

**CGAP** advocates networks as an effective means for donors to engage in microfinance. Donors with limited staff or technical capacity can leverage their time and funds by investing in well-managed networks that may be in a better position to provide direct financial and technical assistance to MFIs. Networks have played a critical role in developing standards, practitioner exchange, mutual accountability, wholesaling funds and providing technical services. But the term “network” encompasses organizations with as many differences as similarities, and many people are confused by the variety and diversity of networks. The network support organization self-profile highlights key dimensions of network operations and then differentiates the features by charting them along a series of spectrums. The profile was developed with network leaders in a consultative process launched at a workshop sponsored by SEEP and CGAP in October 2002 and continuing through June 2003.

## FINCA INTERNATIONAL

### I. Overview

(For most recent fiscal year ending August 2002\*)

<p><b>A. Mission Statement for network support organization (NSO)</b>  <i>(Please include gender, target clients and geographic scope)</i></p>	<p>FINCA International provides financial services to the world’s poorest families so they can create their own jobs, raise household incomes, and improve their standard of living. We deliver these services through a global network of locally managed, self-supporting institutions. FINCA targets its services toward poor women living in the Americas, sub-Saharan Africa and Eurasia including Central Asia, the Caucuses and the Newly Independent States.</p>
<p><b>B. Description of partners/members/affiliates</b>  <i>(Depending on the relationship between the network and the organizations it works with, different terms are used to describe this relationship. For the purposes of this profile, partner will represent all of these relationships including members and affiliates. )</i></p>	<p>FINCA International is a network of community-focused credit and savings associations employing the Village Banking™ methodology. Our programs are established in areas largely underserved by the formal financial sector. Village Banking is a means of delivering financial services—small loans and savings products—to those who could not otherwise obtain them. The village banking method is unique in the responsibility and autonomy given borrowers to organize and run their banks, resulting in individual development, higher self-esteem, improved quality of life for families, and the overall empowerment in their communities. FINCA works through local affiliates that have non-profit status. FINCA plans to transform a number of affiliate programs to deposit-taking institutions.</p>
<p><b>C. Number of partners</b></p>	<p>FINCA International affiliates currently operate 22 programs in 21 countries in the Americas, Africa and Eurasia including countries in Central Asia, the Caucuses and the Newly Independent States.</p>
<p><b>D. Number of full-time staff of the network support organization</b></p>	<p>1,755 employees worldwide (34 HQ staff, 35 Hub staff, 27 country program mgmt. Staff, 1659 MFI staff)</p>
<p><b>E. Percentage of partners with positive Return on Assets (ROA)</b></p>	<p>53%</p>
<p><b>F. Total active clients of partners</b></p>	<p>243,537 active clients; 16,653 active Village Banking groups (as of 05.31.03)</p>

\*Networks will have the option to update their own profiles on the MIXMarket in early 2004. Go to <http://www.mixmarket.org/en/partners/partners.quick.search.asp> for the latest information.

## II. CORE BUSINESS MODEL

### A. ORGANIZATIONAL FOCUS



### B. OWNERSHIP/GOVERNANCE ROLE of network support organization with its partners

(FFH staff sit on the Board of 2/39 of their retail MFI partners and both are non-profits. FFH owns no shares in any MFI.)



### C. GOVERNANCE of the network support organization and partner involvement



### D. STATUS OF PARTNERS AT ENTRY

FFH created 2 of their 39 retail MFI partners and developed one other MFI from its initial startup. All others were independent going concerns when FFH began its collaboration with them.



## III. OPERATIONS

### A. GEOGRAPHIC FOCUS



### B. REGIONAL PRESENCE: Areas where the network support organization operates and/or has partners

(Indicate number of partners in each region)

	Sub-Saharan Africa	Asia	Latin America	Eastern Europe, Central Asia, NIS	Middle East, North Africa	North America Western Europe
NUMBER	6		7	8		1

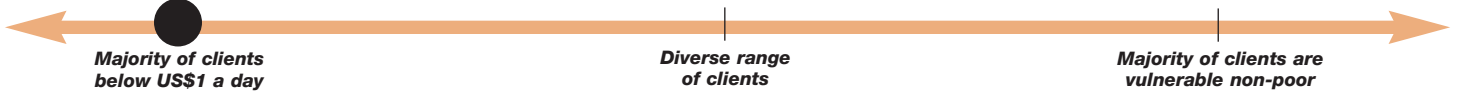
### C. PARTNER LEGAL STATUS

(Indicate number of partners in each category and differentiate between regulated and unregulated)

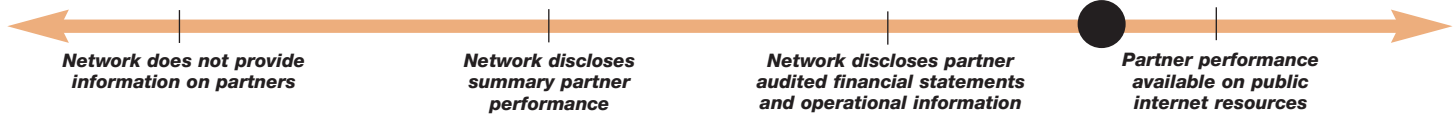
NUMBER	Project/informal		Foundation & NGO		Cooperative		Non-bank finance inst.		Bank (mf focus)	Bank (traditional)
	Regulated	Unregulated	Regulated	Unregulated	Regulated	Unregulated	Regulated	Unregulated		
				22						

III. OPERATIONS CONT.

**D. TARGET CLIENTS of Partners at time of initial entry**



**E. INFORMATION ABOUT PARTNERS including financial performance and outreach**



**F. NETWORK-WIDE STANDARDS on performance including membership criteria and minimum standards of performance**



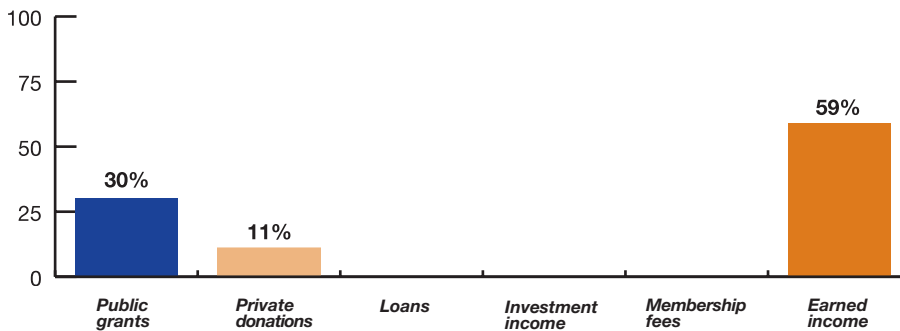
**G. IMPLEMENTATION OF STANDARDS**



**H. CONCENTRATION OF RELATIONSHIP**

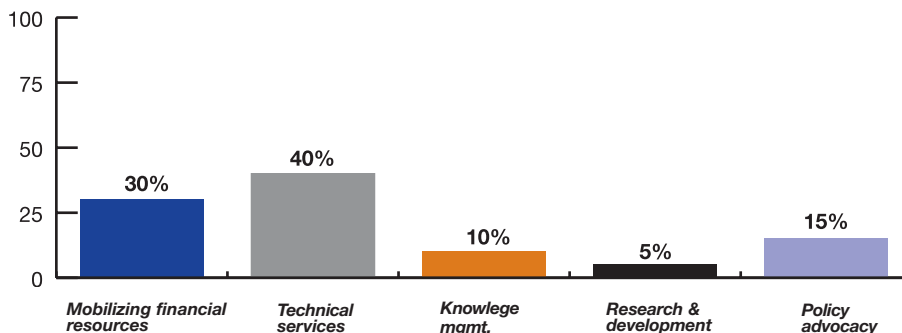


**I: NETWORK SUPPORT ORGANIZATION SOURCE OF FUNDS**



IV. SERVICES

**A. LEVEL OF EFFORT committed directly by the network support organization to its partners**



IV. SERVICES CONT.

**B. MOBILIZING FINANCIAL RESOURCES FOR PARTNERS**



**C-1. TECHNICAL SERVICES: Types of technical services offered to network partners. Technical services refers to consultancy, training, advisory services etc. (Indicate percentage of effort per topic for last FY)**

Institution Start-ups	Transform to FFI	Product dev. & roll out	Human Resource Development	Information Technology	Strategic Planning	Efficiency & Re-engineering	Financial Analysis & Rating	Other
20%	15%	5%	10%	10%	15%	10%	15%	

**C-2. COST COVERAGE FOR TECHNICAL SERVICES**



**C-3. TECHNICAL SERVICES (TS) DELIVERY:**



**D. KNOWLEDGE MANAGEMENT: Opportunities for transferring lessons learned within the network to other network partners and the broader microfinance industry (Check all the appropriate boxes)**

Task Force/ Working Group	Case studies	Technical guides	Staff exchanges	Listserve/ virtual mtg.	Website-external	Newsletter	Other
X	X	X	X		X	X	

**E. RESEARCH AND DEVELOPMENT: innovation, research and piloting new products (Check all the appropriate boxes)**

Clients	Products	Operations	Technology	Other
X	X	X	X	

**F. POLICY ADVOCACY: Engagement of network support organization staff and partners in policy advocacy with national governments and bank supervisors**

