1000 Banks/inst: $2,000	

Fee Structure	Association	Membership categories	One-time subscription fees	Annual member dues	Frequency of payment
Scaled based on member size (number of clients, size of portfolio, total assets)	APSFD-CI	Mutual or cooperative	$103.75	$0.21 X number of members or clients	Annually
		Public company (or limited company)			
	ALAFIA	Savings and credit unions	$222.00	$222–$8,888 scaled based on member institutions' outstanding credit	Annually
		Credit and savings cooperatives			
		Microfinance associations			
		Microfinance companies			
	AMFA	No categories	$0.00	Assets < $5 million: $1,870 Assets > $5 million: $4,360	Annually
	ASOFIN	Total assets of >$60 million	$0.00	$158,659 + 0.6% of assets over $60 million	Annually
		Total assets >$25 million and <$60 million		$118,994 + 0.6% of assets over $25 million	
		Total assets <$25 million		$98,000.00	
	CMA	Large	$0.00	$1,600.00	Paid in quarterly installments
		Medium		$1,000.00	
		Small		$750.00	
	RFR	Full member	$0.00	Scaled based on members' portfolio: $600 for MFIs <$100,000 Up to $4,980 for MFIs >$50 million Support NGOs pay $2,520	Paid in monthly installments
		Honorary members			
Based on membership category AND size of budget	AMFIU	Individual associate members	$107.00	$181.00	Annually
		Ordinary members	$53.00	$80–$533 depending on organization type/size	
		Associate members (organizations)	$160.00	$362.00	
	ProDesarrollo	Microfinance providers	$0.00	Extra large (>8.2 million): $4,619 Large (>4.1 mil): $3,553 Medium (82,200–4.1 million): $2,724 Small (41,100–82,200): $1,954 Micro (<41,100): $853	Annually
		Contributors to the sector		$1,954.00	
		Independent participants		$296.00	
	SEEP	International non-profit, private development organization (NPO)	$0.00	$1,000.00	Annually
		Regional or national association or microfinance institution (network)	$0.00	Based on financial statements, ranges from $100 for association with operating budgets < $50,000 and up to $1,000 for association > $800,000	

Dues as Revenue

While it is difficult to compare amounts across countries and contexts, member-based organizations collect dues for operational and programmatic expenses. As such, it is important to measure the percentage of total revenue that is generated from membership dues. Of those surveyed, the percent of total revenue[3] derived from membership dues in the previous year varied substantially, from zero to 97 percent. Most associations earn less than 25 percent of their total revenue from member dues, with the rest generated from service fees, investment income, and donations. Figure 2 shows the number of associations that fall within various ranges of percentage of total revenue made up by dues.[4]

Figure 2. Dues as Percentage of Total Revenue



Justification for Dues

There is significant diversity among associations in how they justify the amount of member dues and how the dues are structured. As evidenced by the survey results, most association members do fully appreciate the importance of member dues and the degree to which they contribute to the associations' sustainability. Like other forms of self-generated income, member dues need to be analyzed with respect to the cost of operations and the benefits received by members. While financial strategies may vary, associations should have clear policies for determining dues based on sound financial analysis that can be easily communicated to members.

Most of the associations surveyed base their dues structure on what they perceive as their members' capacity and willingness to pay. Scaling dues to a member's size is an example of this approach. RFR determines dues based on the size of members' loan portfolios. ASOFIN's dues are linked to the value of the member's total assets, while CMA bases its dues on the amount of loans outstanding for each member. PMN argues that the rationale has historically been that commercial institutions and microfinance banks have a greater capacity to pay, and NGOs have less. Nevertheless, it reports that there has recently been some discussion of changing the fee structure to reflect members' portfolio size rather than just capital structure.

Even though a primary component of membership is the benefits package, few associations explicitly mention benefits as a rationale for their dues. Consortium ALAFIA structures its dues on members' portfolio size, partially because the larger MFIs and commercial banks have greater capacity to pay, but also because it believes they benefit the most from the association's services. For AMFA, the Azerbaijani Law on Public Associations prohibits membership categories and requires equal benefits for all members, but allows for variation in dues. AMFA believes that some member services, such as industry reports, are more useful for larger members, which AMFA uses as justification for charging dues based on size.

With Sa-Dhan, members only become full primary members after three years and part of the justification for charging primary members more than associate members is that they receive more benefits. For example, only primary members have voting rights in the general assembly. REDCAMIF, however, charges the same rate to all members because they all receive the same benefits.

3. Total revenue includes all earned income plus grants and donations received.

4. Two associations have zero revenue from dues in the previous year. CAM just decided to begin charging dues at the end of 2009, and REDCAMIF's one-time membership dues had all been paid. Percent of total revenue data was not available for one association.

Although dues contribute to operational and programmatic expenses, very few of the associations consider their expenses for serving their members as a principal factor in determining dues. AEMFI was the only association to specify that its dues are intended to help cover administrative costs. Sanabel and AMFIU recently underwent product costing exercises to identify the costs of serving members, which they hope will help members understand their need to raise dues. Despite showing members the costs of services and products, Sanabel and AMFIU—as do nearly all the associations—still struggle to get members to recognize the importance of financial sustainability for the associations themselves. This exercise yielded a baseline on financial sustainability for Sanabel, against which progress is being measured on a regular basis, and AMFIU has yet to get approval to increase dues from its general assembly.

BWTP structures its dues so that they are simple to understand. They are directly related to organizational type, which they believe directly influences members' capacity to pay. Interestingly, it currently charges the lowest dues to national associations because it wants to increase participation of this type of member. In this way, dues are not only related to benefits and sustainability but are also used as a strategic tool to attract new members.

Adjusting Dues

In addition to the challenge of setting dues rates that promote financial sustainability, most associations struggle with adjusting their dues amounts and/or structure when they feel it is necessary. Associations often fear losing members if they increase dues, but keeping dues unsustainably low can prevent an association from growing and offering more numerous and improved services.

Among the associations surveyed, approximately one-third have never changed their dues since they began collecting them. Only six of 20 responded with a set year in which they expect to increase dues, ranging from this year up to two years from now. ASOFIN states that its dues change every year, since dues are equal to a percentage of members' total assets, above a certain amount. The number of members has remained constant at eight, but ASOFIN's revenue from dues increases as their members' portfolios grow.

One association specifically stated that it has no intention of increasing its dues, while two others responded that their dues will change whenever the board of directors or the general assembly decides they should. Four associations reported that they have been lobbying for a dues increase, but have thus far been unsuccessful or do not know when an increase will be approved.

In contrast, The SEEP Network's business plan has established a goal of covering 30 percent of core costs through earned revenue, which primarily consists of membership dues. This target was established in collaboration with the board of directors and signals SEEP's commitment to make progress toward financial viability. Reaching this target requires both increasing the number of members, as well as amount of membership dues. SEEP is developing a value proposition to explain why an increase is necessary and identify the added ways members will benefit from higher dues.

Membership Benefits

MFIs and other players in the industry join microfinance associations for the membership benefits. Sometimes the benefits are less tangible, such as the prestige of belonging to an association with high standards for admission. All associations offer some form of benefits, member-specific services, or initiatives that benefit the industry overall. Nearly all of the associations surveyed offer training, either directly providing courses or facilitating access to training from other service providers. Many associations also hold conferences for members and the general industry, and offer members a discounted rate to attend.

Common Membership Benefits

- Discounted or free access to conferences, trainings, etc.
- Access to industry information
- Representation/exposure
- Participation in association governance
- Policy advocacy

ASOFIN is the only association in the sample that offers all services as part of its membership package at no additional cost. Nearly all the other associations charge members at least some portion of the cost of training, conferences, and other similar events. Members usually receive greater discounts than non-members to attend these events.

Many associations offer more specialized services for members for supplementary fees. AMFA offers personalized impact assessments, social audits, diagnostic analysis and due diligence, external evaluations, study tours, and market surveys at additional cost. RFR charges an extra fee for all services, including training and technical assistance.

Associations often produce informational reports on the microfinance industry in their country or region. AMFA provides members with monthly national microfinance statistics, annual benchmarking studies, customized financial performance reports, and national staff compensation survey reports. It also serves as a source of information on best practices in the industry, service providers, training opportunities, and scholarship opportunities. Some also participate in policy advocacy activities to promote an enabling environment and the industry as a whole.

Nearly all the associations surveyed give members the opportunity to participate in the governance of the association, through voting rights in the general assembly and the opportunity of being elected to a board position. In instances where associations have multiple membership categories, occupying a board position is sometimes restricted to MFI members or full members.

Associations frequently provide opportunities to publicize their members, in monthly, quarterly, or annual association newsletters and other print promotional materials. Sometimes they assist members in identifying investors or pass along funds from international donors to MFIs.

These are among the many types of benefits that associations can offer to their membership. Determining which services to offer and whether or not to charge for some of these services is an important part of any association's membership strategy.

Examples of Association Membership Benefits Packages

AMFIU

- Members participate in and get discounts on workshops, and gain access to information on microfinance best practices, a member database, industry surveys, and linkages to regional MFIs and international networks, institutions, and donors.
- They have opportunities to share best practices with their peers and participate in policy discussions with government, donors, and other stakeholders.
- They have access to the library at the Uganda Institute of Bankers and database facilities at the AMFIU Secretariat.
- Members receive a quarterly journal (*Microfinance Banker*) and other relevant info in a timely manner.

BWTP

- Offers members opportunities to promote achievements regionally and internationally through its newsletter and website.
- Members can participate in network activities, including meetings, capacity building workshops, and technical exchange programs at a discounted rate.
- Members have access to training, technical assistance and targeted value-added services.
- Provides contact with donors, experts, and global partners.
- Establishes and strengthens relationships with international networks.
- Members participate in working group activities to document and disseminate best practices.
- Members participate in BWTP governance.
- Members can use the BWTP name and logo on publications and letterheads.

MFC

- Offers access to the MFC newsletter, e-updates, and web page.
- Members receive free copies of MFC publications, including its annual report on the state of microfinance in the region.
- Members receive a 25% discount for conference fees, a special group discount, and a 20% discount for MFC training courses.
- Members have access to scholarships for participation in conferences and trainings.

ProDesarrollo

- Produces specialized reports, such as individual annual SWOT (strengths, weaknesses, opportunities, and analysis), annual microfinance benchmarking, and annual performance trends reports.
- Has initiated a project to strengthen members' codes of ethics through network certification.
- Promotes an accounting standardization initiative.
- Advocates for pro-microfinance policy.
- Communicates with internal and external stakeholders on behalf of members.
- Offers human development groups (a tool that guides MFIs in human resources design).
- Offers credit bureau discounts.
- Sets up alliances with consultants and providers.

Conclusion

Associations should think carefully about each element of their membership strategy (membership base, dues, and benefits) to ensure they can attract and retain the kind of members they desire. As donor funding becomes scarcer, it is increasingly important that associations form their strategy with a dual goal of meeting member needs while generating revenue. However, from this research on association experience, it is clear that many face a number of ongoing challenges:

- Ensuring the membership base evolves along with the market
- Meeting the diverse needs of members
- Defining and enforcing member eligibility criteria
- Determining member dues and effectively communicating to members

- Generating sufficient revenue from member dues
- Defining member benefits and their associated fee structures

The following questions can help an association evaluate the effectiveness of its current membership strategy:

✓ Does our membership reflect the diversity of the microfinance sector we seek to represent?
✓ Are membership categories useful and relevant?
✓ Do our current membership criteria ensure we attract and retain the types of institutions we want as members?
✓ Do we have adequate processes in place to ensure members continue to meet our eligibility requirements?
✓ Is there a clear link between our dues structure and the cost and benefits associated with services to members?
✓ Do members clearly understand the benefits associated with membership?
✓ Which association services should be included in a standard membership package and which services should be provided on a fee basis?
✓ Are membership dues adequately supporting the long-term financial sustainability of the association?

ANNEX 1. PARTICIPANT ASSOCIATIONS

National Associations

Association of Ethiopian Microfinance Institutions (AEMFI)

Established in 1999, AEMFI has 30 member MFIs providing credit, savings, money transfers, and pension payment services in 8 of the 11 regional or administrative states in Ethiopia. AEMFI's mission is to create an institutional structure that serves as national and industry forum and network for microfinance institutions that serve economically and socially disadvantage Ethiopians. AEMFI helps increase the efficiency and effectiveness of the existing MFIs and facilitate the establishment of new ones. http://www.aemfi-ethiopia.org/

L'Association Professionnelle des Systèmes Financiers Décentralisés de Côte d'Ivoire (APSFD-CI)

APSFD-CI, established in 1995, currently has 58 members. Its mission is to advance microfinance in the Ivory Coast by coordinating MFIs, collaborating with monetary authorities, conducting research, financing synergy, and establishing information exchanges. In addition to developing performance indicators and codes of ethics for its members, APSFD-CI offers capacity building, peer exchange, and industry information. http://www.aisfd-ci.net/

Association Professionnelle des Systèmes Financiers Décentralisés du Bénin (Consortium ALAFIA)

Consortium ALAFIA is the national association of microfinance practitioners in Benin. It was established in 2000 with the goal of contributing to the professionalization and development of microfinance institutions by building their capacity to offer services and improving the regulatory, political, and economic environments. Consortium ALAFIA offers its 32 members training, marketing and communications, technical assistance, information exchange, and capacity building. http://alafianetwork.org/

Azerbaijan Microfinance Association (AMFA)

AMFA was founded in 2001 and has 29 members. Its mission is to strengthen the capacity of microfinance institutions and promote effective collective action to advance the interests of the microfinance community. http://www.amfa.az

Association of Microfinance Institutions of Uganda (AMFIU)

AMFIU was founded in 1996 to create a common voice to lobby government for a favorable policy environment, share information and experience, and link up and network with local and international microfinance actors. Its mission is to enhance sustainable delivery of inclusive microfinance services in Uganda. It currently has 110 members. http://www.amfiu.org.ug/

Asociación de Entidades Financieras Especializadas en Micro Finanzas de Bolivia (ASOFIN)

ASOFIN Bolivia, established in 1999, is made up of eight regulated deposit-taking institutions. Its mission is to contribute to the development of the Bolivian microfinance industry by bringing the regulated MFIs together to better disseminate information, represent and defend members' interests, propose policies that support microfinance and its development, and act as a members' forum for discussion and cooperation. http://www.asofinbolivia.com/

China Association of Microfinance (CAM)

CAM was officially formed in 2005. It currently has 76 members: domestic MFIs, national and international institutions, and individuals who support microfinance. It is a cooperative, working under national laws, policies, and guidelines to develop the microfinance industry. CAM's vision includes promoting government support of microfinance, reinforcing international cooperation in microfinance, strengthening industry self-discipline, enhancing MFI management capacity, raising funds for microfinance development, and providing financial services to poor and low income people. http://chinamfi.net/en/index.asp

Cambodia Microfinance Association (CMA)

CMA was formally established in January 2004 by seven MFIs (SATHAPANA, AMRET, HKL, Maxima, Seilanithih, CREDO, and PRASAC) and in 2004 formally registered as an NGO. CMA's purpose is to ensure the prosperity and sustainability of microfinance sector in Cambodia. It creates local and international networks, as well as offering equity and loan funds, new technologies, and conflict resolution between MFIs. All these activities have made member MFIs stronger and more successful, which attracts support from the international market to support industry expansion. http://www.cma-network.org/

Consorcio de Organizaciones Privadas de Promoción al Desarrollo de la Micro y Pequeña Empresa, Peru (COPEME)

COPEME was established in 1990 to offer programs, projects, and activities that develop the micro and small enterprise sector at local, regional, and national levels. COPEME currently has more than 50 institutions in the most important cities in Peru, which specialize in training, technical assistance, microfinance, consulting, and marketing, among others. Its mission is to influence public policies, advance members' skills, and create quality services for the competitive and sustainable development of micro and small enterprises (rural and urban). http://www.copeme.org.pe

Microfinance Council of the Philippines (MCPI)

MCPI was registered in 1999 as a network to support rapid development of the microfinance industry in the Philippines. The 45 member institutions include 36 practitioners and 9 service providers. Membership among the practitioners is currently dominated by NGOs, but it also includes microfinance-oriented rural banks and one thrift bank. http://www.microfinancecouncil.org/

Pakistan Microfinance Network (PMN)

PMN was created in 1999 and currently has 23 members who collectively serve close to 1.7 million clients. Members are limited to retail microfinance practitioners, including banks and non-profit institutions that serve at least 1% of the total sector and meet PMN's annual performance criteria. PMN's principally offers capacity building, policy advocacy, benchmarks for transparency in MFIs, and serves as an information hub for the local microfinance industry. http://www.microfinanceconnect.info/

Palestine Network for Small and Micro Finance (PNSMF)

PNSMF is an NGO established in 2002. It currently has 10 members (MFIs and programs that provide financial services to small enterprises). It focuses on the growth of the microfinance industry in the West Bank and Gaza Strip as one of the strongest tools for Palestine's economic development. http://www.palmfi.ps/

ProDesarrollo, Finanzas y Microempresa

ProDesarrollo was incorporated in Mexico City in 2000. It currently has 90 members who collectively serve over 2.2 million microfinance clients all over Mexico. Members include non-profit institutions, non-banking financial institutions, private commercial MFIs, and banks. ProDesarrollo offers training and capacity building, policy advocacy, financial performance monitoring, and strategic linkages between members and the government, service providers, donors, and investors. http://www.prodesarrollo.org/

Red Financiera Rural, Ecuador (RFR)

RFR is a microfinance association that was established in 2000 in Ecuador. It currently has 40 members, serving close to 700,000 microfinance clients. Members include commercial banks, NGOs, and financial cooperatives. RFR primarily offers technical assistance, capacity building, financial and social performance monitoring, policy advocacy, access to funding, and product development. http://www.rfr.org.ec/

Sa-Dhan, Association of Community Development Finance Institutions, India

Sa-Dhan was incorporated in 1999 and currently has 234 members. Its mission is to build the field of community development finance in India and help its members better serve rural and urban low-income households, particularly women. Sa-Dhan is the designate national association of community development finance institutions. It plays a crucial role in this emerging sector by building capacity, promoting best practices, increasing the number of service providers, and improving the policy and operational environment for microfinance in India. http://www.sa-dhan.net/

Regional Associations

Banking with the Poor Network (BWTP)

BWTP was established in 1997 by the Foundation for Development Cooperation as a microfinance network to build efficient, large-scale, sustainable organizations in Asia through cooperation, training, and capacity building. It aims to offer innovative, appropriate, and demand-driven financial services to the poor. The network has a diverse range of microfinance stakeholders committed to improving the quality of life of the poor and opening access to sustainable financial services. http://www.bwtp.org/

Microfinance Centre for Central & Eastern Europe and the New Independent States (MFC)

MFC was created in 1997 and is an international, grass-roots network of over 100 microfinance institutions in the region, serving over 1.2 million clients. Members are banks, NGOs, social and commercial investors, development institutions, and international private volunteer organizations. MFC supports a wide range of financial institutions with training, consulting, research, and advocacy for microfinance among policy makers, regulators, formal banking sector, and investors. http://www.mfc.org.pl/

Red Centroamericana de Microfinanzas (REDCAMIF)

REDCAMIF was established in 1999, as a regional association of the national microfinance associations of Panama, Guatemala, Honduras, Costa Rica, El Salvador, and Nicaragua. The MFI members of these six national associations serve over a million microfinance clients. REDCAMIF's principal services include financial and social performance monitoring of MFIs, capacity building for national microfinance associations, advocacy of supportive policy for microfinance, and industry-wide conferences and events. http://www.redcamif.org/

Sanabel Microfinance Network of Arab Countries

Sanabel was established in 2002 by 17 representatives from seven Arab countries to launch an MFI network in the Arab world. In 2003, Sanabel registered as a non-profit organization and opened a regional office. In 2004, it incorporated as a nonprofit organization in both Atlanta, Georgia, USA, and Cairo, Egypt. Today, Sanabel has 78 members from 12 different countries. http://www.sanabelnetwork.org/en

The SEEP Network

The Small Enterprise Education and Promotion (SEEP) Network, established in 1985, connects microenterprise practitioners from around the world and develops practical guidance and tools, builds capacity, and helps set standards to advance a common vision: a sustainable income in every household. SEEP's members are active in over 180 countries and reach over 23 million microentrepreneurs and their families. www.seepnetwork.org

ANNEX 2. MEMBERSHIP STRATEGY SURVEY

Please complete the information requested below. If you have documents (such as brochures, etc.) that answer any of these questions, please include them when you return this survey. Thank you for your participation!

Name of association ______________________________

1. How many members belong to your association? ______________________________

2. What membership categories does your association have?	3. What are the eligibility criteria for each category?	4. What is the fee structure for each category?*	5. What benefits are included with membership in each category?
1.			
2.			
3.			
4.			
5.			
6.			

*Please specify amounts for one-time fees, annual fees, and payment schedule options).

6. What percentage of your organization's total revenue was derived from membership fees in the last fiscal year? __________________%

7. What kinds of organizations does your association target for membership (i.e. does your association prioritize large MFIs, small MFIs, NGOs, commercial banks, etc.)? Why?

8. What percentage of total membership is made up of these priority organizations? ____________________ %

9. What is the rationale for charging the fees that you do? If your association has different membership categories, please describe the rationale behind the categorization and different fees and benefits, as applicable.

10. What other benefits/services are available to members at an additional cost?

11. Are there any unique features about your fee structure and/or membership packages (i.e. “virtual” or “e-membership,” benefits packages where members can select what is included, multi-year memberships, etc)?

12. Do you have a mechanism in place to monitor and enforce compliance with eligibility criteria for members? If so, please describe.

13. What year was your last membership fees increase? ______________________________

14. What year do you think your next fees increase will be adopted? ______________________

ANNEX 3. ELIGIBILITY CRITERIA BY ASSOCIATION

Association	Officially licensed or registered	Regulated insti-tutions only	Nonprofits only	Commitment to association's mission and/or industry best practices	Commitment to association's code of ethics/conduct	Active partici-pation	Minimum loan portfolio percentages dedicated to microfinance	Minimum size (no. of clients) and/or time in operation	Progress toward financial sus-tainability and/or growth
AEMFI	X	X						X	
Other: These are the criteria for regular members of ASOMIF. Associate members and honorary members do not have to meet these criteria and cannot participate in the general assembly or board, but must be directly or indirectly involved in microfinance.									
APSFD-CI*									
Other: Informational brochure about institution, institution's business plan, applicable fees									
ALAFIA				X	X	X			
AMFA	X								
Other: For donors/investors to qualify, must have provided at least US$200,000 in funding for microfinance in Azerbaijan.									
AMFIU	X			X	X				
Other: Members must show clear institutional set-up that is transparent and democratic, and willingness to be independently audited; also must demonstrate that clients/communities are center of operations; clients must have right to be heard.									
ASOFIN		X					X		
BWTP	X			X		X		X	X
Other: MFI members must submit clear and effective business plan.									
CAM				X		X			
Other: If applicant is a non-profit organization or network, commits to contributing staff time and travel costs to CAM for learning initiatives and events; must show ability to pay member fees.									
CMA*	X						X		
COPEME	X		X	X					
MCPI	X			X		X	X	X	
Other: Employs accepted poverty assessment tool to select first-time clients and has detailed internal control policies.									
MFC				X					
PMN	X			X	X			X	
Other: Has criteria for general membership in PMN; Criteria become more stringent for members of the General Body and Board of Directors.									
PNSMF			X	X			X	X	
ProDesarrollo	X			X	X		X	X	
REDCAMIF	X			X					
RFR				X	X	X			
Other: Have the written support of at least two RFR members; receive a visit from an RFR representative for a preliminary evaluation.									
Sa-Dhan				X	X	X		X	
Sanabel				X		X		X	X
SEEP			X	X		X		X	
Other: Must meet at least two of the following criteria: In operation at least 2 years; Referred by at least two existing SEEP members as having capacity to contribute to global learning; Previous 2 years' annual budget explicitly for MED initiatives averaged over $500,000; active in more than one developing country.									
* Membership required by law for MFIs.									

About SEEP

The SEEP Network is a global network of microenterprise development practitioners. Its 80+ institutional members are active in 180 countries and reach over 35 million microentrepreneurs and their families. SEEP's mission is to connect these practitioners in a global learning environment so that they may reduce poverty through the power of enterprise. For 25 years, SEEP has engaged with practitioners from all over the globe to discuss challenges and innovative approaches to microenterprise development. As a member-driven organization, our members drive our agenda while SEEP provides the neutral platform to share their experiences and engage in new learning on innovative practices. The SEEP Network helps strengthen our members collective global efforts to improve the lives of the world's most vulnerable people.

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