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SUMMIT

Client Protection in Indian Microfinance
Current Practice and Way Forward

Thematic Retreat | March 17, 2011

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Summary

The retreat brought out the following with considerable clarity and unanimity:

1. The Codes of Conduct (CoC) adopted by the different associations should have a set of common non negotiable principles, requiring active practice of customer protection measures. Some joint work is necessary for unifying and harmonising the CoCs. (UNDP has offered to provide the space for this work)

2. The associations (Sa-dhan and MFIN) should be recognised by the regulator as the last tier in regulation for securing compliance with CoC. For this purpose, regulation could stipulate that each MFI should be a member of one of the industry associations. The association will have the power suspend or expel members that do not comply with CoC. Such a regulatory dispensation would make it possible for adoption and enforcement customer protection principles across the sector

3. Financial literacy initiatives should contain an element of customer protection principles. The training of customers (CGT, GRT) should advise them on their rights and responsibility of MFI in customer protection

4. While external ratings and certification increase the motivation of MFIs, internal commitment to CPP should be reflected in the work processes and training of staff.

5. Regulation should provide for customer protection and lay the minimum non-negotiable features that MFIs should comply with. The monitoring of compliance could be left to lending banks and industry associations

6. Grievance redressal systems should be set up in the public domain and dispute resolution through Ombudsman should be put in place. The role of regulator is critical in lending credibility to the grievance redressal procedures

7. Demand side studies on what customers perceive as protection issues should be carried out and incorporated in to work processes

8. Code of Conduct (CoC) compliance assessment could be carried out at industry level and the best performing institutions recognised. This would facilitate dissemination of best practices across institutions

Thematic Retreat – A Background

The need for integrating responsible finance practices by the Microfinance Sector in India has become critical in the current environment If the sector does not exhibit its commitment to the customer, it will find it very difficult to move forward. There has been a growing concern on several issues like transparency in pricing, issues on social performance management as embedded principles in microfinance operations and client protection issues. Several of these have been highlighted as key concerns by several industry experts and the Malegam Committee has focused on these issues in its Report and has offered recommendations on the same.

In response to these growing concerns and emanating from its mission to support the orderly growth of microfinance in the country, ACCESS under its Microfinance India initiative, in partnership with UNDP and the SMART Campaign convened a Thematic Retreat on Client Protection in Microfinance on March 17, 2011 at the UNDP Conference Hall, 55 Lodhi Estate, New Delhi.

The key focus of this initiative[1] was to bring together all stakeholders of the sector together to discuss and delve on:

- The main issues relating to client protection
- Identify and showcase current efforts and initiatives in client protection
- Highlight challenges faced by lenders and microfinance practitioners in addressing the issues and incorporating principles into practice
- Discuss relevant provisions in the Malegam Report with a view to assessing the feasibility of implementing the recommendations
- Agree on a way forward for the sector for pushing this agenda forward

[1]The detailed agenda of the event is appended in Section 4

Overview

Brij Mohan opening the proceedings said that he hoped that the sessions planned out for the day would provide a more concrete direction for the microfinance sector to adopt increasingly client friendly practices and at the same time provide more service orientation to the clients. The retreat has been organised in response to an overwhelming demand from the regulators and others in the eco-systems that the sector should be servicing the clients more than the investors. He emphasized that the sector needs to re-fix its priorities, products, processes to allow for a more intimate association with clients. The sector through proactively adopting transparent and client friendly practices need to reassure civil society and other stakeholders.

N. Srinivasan welcomed the mix of delegates representing investors, practitioners and enabling institutions. The delegates had seen the different facets of client protection from different perspectives and hence were in a position to consider the multiple approaches towards ensuring client protection and suggest a consolidated effort especially in the context of the Malegam Committee Recommendation. An important expected outcome from the retreat was to draft a concise note to present to the regulators presenting a consolidated approach towards ensuring client protection in Indian microfinance.

On an optimistic note he suggested that the recent events had acutely made us conscious that there are several things that can go wrong and have gone wrong. But lots of things are going right, which should be highlighted. He hoped that the ensuing discussions would provide answers to concerns about whether the microfinance client are getting a fair deal and whether the MFIs taking requisite steps to ensure the basic things that should protect customers from being misinformed or mistreated. The aim of the retreat was to discuss a whole range of issues (around the theme of client protection) across different institutional forms, such as,

- Customers taking a decision without full disclosure of information
- Product design
- Group marketing exercises
- Processes - lending, pricing, collection
- 3rd party agents, where institutions are silent partners
- More active participation of the clients in group formation to prevent the joint liability model from becoming dysfunctional
- Could we treat customers and shareholders with same level of interest

Session Proceedings

Client Protection: What are the issues

The session focussed on the current status of the sector on the issues of client protection, on the immediate steps taken post the tumultuous Andhra episode and on the long term, consolidated measures which should be implemented in consultation with the stakeholders.

The delegates emphasized that financial literacy was the first intermediate step towards providing client protection. The sector had to work towards an ideal situation where the clients are able to differentiate between different loan products offered. The field staff of MFIs needs to be educated about the code of conduct to be followed in their interaction with the clients in addition to the orientation provided on delivery of financial services and organisational structure. The field staff is a community resource for various credit and credit plus services provided by the MFI and the first touch point for the community.

Client protection principles advocated by the SMART Campaign and as inherent in the Codes of Conduct adopted by Sa-dhan and MFIN should be phrased in terms of the sustainability of the institution. The business angle of client protection should be emphasized because it makes good sense to think about the debt threshold levels of clients and other associated elements of client protection and then the MFIs will proactively implement them.

Dr. Hema Bansal, representing ACCION and the SMART Campaign, said that that there is a huge gap in the way that principles are defined and the way they are implemented. The client protection principles need to be cognizant of the situation in the sector and the implementation should be asserted by stakeholders in the sector. For SMART Campaign the first step is to educate the field staff about the principles of client protection to ensure proper implementation.

There was a general consensus that adoption of client protection norms requires an attitudinal shift. MFIs currently implement client protection practices as a compliance to an external requirement. Instead of taking that approach, they should internalise the principles across their organisation institutionalise Client Protection Principles (CPP) in the process of normal microfinance operations.

Speakers pointing out inclusion of CPP in microfinance operations said that the MFIs need to devise strong loan appraisal systems that examine the cash flows of individuals/households to ascertain debt absorption capacity. They emphasized that uniformity and continuity in implementing client protection principles across the institution is important to achieve the desired results.

Offering a different view, one of the speakers suggested that we should view client protection is an output, not an input and according to the business model (SHG or JLG, for-profit or not for-profit) and assumptions; key drivers will determine ultimately what kind of client protection MFIs will actually follow.

In response to this, the MFIs mentioned practical issues that limit an institution's ability to effectively implement client protection practices for example, the cost of education. If client protection is an output, there are inputs missing. An important question is that who will bear the costs of implementing these and are MFIs able or capable of delivering these additional non-financial services

Microfinance operations are marked by low capacities. Clients, customers, consumers need to be defined and differentiated. Interventions are required at every link in the chain, for instance, more financial information, financial mentoring to avoid multiple borrowing (which occurs from the demand side as well) and a clear redressal system. The proposed regulations or principles that we are keen to adopt, should be viewed from the perspective of different suppliers and clients. MFIs are expected to achieve 100 % repayment rate by funders and investors, knowing fully well that such recovery rates are achieved only by causing the customers acute distress.

Microfinance appears to be straddling two ends, developmental and financial services. The developmental support does not need to include provision of financial services. The lending has to be absolutely professional as in mainstream banking but fulfilling the developmental role requires resources to properly train staff, install an efficient database, etc.

While some speakers were of the view that client protection is an ethical part of financial services and should not be conceived as a part of developmental activities. The issue is linked to how MFIs should be conducting business, and protecting the institution. The moment MFIs start converting a development beneficiary to a client, they have to offer them the appropriate services that go along with that relationship. Customer protection does not become an optional extra on the ground that the MFIs have a development mandate and will try to fulfil CPP to the extent feasible.

Successful assimilation of client education and client protection principles in everything that the MFI does is the biggest challenge. Steps towards complete assimilation include the MFI formally endorsing the principles of client education, educating the staff, translating the principles into policies and inclusion in the operating practices at a very detailed level for guiding the field operations. Progress can be monitored through internal audits.

Industry associations, such as, Microfinance Institutions Network (MFIN) and Sa-dhan, should include this as part of their mandate and supervise sector wide adoption and implementation.

Accounting for the vulnerability of the target population segment, responsibility lies in making sure the customers understand their liability and customer protection issues. Collectively as an industry we should consider initiatives that can provide simple ways of communicating and interacting with clients.

Regulation can to some extent reinforce transparency and accountability but cannot comprehensively address Client Protection issues. They have to be pushed and adopted from the supply and demand side. Financial education and concomitantly concern for financial rights of clients need to be incorporated in the organisational culture; otherwise it could end up being limited to forums of discussion.

<u>Panellists responding on the top three things that need to be addressed pointed out the following:</u>

- The need to address three types of regulation - first is internal, which are already in place. External regulation is underway. Third thing to focus on is the relationship between MFIs and the customers.

- Panellists stressed on communicating transparent pricing in terms that are easily comprehensible and respectful. The concept of group liability is a major problem in terms of fair collection practices. Especially when the individual loan amount increases to the level of Rs 20,000, the group mechanism breaks down and can actually become counterproductive. Two main reasons for dropout are lack of willingness or ability to give group guarantee, and frequency of centre meetings that cost money and time. Thsector needs to move from group lending to individual lending to successfully implement prudential norms and regulation.

- It is important to train the field staff in actual interactions with the clients, in trouble shooting when repayment or other problems arise should be a part of the induction training along with the regular orientation on provision of credit. At the same time, client education is important so that they understand their cash flows and learn about their consumer rights. At the moment clients are resigned to walk away without looking for redressal mechanism to the nearest accessible alternative.

- The bigger problem is about how to remain committed in the face of challenges presented by the recent regulations. There are costs associated with internalization and embedding in practice of these client protection principles. The significance of client protection is related to the nature of business. Commitment to client protection involves investment in human resources and should not be limited by cost constraints because microfinance is a double-bottom line activity. The need for strong institutions that provide financial services to the vulnerable should be explored and at the same time the demand side should be organised to guarantee comprehension of rights by the customers. The long-term impact of financial literacy would be to strengthen the demand from a financially savvy customer base, which is turn would render the provision of services easier for the MFI. This requires immediate investments and development of institutional mechanisms to track the relationship between investment and impact.

- Rather than having a sector level ombudsman, there should be grievance redressal systems built into the institution, for example, providing the CEOs cell phone number in all materials.

- Data convergence and unification of sectoral efforts are needed to show the MFIs commitment towards implementing CPP. Enabling and ensuring adherence to CoC with appropriate measurement indicators is a task that legitimately belongs to industry networks such as MFIN and Sa-Dhan. Sector needs greater investment in promoting financial literacy which can be catalyzed from mainstream funds and through institutional funders, such as NABARD and SIDBI.

- It is important to provide training to the field staff on a cash flow based individual lending methodology. This is has become a necessity on accoun of graduating clients looking for better services. Such personal services would also allow greater flow of information to the MFI. Financial literacy can be more efficiently and effectively applied at the individual level. Client satisfaction is the next logical step as the sector evolves, and that is why the concept of client protection makes business sense.

- Product diversification and different business models (such as the BC model) to deliver financial services to the last mile segment.

- There was corruption of the mission because growth became the target, at every level of practice the sector promoted high level of discrimination, es ecially in gendered terms, which results in tension and problems in the household, because behind the scenes the gender dynamics are very different from the situation in the branch office meeting. An effective customer protection practice should also take in to account the gender inequalities that arise and address the same.

Session 2: Current Efforts and Initiatives in Client Protection

The session focussed on the different approaches towards ensuring client protection. There are multiple codes of conducted promoted by industry associations, Principles of Client Protection promoted by the SMART Campaign and MIX/SPTF social indicators to report performance of MFIs. Are there too many codes of conduct? Is every different code saying the same thing, in different words?

The session explored the need for one convergent Code of Conduct, the possibility of developing it as a brand and allowing institutions to customize the code according to their requirements.

Speaking about the institutional response from BASIX to the emergent guidelines, Mr. Anoop Kaul said that they are committed to meticulous compliance with any regulatory requirement, projection of a pro-citizen image, through staff education. BASIX is now moving into a relationship mode, where they are trying to measure how the customer is served and how customer satisfaction is ensured. BASIX is also looking at effectively providing supply of financial services to meet the existing demand. The main difference between a mainstream banking staff and BASIX staff is that she understands that there is a larger "social" mission that is as important, if not more important than the financial performance of the institution. They are trying to build a system that incentivizes the growth of the customer over time. Induction training of staff therefore accounts for a significant component of internal expenditure of BASIX.

He emphasized sensitization of the customer and senior management team through overnight stays in the customers habitat. According to him redesigning training materials and the organizational model to include every aspect of the customer protection is the most important aspect of the shift to a client centred mode of business.

To aid implementation and monitoring by the regulators the sector should look at developing common indicators across Sa-Dhan, MFIN, CGAP, and the Smart Campaign initiative. MIX/SMART has developed 124 indicators which could be used for investment purpose and as a way for the industry as a whole to respond in terms of Code of Conduct.. They are in the process of reviewing indicators, setting minimum standards, and developing a global certification process to promote wide implementation, ownership, monitoring and tracking of

client protection principles. This is to respond to an increasing demand for a formal certification process for institutions implementing client protection. Ratings agencies will have to monitor the quality and consistency of assessments; because different tools require different data

Presenting the banker's point of view, Maneesha Chadha, said that credit risk departments will eventually consider SPM as an important facet and will focus on capitalizing on sustainability of these measures.

Deepak Alok, speaking about the Code of Conduct assessment developed by M2i said that while the assessment includes approval at the policy level from the board, documentation of guidelines and procedures, dissemination across the organization, observance in practice determines there is still a concern about whether systems and processes exist, that would theoretically and practically assure compliance.

Enabling institutions should be clear about the reasons for CP certification process and if its sustainable? How will it ensure 100% compliance or does the certification process imply that we have the compliance process in place and we will eventually move towards complete client protection?

Citing an example of affirmative action by MFIs to ensure client protection, Dibjyoti Pattnaik, COO, Ananpurna Financial Services said that they have institutionalised the industry Code of Conduct by a formal Code of Conduct training to the staff, translation of CoC into regional language placed in all the branch offices and explanation of CoC to the client, setting up a toll free number for customer grievance redressal, subscribing limits on collection and fixed repayment visit hours. MFIs in the region are also informally sharing credit information about the clients to prevent multiple borrowing.

Speakers discussed the possibility of web-based training course (and certification) that builds on the Smart Campaign's existing resources, ensuring that the basic indicators are understood by staff members.

Presenting a parallel from the FMCG segment, Gaurav Shah, Microcapital said that the industry should consider "off take based selling", which evaluates which goods are required instead of flooding the market with excessive supply. The baseline assessment in this method of adoption gives a lot of information about the behaviour and needs of the end client.

Speakers suggested creation of customer care centres that offer credit counselling advice, raise awareness, and provide financial decision making skills to client. But there needs to be a separation between counselling and financial literacy. There is a need for an impartial institution to do monitoring and regulation.

There was a discussion on the cost associated with implementing the Code of Conduct and since it will be implemented as part of the impending regulation, the costs should be shared by lenders.

Alok Prasad, CEO, MFIN said that at some level client protection is a myth. It is about the power dynamic between the bank and the customer and that the client has to find a way of protecting him/herself. Discussions have to focus on what one can do about client empowerment which leads to developing the ability of the client to protect themselves. He emphasised on client awareness about the terms and conditions of the loan and access to and awareness of the grievance redressal mechanism. He added that MFIs are facing a liquidity crunch and as customers of banks they do not have a way of protecting themselves. The state has a duty and responsibility to protect institutions and citizens alike. He drew a parallel with the relationship between homeowners and market lenders in the U.S. based on client vulnerability which should be covered by the regulatory institutions in which citizens place their trust. Question is who will empower the clients and how ? We should distinguish between client protection and grievance redressal and build a system that allows the client to be in a more balanced position when they play the power game.

There is a difference between a common code and common benchmarks. Developing benchmarks is an ongoing process that requires continuous effort over the long-run. Code of Conduct needs top management intent and should be evenly disseminated across every level of the institution, and it should govern the behaviour of people in every position from the Chairman of the Board to the Field staff

Some of the panelists advocated developing a unified Code of Conduct and a strong role for industry associations in ensuring its implementation. There are two major industry associations, Sa-Dhan and MFIN. Each has a CoC and most microfinance institutions are a member of one of the two associations. The Sector should devise a unified strategy to ensure that all institutions must be a member of one of these associations and be bound to implement the CoC. In case of MFIs that do not comply with the CoC, they should be expelled from the industry association. This implies that the MFI would lose their right to do business, without the membership of the industry association.

Some others felt that while a single CoC may not be feasible because of difference in lending methodology and geographic difference, speakers concurred that the industry should build associations which have the power to be official implementation agencies on behalf of the government. Sector has to invest in building the credibility of the Association that implements the CoC. True benefit and purpose of the Code of Conduct rating, apart from compliance with RBI regulations is the personal satisfaction, because as practitioners would like their MFI to be the best in the world.

Compulsory membership in an association allows action to be taken because every practitioner is monitored according to common standards. Industry association can provide guidance, prescriptions, and diagnoses and can play an educational role. If associations are given a mandate by the regulator, then maybe there is a chance of legitimizing the process. Unless all of us in our own ways decide to come together and do the right thing, the right thing will not get done. Functioning of industry associations depends on unity and commitment from all parties involved. That will provide the power to devise punitive measures to by industry associations.

Some speakers expressed a concern that associations cannot actually bring in accountability, because that has to come from the institutions concerned. Disciplining the members will not be workable or easy. It might prove difficult to guarantee full compliance from all parties, including external stakeholders like investors.

Associated factor is the role of banks in providing teeth to industry associations and affirmative action on implementing CoCs. Until banks show active interest in assuring compliance through better lending terms,the associations will not be able to operate proactively.

Session 3: Malegam Committee Report Recommendations and Client Protection

The Session opened with the moderator distinguishing the committee recommendations in five broad categories:

- Client acquisition
- Loan products
- Loan processes
- Pricing
- Transparency

The speakers discussed the interest rate caps recommended by the RBI Committee. Group agreed that it was easy to implement, along with the implementation of a toll-free number for grievance redressal. There is a bent towards identifying the target segment of the population, through poverty thresholds or credit as a function of income stream.

Panellists discussed the efficacy of credit bureaus for the microfinance sector and if the interest rate cap is feasible given the diversity of institutions, and differences in absorptive capacity at different levels of credit.

One concern was that Credit bureaus require high quality information about the income profile of the potential client which is difficult to obtain. A further concern was that if the information is procured it can be used by competitors to get an unfair advantage. MFIs have concerns about sharing data on clients through the credit bureau. But the discussions centred on the fact that MFIs feigned ignorance about competing MFIs in their area of operation even when it was clear that it is impossible not to know about other microfinance operators.

Product design and pricing of loan products should be attractive to the target population. The loan products should act as a self-selecting filter. RBI had a list of occupations that should be eligible for microfinance where they have used occupation of the person as a proxy for need.

At the MFI level it is very difficult to get an accurate number for any measure of income. By placing debt thresholds, how do you affect the process of collecting information and determining the true income.

Speaking about the Code of Conduct established by Sa-Dhan or MFIN, speakers concluded that the Committee Report resonates with the existing language and the main issue is whether we can build incrementally on each of these ideas, with tangible outputs on how to translate this in to practice?

The delegates said that the sector had been of great service in bringing about financial inclusion even with the existing regulatory ambiguity and we should look towards reconciling the social motive and business motives to upscale the sector.

Discussing the problems that the Malegam Committee was keen to address, speakers said that the MFIs must have strong appraisal systems that are robust and willing to undergo due diligence, and satisfy the genuine credit needs of clients (to prevent multiple borrowing and build client/institution relationships.) For households with income beyond INR 50,000, the MFI should do a full analysis of repayment capacity.

Some other aspects were also discussed. The source of debt-related problems was seen to be in the fact that one institution cannot and will not satisfy the credit needs of the client. While interest rate caps promote transparent and reasonable pricing, margin caps are not relevant because the focus should be on profitability and not on covering cost. Relative benchmarks and metrics should be used for declaring CEO compensation. A good approach to adoption of the Malegam Committee recommendations would be to understand the concerns of the Committee in a longer timeframe, and allow the microfinance sector to make suggestions that are taken seriously.

Concluding Remarks

This is a critical time in the sector with legislation to be drafted and the sector should communicate in unison. Stakeholders have to make the effort to come together, reach consensus, and then present that perspective from a unified platform to the regulator.

In terms of client protection, the sector can provide value-added suggestions based on what already exists on the ground. The sector collectively should agree on a first draft response to the RBI and other legislation drafting bodies.

Recommendations of the Malegam committee have different implications for the NBFCs and the NGO MFIs because of the size of their operations. Interest rate caps are not feasible for NBFCs operating in distant geographical location because of higher operating expenses. MFIN also does not support the Rs 15 crore regulatory capital barriers to entry.

Participants discussed the possibility of using UNDP as a platform for advocacy and to identify minimum ideas that should be contained in all Codes of Conduct. These can form minimum standards that have to be met, from which strong policies can be built.

Regulation is imperative for organized growth of the sector but it should be should be borrower-centric. Regulators should have an early warning system in case of outrageous growth and the redressal mechanism has to come from within the institution instead of reliance upon external Ombudsman.

Summarizing clear outcomes and action points for further stressed on:

1. Sharing of experiences and opinions in an intimate manner in smaller forums is important
2. We should look at ways of organizing smaller meeting groups with target outputs

3. Primacy of collective action
4. Developing a common set of minimum industry standards
5. In depth look at GTZ's work in Customer grievance redressal counselling and advising as part of its collaboration with Department of Consumer Affairs

Let us maintain the client-centric focus, which has been compromised but should be reinstated as the core goal of microfinance.

Annex

1. Agenda

Time	Agenda	Presenter/s
10:00 - 10:30	Client Protection in Indian Microfinance Session will highlight the relevance of adopting client centric approach in delivery of financial services to the poor	N. Srinivasan
10:30-11:15	Client Protection: What are the issues Session will highlight main issues related to financial client protection in the context of the six principles established by the SMART Campaign from the standpoint of practitioners, enabling institutions and investors. Speakers will discuss if the SMART Campaign principles will ensure customer protection. Presentations to be followed by discussion	Vipin Sharma Samit Ghosh Hema Bansal
11:15-12:00	Current Efforts and Initiatives in Client Protection The session will highlight the response from MFI networks, MFIs, lenders and the investors on the issue to develop a common approach to include client protection in the credit process. Recent measures include:	Alok Prasad P.K. Saha Niraj Verma Matthew Titus

•	he Code of Conduct adopted by the Microfinance Network	
•	Lender's Forum set up by major microfinance lenders in India to promote transparent, responsible and commercially sustainable microfinance	
•	ode of Conduct for MFIs and a process of compliance established by Sa-Dhan	
12:45-13:30	Lunch	
13:30 - 14:45	Malegam Committee Report Recommendations and Client Protection The session will discuss relevant provisions in the Malegam Report with a view to formulate a comprehensive framework	
14:45 - 15:30	Way Forward: Roles for Practitioners, Regulators and Funders The session will discuss: oRole of regulators and funders In sector wide adoption of client protection principles by practitioners oWhat part of client protection practices should become part of law? oHow to set up and run grievance redressal machinery for MF clients with regulatory backing?	

2.Participant list

Sl. No.	Name	Organisation
1	Alok Prasad	MFIN
2	Samit Ghosh	Ujjivan
3	P.N. Vasudevan	Equitas
4	Dibjyoti Pattnaik	People's Forum
5	N. Srinivasan	Development Consultant
6	Deepak Alok	M2i
7	K. C. Ranjani	Dia Vikas
8	Geeta Goel	MSDF
9	Manoj Sharma	Microsave
10	Hema Bansal	ACCION
11	S. L. Kumbhare	NABARD
12	K. Badrinarayan	NABARD
13	Y.C. Nanda	Agriculture Finance Corporation
14	Ajay Tannirkulam	CMF - IFMR
15	Santadarshan Sadhu	CMF - IFMR
16	Gaurav Shah	Lok Capital
17	Mohini Bhatia	IFC
18	Maneesha Chadha	CITI
19	Bri Mohan	Chairman, ACCESS Development Services
20	Ajay Verma	Sahayata Microfinance Pvt. Ltd.
21	Thirunavukkarasu.R	Mimoza Enterprises Finance Pvt. Ltd.
22	Vinod Raina	Mimoza Enterprises Finance Pvt. Ltd.
23	Detlev Holloh	GIZ-ASEM
24	Mahima Sharma	Satin Creditcare Pvt. Limited
25	Deepika Chauhan	Satin Creditcare Pvt. Limited
26	Suresh Krishna	Grameen Financial Services Pvt. Ltd.
27	Vikram Chopra	Sahayata Microfinance Pvt. Ltd.
28	Anoop Kaul	BASIX

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Tools and Resources, the SMART Campaign, <www.smartcampaign.org/tools-a-resources>

Core Values and Voluntary Mutual Code of Conduct for MFIs, Sa-Dhan, <http://www.sa-dhan.net/Resources/Sa-Dhan%20Code%20of%20Conduct%20final.pdf>

Code of Conduct for MFIN members, Microfinance Institutions Network , http://www.mfinindia.org/mfin-code-conduct

Social Performance Management Resources, http://sptf.info/

SPONSORS

ORGANISERS

UNDP India

UNDP is the UN's global development network working across 166 countries, advocating for change and connecting countries to knowledge, experience and resources to help people build a better life.

UNDP's work is organized through the following five thematic areas:

- Poverty Reduction focuses on human development and access to livelihood and financial products.
- Democratic Governance enhances capabilities of government, locally elected representatives, civil-society and communities.
- Environment & Energy strives to meet climate change challenges and support efforts to protect biodiversity and produce clean energy.
- Crisis Prevention & Recovery works for building resilience of communities and supports institutions in preparing and managing disasters.
- HIV & Development works to halt spread, put HIV/AIDS at the centre of national development strategies and protect the rights of the affected.

UNDP in partnership with NABARD is implementing a financial inclusion project which attempts to address the challenge of increasing the depth and breadth of financial services on the supply side by supporting appropriate financial products and services designed for disadvantaged groups and regions and strengthening financial literacy on the demand side. At a broader level of engagement UNDP supports policy advocacy for a more enabling environment for financial inclusion.

ACCESS Development Services

ACCESS was set up in March 2006 as a not-for-profit Section 25 company to build and consolidate the successful experiences of CASHE (Credit and Savings for Household Enterprises), programme implemented by CARE a large microfinance and livelihoods programme funded by DFID to contribute to the future growth and evolution of respective sectors in India. However, the full value of ACCESS is better understood by the fact that it was, more importantly, conceptualized and aligned to the needs of a growing, evolving and maturing microfinance sector in India. ACCESS's sector level initiatives include the Microfinance India Summit and the State of the Sector report have become well established in the sector in India as well as globally. As a sub initiative, ACCESS has institutionalized the Microfinance India Awards in collaboration with the HSBC. ACCESS through its affiliate organization, ACCESS-ASSIST continues to provide technical support to NGOs, MFIs and CBOs as well as support other sector development work of other stakeholders.

While the original premise for setting up ACCESS was to consolidate and build on microfinance experience, it was soon evident that to make a serious and sustainable impact on the lives of the poor, more composite solutions need to be devised and employed. In its third year, ACCESS built a strong portfolio under livelihood programme unit outgrowing the microfinance programme portfolio. ACCESS positions itself as the gateway agency between the poor and the markets, helping in better access of the poor to resources, capital and markets, as also to entitlements. Within 5 years, ACCESS has set up operations in 7 states and 21 project locations.

The Thematic Roundtable on Client Protection is part of our initiative on promoting responsible finance.

ACCESS is the implementing partner for the Indian chapter of the Transparent Pricing Initiative launched by MicroFinance Transparency (MFT). MFT is an international non-governmental organization founded in 2008 with the purpose of facilitating transparent markets through the dissemination of true cost information to all market stakeholders. It represents an industry movement toward fair practices and responsibility in the microfinance sector.

CO - SPONSORS

MFIN

Micro Finance Institutions Network (MFIN) is the premier Industry Association for the microfinance sector in India and its member organizations constitute the leading Microfinance institutions in the country. MFIN was created to promote the key objectives of microfinance, which is to help economically underserved communities achieve greater financial independence and build sustainable livelihoods. MFIN seeks to work closely with regulators and other key stakeholders to achieve larger financial inclusions goals through microfinance.

Currently MFIN member organizations consist of 46 of the leading NBFC/MFIs whose combined business constitutes over 80% of the Indian microfinance sector.

FORD FOUNDATION

The Ford Foundation works with visionary leaders and organizations worldwide to change social structures and institutions so that all people have the opportunity to reach their full potential, contribute to society, have a voice in decisions that affect them, and live and work in dignity.

This commitment to social justice is carried out through programs that strengthen democratic values, reduce poverty and injustice, and advance human knowledge, creativity and achievement.

TECHNICAL PARTNER

SMART Campaign

The Smart Campaign is a global effort to unite microfinance leaders around a common goal: to keep clients as the driving force of the industry. To help the microfinance industry achieve this goal and its double bottom line objective, The Smart Campaign is working with microfinance leaders from around the world to provide microfinance institutions with the tools and resources they need to deliver transparent, respectful, and prudent financial services to all clients.