

Microfinance Summit Report 2008



Edited by

Tejhari Ghimire, Ronald Dery &
Sushila Gautam

Chair Co-Chair



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PLANET FINANCE



Microfinance Summit Report 2008



“Reaching the Poorest of the Poor for Sustainable Income”

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Center for Microfinance (CMF), Nepal

Secretariat

Microfinance Summit Nepal

Design & Print

Print Point Publishing ... 3P

Tripureshwor, Kathmandu

4249674/4249675

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INTRODUCTION

1.1 Background

Microfinance has been one of the few effective tools for poverty reduction over the past 30 years. Through the creation of sound microfinance institutions and systems, poor people can safely deposit money and accumulate funds for future investments or emergencies as well as access loans for productive purposes leading to higher incomes. Additionally, microfinance produces an impact in other areas including good governance, participation in the political processes, women empowerment, social inclusion and conflict transformation.

The preparatory workshop for the Microfinance Summit held on September 26, 2007, was organized jointly by Save the Children - US and the Center for Microfinance (CMF) to identify the major issues in the Nepal microfinance sector. The major issues identified included:

- Lack of an enabling microfinance policy based on a broad consensus of policymakers and stakeholders
- Lack of coordination of microfinance stakeholders (including the international donor community) which has led to market distortions and overlapping interventions
- Lack of appropriate strategies to build a strong and inclusive microfinance sector which responds to the needs of all segments of society, and actively contributes to creating a peaceful and socially equitable country
- Lack of baseline data on the microfinance sector, its key stakeholders and customers which hinders the development of targeted and tailor-made support strategies for different client groups (i.e. How to bring microfinance services to hill areas? How to better access Dalit and Janajati communities?)
- Lack of information sharing on innovations, new technologies and strategies which impedes increased outreach, particularly to less accessible hill and mountain areas

A number of private and public microfinance stakeholders together with the international donor community held the Microfinance Summit Nepal 2008 in an attempt to address these issues. At the Summit microfinance stakeholders discussed their experiences with these issues and jointly decided on the future role of microfinance in Nepal.

This Summit was to follow the global efforts to end poverty by serving as a starting point for South Asia that will culminate later at the Global Micro-credit Summit.

1.2 Goal

The goal of Microfinance Summit Nepal 2008 was to unite microfinance stakeholders in Nepal in order for them to express their collective commitment to building a strong and inclusive microfinance sector by increasing outreach to households in need of services through the development of a Summit Declaration (on Microfinance Strategy) and a Joint Action Plan.

1.3 Objectives

The objectives of the Summit were to:

- ▶ Facilitate a dialogue among stakeholders involved in the field of microfinance: policymakers and regulators, public institutions concerned with the microfinance sector (including government-owned banks), microfinance practitioners, commercial banks, interested financial sector institutions (including insurance agencies, remittance service providers), technical support providers and training institutes as well as international donors;
- ▶ Create a common understanding among stakeholders about the state of microfinance and to jointly produce an overview on current outreach activities segmented by target groups (geographical, gender, ethnic, caste, etc.). As a second step to develop outreach targets for individual institutions; discuss the issues, and further develop strategies to overcome shortcomings;
- ▶ Share information on current microfinance approaches applied in Nepal and/or internationally and provide participants with up-to-date information on trends in microfinance and innovations (technical and strategic) being tested and/or used worldwide;
- ▶ Raise public awareness in Nepal about microfinance as well as convince policymakers of the importance of making the microfinance sector a priority in the national development strategy;
- ▶ Show through the presentation of the results of the Microfinance Summit Nepal at the Regional Micro-credit Summit the achievements of Nepal's microfinance sector and the commitment of its stakeholders to the development of microfinance as a tool for poverty reduction and an engine of economic growth.

1.4 Expected Results

1.4.1 Outputs

There were a number of major outputs produced before, during and after the Summit.

In the build-up to the Summit stakeholders were asked to up-date their outreach information as well as prepare ideas for their action plans and outreach targets. During the Summit a Joint Declaration was prepared which incorporated participant suggestions for the improvement of the microfinance sector.

This document envisioned two major commitments: First, to provide policymakers with feedback on how microfinance stakeholders viewed the future development of the sector. This feedback was intended to be reflected in Government strategy and policy papers. Second, it was intended to show the commitment of stakeholders to work together to increase the outreach of microfinance services. These commitments were to provide the basis for follow-up microfinance activities and monitoring.

After the Summit the proceedings were to be published in order to provide stakeholders with what actions had been committed to. This publication would serve as a tool to further raise public awareness. Extracts from the publication would be used by the Micro-credit Summit to present the results at other microfinance forums.

1.4.2 Outcome

The Summit will produce a number of outcomes for the different microfinance stakeholders:

The first outcome will be that stakeholders view themselves as an integral part of the microfinance process in Nepal and although some of the institutions compete with each other, stakeholders would recognize the need to work together or at least coordinate their activities to further develop the sector.

The second outcome will be that stakeholders plan and implement their strategies and activities based on an improved knowledge of the status of microfinance in Nepal and worldwide. This means that the institutional development plans of an individual stakeholder will be based on a sound understanding of their own strengths and weaknesses and the opportunities and threats of the Nepal's microfinance market.

The third outcome will be that policymakers and regulators have a better understanding of what the sector needs to grow further. This will enable them to develop strategies and policies which are understood and supported by microfinance practitioners. In addition, the Summit will create a mutual trust between the public and the private sectors by openly showing each the other's capabilities and limitations.

A fourth outcome will be to raise awareness in Nepal and internationally concerning the efforts that all stakeholders are making to better the living conditions of the poor. This will – hopefully – also result in raising the level of funding for microfinance development either through local authorities, private initiatives and/or international donor organizations.

1.4.3 Impact

The impact of new sound microfinance policies, well designed strategies, increased budgets for institutional development and training, improved knowledge on state-of-the-art products and technical innovations, and broad support from the public, private and international development sectors will result in the emergence of sounder microfinance institutions and networks as well as stronger microfinance support structures.

In turn, this will provide easier and sustainable access by the poor to affordable microfinance services. The goal should be to provide every Nepalese household with access to financial services.

1.5 Methodologies and Themes

The main outputs of the Summit were a Declaration on Microfinance Strategy and a Joint Action Plan for building a strong and inclusive microfinance sector. The Summit was organized so that the intended outputs could be achieved.

The following table provides an overview of the Summit's key discussion topics and the order in which they were presented:

Days	Morning	Noon	Afternoon
Day 1	Opening/ Introduction	Baseline Data and Performance	Problem Analysis
Day 2	Technology	Innovative Products and Services	Social Inclusion and Strategy
Day 3	Policy: Microfinance Industry Promotion	Inclusion and Sustainability	Issues and Declaration/ Closing

On Day 1 of the Summit following the official opening ceremony, a short introductory session was held where the design and the modalities were explained to all the participants..

The noon session served as plenary with panel discussions. It was intended to produce a common understanding of where the microfinance was in terms of outreach, social and financial performance and where it needed to go (targets). A central focus of the session concerned how microfinance was or could reach major segments of society (i.e. by region, ethnic group, castes, etc.).

In the afternoon session participants developed a common understanding of where they needed to make progress, and defined the main obstacles to increased outreach. The afternoon sessions was divided into four groups and was followed by a report from each group to the plenary session.

The issues raised in the plenary session were subsequently discussed over the Summit's next two days.

Day 2 and 3 of the Summit were divided into twenty-four (24) sessions which focused on five (5) thematic topic areas:

1. **Innovative technologies and operational models** best suited to reach the different societal groups (i.e. mobile banking, e-banking,) and the strategies that are most appropriate in increasing outreach (i.e. What models are best suited to serve the hill areas? What is the future role of commercial banks in microfinance?);
2. **Innovative products and services** requested by clients and which are technically feasible in the Nepal context as well as missing products and services that would be useful in increasing the outreach and sustainability of MFIs (i.e. micro and agriculture insurances; migrant savings and alternative investments; renewable energy and microfinance networking services);
3. **Social inclusion strategy and targeting of client needs** should address the requirements of the different segments of society with a special focus on what contribution microfinance can make toward building a peaceful and conflict-free Nepal; and how MFIs plan to include children, youth and women as their target clients;
4. **Policy issues and microfinance industry promotion** need to be addressed by the Government in order to build a strong and inclusive microfinance industry (i.e. What should the role of INGOs be in sectoral promotion? What are the policy barriers? What should be done to expand microfinance services? What is the current state of microfinance as seen from the mapping of microfinance institutions?);
5. **Inclusion and sustainability issues** need to be discussed and defined (i.e. What are the ways in which the social performance of MFIs can be measured to promote social inclusion strategies? Whether social investors are required to increase their financial self-sufficiency and inclusion at the same time? What is the need for business development services to sustain the business of MFI clients so new loans from MFIs can be made? How can a community managed a revolving fund effectively?).

The penultimate session was used to agree on the issues and actions which should be included in the Summit Declaration and the Joint Action Plan. The issues and actions on which the participants agreed formed the basis of these documents.

1.6 Resource Papers

Twenty-four (24) resource papers were presented. In addition, there were seventy-one (71) resource persons including moderators, chairpersons, panelists and respondents with related subject matter expertise available to share their knowledge and experience with participants.

1.7 Participating MFIs

The number of Summit participants by organizational category was:

S.N	Category	Male	Female	Total
1	Microfinance Development Banks	70	14	84
2	Grameen Banks	48	2	50
3	Savings and Credit and other Cooperatives	162	116	278
4	Financial Intermediary NGOs	51	46	97
5	NGOs	41	22	63
6	INGOs	60	34	94
7	Academic Institutions	20	2	22
8	Commercial Banks	6	3	9
9	Development Banks	2	-	2
10	Insurance Companies	2	1	3
11	Wholesale Lenders	2	-	2
12	Finance Companies	6	-	6
13	Government Authorities	21	6	27
14	Foreign Delegates	8	3	11
15	IT Delegates	2	1	3
16	Individuals	11	2	13
	Total	512	252	764

1.8 Summit Contributors and Sponsors

Contributors

S.N.	Contributors	Amount
1	Plan Nepal	NRS 849312
2	German Technological Cooperation (GTZ RUFIN)	NRS 633500
3	Center for Microfinance	NRS 350000
4	Canadian Center for International Studies and Cooperation (CECI) – Nepal	NRS 316750
5	Mercy Corps	NRS 315000
6	Poverty Alleviation Fund	NRS 300000
7	Nepal Rastra Bank (NRB)	NRS 200000
8	Save the Children US	NRS 189975
9	UNDP - Nepal	NRS 140300
10	Planet Finance	NRS 50000

S.N.	Contributors	Amount
11	Nepal Federation of Savings and Credit cooperative Unions Ltd. (NEFSCUN)	NRS 31670
12	National Cooperative Development Board	NRS 15000
13	Rural Microfinance Development Center (RMDC)	NRS 25000
14	Sana Kishan Bikash Bank Limited (SKBBL)	NRS 20000
15	Women Cooperative Society	NRS 10000
16	Center for Self-help Development (CSD)	NRS 10000
17	Deprosc – Nepal	NRS 10000
18	World Bank	International Experts

Sponsors

	Sponsor	Amount
1	Standard Chartered Bank	NRS 285000
	Supporting Sponsors	Amount
2	Clean Energy Development Bank (CEDB)	NRS 30000
3	Swabalambam Bikash Bank	NRS 10000
4	Lutheran World Federation (LWF)	NRS 10000
5	Machhapuchhre Bank	NRS 10000
6	United Mission to Nepal (UMN)	NRS 10000
7	Nirdhan Utthan Bank Limited (NUBL)	NRS 10000
8	Manushi	NRS 4000

1.9 Organizers

The National Steering Committee (NSC) members organized the Summit and the Secretariat. The Secretariat was managed by the Center for Microfinance (CMF Nepal).

The National Steering Committee (NSC) was formed at the Stakeholders meetings held on August 29 and September 17, 2007 in Kathmandu. The NSC was chaired by Dr. Harihar Dev Pant, Vice-President of CMF, and Co-chaired by Ms Tory Clawson, Country Director for Save the Children US. The NSC provided policy guidance to the Summit Working Committee. The members of the National Steering Committee were.

Members of the National Steering Committee (NSC)

1. Dr. Harihar Dev Pant	Chairperson	Vice-Chairperson, Center for Microfinance (CMF)
2. Ms Tory Clawson	Co-Chair	Country Director, Save the Children US
3. Mr. Amrit Bishwakarma	Member	Chairperson, Jana Utthan Pratisthan (JUP)- Nepal
4. Mr. Armin Hofmann	Member	Team Leader, German Technological Cooperation – Rural Finance in Nepal (GTZ-RUFIN)
5. Ms. Aurora Ferrari	Member	Private Sector Development Specialist, The World Bank
6. Ms. Bhagabati Chaudhary	Member	Executive Director, Forum for Rural Women Ardency Development (FORWARD)
7. Mr. Bishnu Pathak	Member	Chairperson Nepal Microfinance Bankets Association (NMBA).
8. Ms. Delphine Thizy	Member	Head of Mission, Planet Finance
9. Mr. Hem Raj Poudyal	Member	Coordinator, Plan Nepal
10. Mr. Keshav Koirala	Member	Country Director, Canadian Center for International Studies and Cooperation (CECI) Nepal
11. Mr. Man Bahadur BK	Member	Member, National Cooperative Development Board
12. Mr. Min Raj Kadel	Member	Chairperson, Nepal Federation of Savings and Credit Cooperative Unions Ltd. (NEFSCUN)
13. Mr. Mukunda Bahadur Bista	Member	Executive Director, Center for Self help Development (CSD)
14. Mr. Narahari Dhakal	Member	Coordinator, UNDP
15. Mr. Pitambar Prasad Acharya	Member	Executive Director, DEPROSC-Nepal
16. Mr. Raj Babu Shrestha	Member	Executive Director, Poverty Alleviation Fund (PAF)
17. Dr. Ram Chandra Bhattarai	Member	Sr. Advisor, National Planning Commission
18. Mr. Ram Dayal Rajbansi	Member	Senior Manager, Rrural Microfinance Development Center (RMDC)
19. Ms. Sarashwati Shrestha	Member	Executive Chairperson, Women Cooperative Society Ltd. (WCS)
20. Mr. Shyamal Krishna Shrestha	Member	Economics Officer, Asian Development Bank (ADB)
21. Mr. Sanjaya Karki	Member	Program Officer, Mercy Corps
22. Mr. Sushil Ram Mathema	Member	Executive Director, Nepal Rastra Bank
23. Mr Tanka Mani Sharma	Member	Registrar, Department of Cooperatives
24. Mr. Upendra Bahadur Karki	Member	General Manager, Small Farmers Development Bank Ltd. (SKBBL)

25. Mr. Tejhari Ghimire Member Chief Executive Officer, CMF
Secretary

The nine (9) member **Working Committee** was formed to administer the day-to-day activities leading up to and including the Summit. The Working Committee members were:

Members of the Working Committee

1. Dr. Harihar Dev Pant	Chair	Vice-President, Center for Microfinance, CMF
2. Ms. Tory Clawson	Co-chair	Country Director, Save the Children US (SCUS)
3. Mr. Amrit Bishwakarma	Member	Chairperson, Jana Utthan Pratisthan (JUP)
4. Dr. Bamadev Sigdel	Member	Deputy Director, Nepal Rastra Bank
5. Mr. Man Bahadur Bishwakarma	Member	Member, National Cooperative Development Board (NCDB)
6. Mr. Min Raj Kandel	Member	Chairperson, National Federation of Savings and Credit Cooperative Unions Ltd. (NEFSCUN)
7. Ms. Sarashwati Shrestha	Member	Executive Chairperson, Women Cooperative Society Ltd. (WCS)
8. Mr. Jan Kerer	Member	Sr. Advisor, German Technological Cooperation -Rural Finance in Nepal (GTZ-RUFIN)
9. Mr. Tejhari Ghimire	Member Secretary	Chief Executive Officer, CMF

Subcommittees

Different subcommittees were formed to execute the Summit's activities. These subcommittees and their individual members were:

Exhibition Sub-committee

1. Mr. Rajendra Khadka	Coordinator	Canadian Center for International Studies and Cooperation (CECI)
2. Mr. Dharma Raj Pandey	Member	Executive Director, Paschimanchal Grameen Bank Ltd.
3. Mr. Ramdev Yadav	Member	Executive Director, Madhyamanchal Grameen Bank Ltd.
4. Mr. Ayushman Sherchan	Member	Bank of Kathmandu Ltd.
5. Mr. Uday Khatiwada	Member	Executive Director, Neighbourhood Service Center (NSSC)
6. Mr. Indraraj Jyoti Poudel	Member	Chairperson, Vyccu Savings and Credit Cooperative Society Ltd.
7. Ms. Bhagawati Pudasaini	Member	Coordinator, Rural Women Awareness Center (RWAC)

Seminar Sub-committee

- | | | |
|--------------------------------|-------------|--|
| 1. Mr. Man Bahadur Bishwakarma | Coordinator | Program Manager, Save the Children US (SCUS), |
| 2. Ms. Shova Mishra | Member | Chhimek Bikas Bank Ltd. |
| 3. Mr. Prabhakar Mishra | Member | Executive Director, Madhya-paschimanchal Grameen Bank Ltd. |
| 4. Mr. Ramdayal Rajbansi | Member | Sr. Manager, Rural Microfinance Development Center (RMDC) |
| 5. Mr. Hemraj Poudyal | Member | Coordinator, Plan Nepal |
| 6. Mr. Tulsi Upreti | Member | Board of Director, CMF Nepal |
| 7. Mr. Bishwa Mohan Acharya | Member | Director, National Cooperative Development Board |

Resource Paper Sub-Committee

- | | | |
|------------------------------|------------------|--|
| 1. Dr. Harihardev Pant | Coordinator | Vice Chairperson, CMF Nepal |
| 2. Ms. Tory Clawson | Co-chair | Country Director, Save the Children US (SCUS) |
| 3. Mr. Jan Kerer | Member | Sr. Advisor, German Technological Cooperation-Rural Finance in Nepal (GTZ-RUFIN) |
| 4. Mr. Hemraj Poudyal | Member | Coordinator, Plan Nepal |
| 5. Dr. Bamdev Sigdel | Member | Deputy Director, Nepal Rastra Bank |
| 6. Dr. Ram Chandra Bhattarai | Member | Sr. Advisor, National Planning Commission |
| 7. Dr. Tika Pokharel | Member | Chairperson, USC Nepal |
| 8. Mr. Tejhari Ghimire | Member Secretary | Chief Executive Officer, CMF |

Publicity Sub-Committee

- | | | |
|---------------------------|-------------|---|
| 1. Mr. Amrit Bishwakarma | Coordinator | Chairperson, Jana Utthan Pratisthan (JUP) |
| 2. Mr. Kuber Niraula | Member | Officer, Nepal Federation of Savings and Credit Cooperative Unions Ltd. (NEFSCUN) |
| 3. Ms. Anju Pathak | Member | Manager, Sana Kisan Bikas Bank Ltd. |
| 4. Mr. Prajapati Bhatta | Member | Act. Deputy Director, Sudur Paschimanchal Grameen Bank Ltd. |
| 5. Mr. Prakash Raj Sharma | Member | General Manager, Nirdhan Utthan Bank Ltd. |
| 6. Mr. Shyamdev Yogi | Member | Executive Director, Purbanchal Grameen Bank Ltd. |

7. Mr. Hirdaya Raj Gautam	Member	Managing Director, Independent Business News
8. Mr. Bijay Ghimire	Member	Immediate Past Chairperson, Society for Economic Journalist
9. Mr. Mukunda Subedi	Member	Journalist
10. Mr. Shree Ram K.C.	Member	Journalist

1.10. Summit Exhibitions

The Summit promoted microfinance practitioners, promoters, and knowledge management organizations through a display of their innovative products and technical services in thirty (30) stalls.

1.11 Materials and Publications

The materials and publications distributed to participants included: a Summit Brochure (in English and Nepali); a Summit Resource Directory; a Summit News: Bulletin; a Summit Program Schedule; a Summit ID Card and a Summit Kit Bag.

SUMMIT HIGHLIGHTS DAY 1

2. SUMMIT HIGHLIGHTS DAY 1

2.1 Inauguration

The Microfinance Summit Nepal 2008 was inaugurated by the Honorable Finance Minister Dr. Ram Sharan Mahat at the Hotel Hyatt Regency, Kathmandu Nepal on February 14 2008. Microfinance practitioners, donors, Government of Nepal agencies, policymakers, resource persons and others were present on the occasion.

Dr. Mahat called on microfinance institutions (MFIs) to discourage unhealthy competitive practices and bring uniformity in services with a higher level of commitment for reaching more grassroots level people. Dr. Mahat assured that the Government would help spread micro-credit to every 'nook and corner' of Nepal in order to achieve sustainable socio-economic development. He added "if there is anything that has been vital in sustainable socio-economic development for poor countries, undoubtedly it is the contribution of micro-credit." He went on to stress the need for MFIs and concerned development partners to expand their outreach and activities to remote villages where the incidence of poverty is very high. He stated that "the Government is ready to review its tax policy and rate of tax, if MFIs and micro-credit service providers develop programs to expand their activities solely in rural areas." On the occasion he introduced a new book titled 'Microfinance in Nepal' by Bijayaram Bahakta Mathema.



The Acting Governor of Nepal Rastra Bank (NRB) Krishna Bahadur Manandhar advised the audience that the Central Bank had no immediate plans to phase-out deprived sector lending by commercial and development banks. "Instead, NRB is planning to make it mandatory

for finance companies, also.” He added that NRB is flexible in providing a favorable microfinance policy for the development of the sector .

Dr. Harihardev Pant, Chairperson of the Summit’s National Steering Committee (NSC) and Vice Chairperson of the Center for Microfinance (CMF) welcomed the participants. He commented that microfinance has been one of the few effective tools for poverty reduction over the past 34 years. Its reach and activities, however, had been limited to mainly the semi-urban areas and Tarai districts. Micro-credit, however, has spread its wings and has helped poor people to cultivate a savings culture and accumulate funds for future investments, emergencies or to access loans for productive purposes that lead to higher incomes. Microfinance has also had an impact on good governance, participation in the political process, women empowerment, social inclusion and conflict transformation. The challenge ahead for MFIs is to expand micro-credit services to the rural population, particularly in the hill and mountain areas. Microfinance should accompany programmes on basic education and business literacy to ensure the best utilization of the credit facility.

Ms. Bhim Kumari Subba, a microfinance institution client, shared her success story and thanked the micro-credit movement that turned her from a simple rural women into an entrepreneur.

Ms. Tory Clawson, Country Director, Save the Children US and Co-Chair of the Summit thanked all the participants who despite difficulties in transportation came from all over Nepal.

The session was followed by the Chief Guest, the Honorable Finance Minister Dr. Ram Sharan Mahaand and other distinguished guests viewing the thirty (30) exhibition stalls.

2.2 Plenary Session

The plenary session on Day 1 included two presentations. Panelists made their observations at the conclusion of the presentations.

2.2.1 State of Microfinance – Depth and Breadth

Mr. Ganesh Bahadur Thapa
Chairperson of CMF and Former Governor,
Nepal Rasta Bank (NRB)

This paper confirmed the aggregate outreach of microfinance institutions in Nepal. It analyzed the legal framework of microfinance and provided a ‘coverage and gap analysis’ of the breadth of outreach to assist microfinance institutions in their expansion. A critical analysis of the different operational models was used to increase the awareness of practitioners as to the need for further diversification and additional services. The arguments presented on the different models saving services provided a catalyst to policy makers to re-think existing monetary policy.

A rigorous in-depth study of microfinance is required to ensure a balanced microfinance policy model and impact monitoring instrument. With these tools available MFIs can reach out to the poorest of the poor with quality financial services. Microfinance's contribution to GDP has uncovered a market to



provide development assistance in poverty reduction together with microfinance services. Taking care of clients in respect to their business development and capacity building is an effective strategy for establishing linkages between commercial banks and development agencies as well as the non-financial service providers of microfinance. Migrant savings promotion and horizontal cross lending facilities in rural areas is also an alternative way to reduce concessional fund dependency.

2.2.2 Social and Financial Performance of MFIs in Nepal

Ms. Hind Tazi
Lead Analyst for South Asia
Microfinance Information Exchange, Inc. (MIX),

The Microfinance Information Exchange (MIX) released the first-ever benchmark report on Nepal's microfinance banks. The analysis drew on 2006 data from eighteen (18) microfinance institutions and financial performance information from nine (9) retail microfinance banks. The sector's performance was further contextualized against the results from a broader set of MFIs across the South Asia region.



Outreach in Nepal has remained limited, but the microfinance sector has made tremendous strides in the face of political unrest and the challenges posed by the Maoist insurgency. Growth in the sector compares favorably with global norms but still falls behind regional trends as South Asian MFIs continue to top growth charts and pursue a rapid expansion of services. Nonetheless, the sector benefits from tight cost structures and a large pool of readily available funds that could fuel more rapid growth and help provide financial services to a larger share of Nepal's poor.

Heavy portfolio risk remains one of the greatest weaknesses of Nepal's microfinance sector, diminishing its revenue streams and threatening the precarious returns achieved thus far. Microfinance banks would benefit substantially from developing standards of dissemination and technical assistance in portfolio risk management. The tight cost structure already enjoyed by the microfinance sector can act as a springboard for boosting profits, but institutions will have to strengthen their revenue streams to ensure the sustainability of the sector. Enhancing portfolio quality will also go a long way toward maintaining revenues, but microfinance banks will also have to abandon the view of microfinance as a charitable enterprise and adopt appropriate product-pricing policies that not only cover the direct cost of services but also provides for provisioning and funding expenses.

2.2.3 Comments of Plenary

The session was chaired by Mr. Hari Shankar Tripathi, Former Governor of Nepal Rastra Bank and moderated by Henry Bagazonzya, Senior Financial Sector Specialist, Private Sector Unit of the World Bank.

Panelists included: Mr. Sharad Neupane, Assistant Resident Representative, UNDP; Dr. Harihar Dev Pant, Vice Chairperson of CMF; Prof. Dr. Madan Kumar Dahal, Tribhuvan University; Ms. Sarah Shima, Programme Manager, South Asia, CCA; Ms. Naramaya Limbu, Director for Programs, Save the Children US; Mr. Radhesh Pant, Chairperson, Nepal Bankers Association and Mr. Ram Dayal Rajbansi, Program Manager, RMDC.

2.2.4 Panel Comments

The session focused on sustainability, income and outreach:

Comments of Chairperson and Panelists

- Forty thousand (40,000) of the four hundred thousand (400,000) UNDP supported informal groups in Nepal are not mentioned in either paper. The recognition and transformation of these groups which are also involved in development work is needed.
- A Code of Conduct for non duplication needs to be formulated and insisted upon.
- The interest rates charged by MFIs was not favorable for the poor.
- Cost factors hindered MFIs in reaching hill and mountain areas.
- MFI practitioners should recognize all of the existing informal groups that UNDP, the World Bank and Government support.

- The interest rate issue was only the tip of the iceberg. Access to financial services for the poor was a much more important issue.
- A microfinance development bank's main objective is to earn a profit.
- Micro-credit was not an effective option for the poorest of the poor.
- High interest rates were exploiting the poor.
- Grants with favorable interest rates should be provided by the Government.
- Loan ceilings should be increased.
- Capacity building and skill training were needed for borrowers to safely utilize their loans in the productive sector .
- Cooperatives need to have sustainability.
- Savings and credit cooperatives need to increase internal savings.
- Equity was lower than the assets held in many MFIs which meant leveraging was at the risk.
- Transparency was important to develop good corporate governance.
- Networks need to be developed and increased i.e. invest in your network.
- Unemployed youths should be included in microfinance activities.
- An inclusion policy focused on youths and adolescents should be developed.
- Microfinance reached to people according to the skill of the clients.
- Government should provide the proper infrastructure for the development of microfinance.
- Neither paper mentioned which microfinance tool was more effective.
- Target microfinance groups should be clear i.e. either women or low income earning people, Janjati, Dalit, etc.
- Nepal's microfinance was practiced with a low operating cost.
- Portfolio quality was not as bad as mentioned in the second paper. A 95% operationally self sufficient and repayment rate was claimed for all 60 RMDC partners.
- Youth have to initiate their involvement in the microfinance sector.

Summary

Poverty is still the same as it was fifteen (15) years ago. An enhancement in agriculture and enterprise development is a necessity for any overall development.

2.3 Breakaway Session

Target Client Issues

2.3.1 Child and Youth Involvement in Microfinance

Ms. Uday Laxmi Pradhananga
Education Team Leader
Save the Children US



This study focused on youth strengthening by providing entrepreneurship training, technical skills for self-employment and access to microfinance services training. To meet the overwhelming global demand for computer skills and financial services, the microfinance industry must help youth develop their managerial and technical skills. The main issue raised was that the recipients of microfinance services were usually the mothers and female members of unemployed youth and adolescent households. Consequently, there was no direct service access for youths or adolescents. The study highlights the absence of a youth/adolescent inclusion policy and a strategy to bring them into the economic development process to boost the economy.

Comments of Chairperson and Respondents

The session was chaired by Mr. Prem Shukla, Country Director of Plan Nepal. The respondents were Ms. Bimala Thapa, Treasurer, Child Development Bank and Mr. Keshav Regmi, Director, Mahila Bikas Bibhag.

Comments of Respondents

- Children can be encouraged to collect savings and adopt good savings habits.
- Many youths (boys and girls) are involved in managing funds.
- Children are encouraged to join so as to increase the number of clients.
- Small children (younger than 15) should not be involved in savings and credit schemes.
- A single family member should be in charge but they should allow other family members to participate if one is interested.
- Unmarried girls can change their savings group after migration.
- Better to make a separate group for youths.
- Kishora and Kishori group can be formed - these groups may flourish in the future.
- More benefits for MFIs will accrue if they reach youths.
- The type of microfinance business differs between old and young.

Comments of Chairperson

If a saving module is included in the school curriculum, youths can be taught how to manage money so that they are prepared for micro-savings. Village tourism should be encouraged so that rural poverty is lessened. The experience of other organizations should also be taken to villages.

Floor Questions and Suggestions

- Children can be involved in saving schemes.
- Children can be taught why and how savings are important to them.
- Children can be a part of their parent's scheme or can have a separate scheme.
- Plan's Peggy box savings scheme for children has been implemented appropriately in Makwanpur, Morang and Kathmandu districts.
- In the Kathmandu Valley, 2,400 working children are organized into saving groups through support of the group by CONCERN.
- Over 3,000 children are saving under this "Peggy box saving" scheme.
- It is also good to provide some knowledge and skills to adolescent children on 'money management'. This should be incorporated into their school curriculum so that they know when and where to best use the money they have saved.
- Youths need financial service most to invest in acquiring skills, to start a business, to go abroad to find employment, and for higher education.
- Youth can be organized into specialized saving and credit schemes; or saving can be one of the activities of youth clubs/organizations or any other user groups they are associated with.

Questions

- How many child laborers are there in Nepal? How is it possible to involve them in microfinance activities without the permission of the business owner where they work? How can these children start their own business? How do you treat older working people?
- How do you reach them so that they can participate?
- How can children below 14 use the savings they collect?

2.3.2 Delivery of Microfinance Services in Conditions of Political Fragility

Mr. Jay Banjade

Director of Enterprise Development

Economic opportunities Office, Save the Children US

Nepal's 10-year Maoist insurgency dramatically affected the Country's socio-economic conditions on both the macro and micro levels. During the period of active insurgency, the Government effectively lost control of large areas of rural Nepal, and the Maoist set-up a



parallel administration and taxation system in the areas they controlled. Frequent strikes and road blocks closed down markets and transportation systems and severely affected the micro enterprise sector, including microfinance programs, non-financial business development services, NGO development works, and private businesses.

This case study analyzed how Nepalese MFIs, particularly the Nirdhan Utthan Bank (NUB), adapted their products and operations to deal with the constraints imposed by the insurgency. By implementing a number of strategies, several of the MFIs were able to improve their portfolio quality, increase outreach and control costs. These strategies related to modifications to financial products and operational procedures; public relations and communications strategies; and improvement in the internal communications strategy to boost morale and support staff and clients.

Comments of Chairperson and Panelists

The session was chaired by Mr. Haribol Bhattarai, Joint Chairperson, National Cooperative Development Board. The panelists were Dr. Tika Pokharel, Chairperson of USC Nepal and Ms. Helen Sherpa, Program Coordinator, World Education Nepal.

Comments by the Chairperson

- This paper doesn't appear to be a case study.
- Less concentration on delivering enterprise development should have been given.
- Less effort to scrutinize, not a well organized paper.
- Confusing statements were made: list of 112 mentioned, credibility of 25 mentioned, others were ignored.
- Important details were not included.
- Title "deliverance enterprise development" but paper does not include a discussion on this.
- Paper was too long.
- Statements made were confusing.
- "Twenty-five dedicated creditable". Statement was unclear.

Floor Questions and Suggestions

- Donor funded agencies are still in a state of 'wait and see'.
- In some places, people are want to repay loans but aren't allowed.
- Out of two hundred (200) only twenty-five (25) have credibility and only three (3) were studied. Therefore, coverage should be increased.
- Paper was not according to the topic.
- Displaced communities should be reunited in post conflict situation .
- Donor funded NGO National Funds were topped which is not included in the paper and should be added .

Answers by Presenter

NGOs who are the front line workers of INGOs faced difficulties due to the insurgency; blockades, travel bans, market closures, and the atmosphere of terror. These factors impacted on their activities by restricting growth and outreach; causing operations in remote areas to be discontinued; causing deterioration in portfolio quality as operating costs increased while profitability and sustainability declined; and reducing the participation of community members in development works..

MFIs and NGOS used various coping strategies to lessen the impact. These strategies included modifying products and production; improving staff morale; implementing a code of conduct; conducting public relations, communication and transparency programs; leveraging community relations; implementing public relations and transparency activities; and putting the community in charge.

Nirdhan's also took various measures to work around the insurgency. These included paying of a two (2) percent interest rate rebate for making a loan repayment at any branch office; closing severely affected offices until the situation improved; and rescheduling loans especially for clients victimized by the insurgents.

The coping mechanisms used in the private sector included paid protection; increased wages and improved working conditions for workers; outsourced work to local people's small businesses; and laying off excess workers through voluntary retirements.

The outcomes of using coping mechanisms were: MFIs were able to increase their outreach, reduce loan delinquency and improve their sustainability; NGOS were able to continue service provision but at a lower level; and the private sector was forced to comply with the requirements of the insurgents.

2.3.3 Women in Rural Microfinance Program in the Western Hills of Nepal: Reflection from the Sahakarya Project

Ms. Mahendra Laxmi Sharma
Gender Specialist
CECI- Sahakarya Project

Dr. Prahlad Thapa
Senior Programme Coordinator
CECI- Sahakarya Project

This study attempted to analyse the impact of rural finance programmes to empower women using the data from the Sahakarya Project, which CECI had implemented in five (5) hill districts in Mid and Far Western Nepal. Rural finance as a part of microfinance increases



the access of rural people to financial services in order to produce income generating activities that improve their livelihoods. The findings of this small study indicated that rural microfinance has empowered women and disadvantaged groups (DAGs) to access credit services in rural area. By increasing the number of women and DAG members in savings and credit organisations and their working committee, it enhanced the groups choosing favourable policies and lead to positive discrimination.

Comments of Chairperson and Panelists

The session was chaired by Ms. Sarashwati Shrestha, Board of Directors, CMF. The panelists were Dr. Sumitra Manandhar, Independent Expert and Ms. Bhagabati Pudasaini, Coordinator, Rural Women Service Center (RWSC).

Respondents

- This presentation was disappointing because it only talked about access, empowerment and participation.
- The term empowerment; which is often used as a buzzword should be clarified. It may be that empowerment is all about getting access.
- The paper had a limited focus.

Microfinance Operational Models used in Nepal

2.3.4 Grameen Model: Problems and Prospects

Mr. Ram Chandra Joshee
Executive Director
Chhimek Bikas Bank Limited

Professor Yunus, Nobel Peace Prize winner in 2006, institutionalized his vision of microfinance by establishing the Grameen Bank in Bangladesh (1993). The same microfinance system was introduced in Nepal in the early 1990s when the Central Bank established five (5) rural regional development banks.



The Grameen model is popular in the microfinance world because of its specific characteristics i.e. targeted to serve the poor, services available through doorstep service, loans are collateral free, there is a good repayment rate, lending focused on women, finances are managed by banking professional and the strong impact on marginalized groups. Currently, Nepal has eleven (11) microfinance development banks, forty-seven (47) FINGOs (NRB Licensed) and several co-operatives which have adopted the Grameen model.

It is estimated that out of 2.4 million households requiring microfinance services, approximately 730,000 have been served.. A large number of people are excluded from MFI financial services, however, because they live in hill and mountainous areas.

Government support for the microfinance sector is required for the formulation of policies and development of a national infrastructure. The business model followed by microfinance banks is quite different from the one used by other financial institutions. It is recommended that because of this fact that tax brackets should be reduced for microfinance banks (MFBS) and they should be allowed to take public deposits for resources mobilization.

There should also be an incentive programme for MFIs provided by the Government, donors and wholesale lenders to expand microfinance in hill areas. In addition, donors can support MFIs by strengthening their institutional capabilities through technical assistance, IT development and by covering four (4) or five (5) years of overhead cost. Donors should observe whether MFIs are using these funds for the sustainability of the program or just

providing an attractive return to investors. MFIs have the responsibilities to properly use these funds for the poor. MFI associations and other Government regulatory agencies must monitor activities and take action when required.

Comments of Chair and Panelists

The session was chaired by Mr. Keshava Koirala, Country Representative, CECI Nepal. The panelist was Mr. Gopal Chandra Sharma, Credit Department Head, Nepal Rastriya Banijya Bank Limited.

Respondents

- This was an excellent and well organized presentation which produced substantial research data.
- Although an indigenous model is provided, Nepalese MFIs can develop their own model which is an adaptation of the Grameen model.
- The Grameen model is universal and flexible so it has spread to different parts of the world .
- There needs to be a trade-off between the banking system and poverty alleviation
- Cost effective technology is needed for improvement
- Change is always preferred over stagnation

Conclusion from the Chairperson

The paper focused on the Terai conflict. Within the Government bureaucratic system it is hard to get cooperation. Hill versus Terai discrimination needs to be considered

Floor Questions and Suggestions

A proposal should be submitted to the Government from the Summit on the need to obtain funds for the capacity building of MFIs .

2.3.5 Saving and Credit Cooperatives Model: Problems and Prospects

Mr. Min Raj Kadel
Chairperson
NEFSCUN

This study focused on strengthening savings and credit cooperatives so they are better able to provide microfinance access to the rural poor, and promote democratic practices. Nepal has very good prospects in this area because of its cost effectiveness and solidarity philosophy adopted by this model. The study also helps to catalogue the challenges that need to be addressed.



Comments of Chairperson and Panelists

The session was chaired by Mr. Tanka Mani Sharma, Registrar, Department of Cooperatives. The panelists were Mr. Shree Ram Shrestha, Executive Director, USC Nepal and Mr. Uday Raj Khatiwada, Executive Director, Neighborhood Society Service Center.

Mr. Shree Ram Shrestha made a supplementary presentation on the **Cooperative Values, Norms and Principles for low membership and asset-liable SACCOS**

Floor Questions and Suggestions

There was no suggestion.

2.3.6 Financial Intermediary NGO Model: Problems and Prospects

Ms. Bhagabati Chaudhary
Executive Director
FORWARD



This session presented the Financial Intermediary NGO MF Model as a mechanism to cope with peoples needs and enable them to implement public relations and transparency; put the community in-charge; maintain neutrality; implement a staff code of conduct; and provide a staff support program.

Comments of Chairperson and Panelists

The session was chaired by Mr. Pitambar Prasad Acharya, Executive Director, DEPROSC Nepal. The panelists were Mr. Mukunda Bahadur Bista, Executive Director, CSD and Mr. Kuleshwar Mahato, Independent Expert.

2.3.7 SFCL Model: Problems and Prospects

Mr. Upendra Bahadur Karki
General Manager
Sana Kisan Bikas Bank Limited

The Agriculture Development Bank (ADB) of Nepal in 1975 introduced the Small Farmer Development Project (SFDP), a poverty alleviation initiative where small farmer groups were formed and credit channeled through them to promote economic and social development self-help activities at the grassroots level. Due to high overhead costs and poor recovery rates for a number of years, SFDP was threatened with possible collapse. As a consequence of this situation, ADB turned SFDP into farmer managed Small Farmer Cooperatives (SFCL). SFCLs now number 228 members. Most SFCLs are affiliated with Sana Kisan Bikas Bank, which was established in 2001 with SFCLs among the shareholders. Lately, SFCLs are increasing their share component and are in a position to takeover the management of the bank. This has potentially far-reaching implications for the entire SFCL programme.

SFCLs are three tiered organizations with small farmer groups at the grassroots level. SFCLs promote small farmer development as well as local savings mobilization, expanded emphasis on women's participation, and exclusive focus on income generating activities. This exclusive focus weans poor farmers away from a sense of despondency and turns them into active entrepreneurs, and induces landless villagers as well. SFCLs borrow from the ADBL and lends to its members. This is a very important attribute of the SFCL programme and enables farmers to invest more in income generating activities thereby setting the stage for an early exit from poverty.



SFCLs have significantly contributed to the income improvement of their members, community development and governance improvement in their areas. SFCL problems include a failure to attract sufficient attention and priority from policy makers, and a limited ability to replicate on a wider scale. Equally worrying is the problem of low recovery rates on ADBN loans, even as the lending from the cooperatives own borrowers enjoy more than 90 per cent repayment rate.

While SKBB and SFCLs are faced with the prospect of a contraction of credit from ADBL, the bank is poised for the possibility of a new SFCL-controlled management. This could be a very valuable opportunity to inspire and institutionally require SFCLs to raise their recovery rates to acceptable levels. This could not only ensure the continuation of the ADB bulk lending facility but also qualify existing SFCLs to possibly borrow from regular commercial banks. It will also set the stage for the much-needed countrywide replication of the SFCLs in this overwhelming agrarian country of small and poor farmers.

Comments of Chairperson and Panelists

The session was chaired by Mr. Bihari Krishna Shrestha, Independent Expert. The panelists were Dr. Purushottam Shrestha, Independent Expert and Mr. Rajendra Bahadur Pradhan, Chairperson, Solve Nepal.

Floor Questions and Suggestions

There was no suggestion.

2.4 Reports from Breakaway Session

Mr. Armin Hofman, Program Manager of GTZ/RUFIN Chaired and Mr. Tejhari Ghimire, CEO of CMF moderated the session. Mr. Hoffman opened the session and requested that the chairperson of each of the sessions present their summaries.

Mr. Keshav Koirala, Chairperson for the “Problem and Prospects of the Grameen Model” session provided a summary of Mr. Ram Chandra Joshi, Executive Director of Chhimek Bikas Bank paper. He stated that Mr. Joshi had missed both the historical perspective and the process of targeting the poor. He commented that the operational practice that gives the most stress to MFIs is how to provide access for poor people. While donors and Government funding was essential in the initial development stage of MFIs, private banks now offer more coverage and effective services than Government.

Other comments made in the summary included: the poor need services and access to funds in a timely manner and the rate of interest was not a big issue; the capacity building of clients is a precondition for an increase in the demand for credit; the Grameen or SACCOS models were the best to adopt for the hill areas even though their costs were high; and there was no access to wholesale funds as they are very difficult to obtain.

Armin Hofman commented that ownership was an important element in order to be a successful example for any of the MFI model selected.



Mr. Bihari Krishna Shrestha, Chairperson of the “Problems and Prospects of the SFCL Model” presented the summary of Mr. Upendra Bahadur Karki, General Manager, Sana Kissan Bikas Bank paper.

SFCLs are three (3) tier organizations. Out of the 228 SFCLs, 219 were affiliated with SKBBL. They are self-sustainable and cover most of the households in a VDC. They work closely with the VDC for planning and implementing their program. SFCLs are a child of ADB/N which still supports bulk credit lending to SFCL members. Lastly, SFCLs served the landless people.

Armin Hofman commented that the participation of poor people in governance and gender sensitive matters is essential and that cooperatives are capable of launching micro insurance schemes.

Mr. Pitambar Prasad Acharya, Chairperson for the “Problems and Prospects of the FINGO Model” presented the summary of Ms. Bhagabati Chaudhari, Executive Director, Forwards paper.

FINGOs are converting into Microfinance Development Banks. These new banks are profitable in comparison to Government initiatives. FINGOs are working in every difficult geographical area. FINGOs do have a limitation in that the area each serves can only be one district (recent directive of GoN). In addition, FINGOs can promote MFDBs but do not have the right to manage them (up to 25% stake only).

Armin Hofman commented that although FINGOs are quite young they are doing banking business and the limitations that they are facing should change.

Mr. Tankamani Sharma, Chairperson of the “Problems and Prospects of Savings and Credit Cooperative Model” presented the summary of Mr. Minraj Kandel, Chairperson, NEFSCUN paper.

The cooperative structure was not presented adequately in this paper. Cooperatives are often blamed for their ‘family focus’; the low 15% dividend; their insufficient training; interest and taxation issues: and for not covering the poorest of the poor.

What is the difference between a Cooperative and a Microfinance institution?

Armin Hoffman commented that MFIs have to promote best practices as microfinance is really for the poor people. The Government has also realized the importance of both the cooperative movement and the microfinance.

Questions by Moderator Mr. Ghimire

- Are large MFIs interested in lending to small MFIs, and is it within the regulatory frameworks?
- Should interest rates be fixed by the market or should they be guided?
- Can SFCLs do cross-lending with other primary cooperatives?

Answers

- Current policy does not allow lending to small MFIs by MFDBs. But lending to small MFIs is a good idea which should be mentioned in the policy paper.
- Interest rate should be fixed by the market
- Cooperative banks can do wholesale lending to cooperatives. SKBBL has its own program for SFCLs and similar organizations.
- NEFSCUN has its own inter-lending program

Floor Questions and Suggestions

- Duplication is a big problem.
- Tax should be exempt or Government should provide support to cooperatives.
- How many cooperatives in a community can be opened?
- What are the monitoring procedures for cooperatives?
- There should be a Government ministry for cooperatives.
- Donors should contribute funding to assist MFIs serve the hill areas.
- Interest rates should be freely set and not regulated.
- Is there a policy not to duplicate the MF program?
- No need of donor funding all the time.
- Women cooperatives should have easy access to wholesale loans.
- Grameen banking system is not appropriate in some situations
- Unhealthy competition is a problem.
- Subsidies will ruin microfinance.
- SFCLs should implement a collateral free credit system.
- A five (5) VDCs working area for a cooperative isn't sufficient
- Is the number of existing FINGOs enough? Why has NRB stopped licensing new FINGOs?.

Concluding Remarks by Hofman

Everyone has agreed that microfinance is a banking business. The gender aspect of MF is incorrect not only in Nepal but the rest of the world. Better coordination and cooperation among MFIs is needed. Competition should be practiced in a healthy and constructive manner. Discussions should be held to provide better microfinance services to the mid and upper hills. Who are the target clients? The poorest of the poor even the better off poor? Of course the economically active poor who are trying to achieve an income are the target clients of microfinance as well.

DAY 2

2.5 Plenary Session

Technology

2.5.1 Technology in Microfinance

Mr. Stephen Rasmussen
Lead Specialist
CGAP

Recently there has been growing interest in branchless banking as a way to create access to financial services for more poor people. Branchless banking includes the use of technologies such as smart cards and mobile telephones to deliver financial services. Existing bank customers in many countries already have access to financial services through the use of such technologies, but can these approaches help us reach out to and include many more non banking poor people who are not being reached by microfinance institutions? This presentation described what is happening around the world and the models and approaches being used. It described the challenges to branchless banking, primarily in terms of developing workable business models that can benefit poor people and in terms of regulations to create an enabling environment.



Comments of Chairperson and Panelists

The session was chaired by Honorable, Mr. Deependra Kshetry, Member, National Planning Commission. The panelists were Dr. Dinesh Sharma, Chairperson, Nepal Telecommunication Authority and Mr. Keshar Bahadur Shrestha, CEO, Swabalamban Bikas Bank Limited..

Comments

Target groups have experienced that access to finance was hindered because of the non-existence of financial institutions in an area, a feeling of not being eligible for bank funds for various reasons or that the transaction was very expensive. Solutions for these drawbacks are suggested i.e. the use of technology.

Technology has facilitated the transmittal of remittances. The average remittance of NRs 200 billion is turned over 12 to 14 times a year. Total turnover is estimated to have reached NRs 700 billion in the last five years

Only two (2) micro credit institutions are using computer services. Grameen Foundation has introduced an open source system, which, if adopted by others, would be cost effective compared to using satellite services.

Better access to telecommunications service in rural areas is needed. Presently, the density of communication services in Nepal is estimated at 15 percent but will reach 25 percent in three years. Currently, the number of mobile telephone users is 2,500,000. The two (2) regulators, NTC and NRB maintain a close working relationship with respect to the use of mobile services in banking.

Various questions regarding the use of mobile phones for banking have been raised i.e.. Who would be responsible for any financial loss due to the malfunctioning of the mobile service?. Questions of efficiency of using this technology in rural areas where the residents were poor, illiterate and unorganized were also posed.

Cooperatives are contributing considerably to microfinance but those institutions do not come under the authority of the Central Bank. Therefore, second tier financial institutions need to be in place to make cooperatives effective contributors to the needs of the rural people.

There was a common concern shared about the efficiency of using the technology in rural areas in micro credit institutions.

Floor Questions and Suggestions

- On the issue of duplication of services, MFIs should sort this matter themselves as they are the ones responsible for any unhealthy competition. Healthy competition is needed, however, to ensure that people have a choice and that the quality of services is maintained.
- Despite everything the Grameen model claims it has not been able to involve the hard core poor i.e. landless people

- One suggestion was that MFIs should be allowed public deposits. The risk involved could be covered by insurance.
- How much is the cooperative sector helping microfinance?
- How can we develop microfinance in the mountainous region?
- Suitable MF software needs to be developed.
- Mobile Banking is good, but the problems should be studied further before determining policies (policies facilitated with the mitigating measures).
- Reaching the poor is important, but we should not replace a good process unless technologies can make it better.
- The majority of people banking with MFIs are mobile-users
- Technology can't solve all the problems of the poor

2.6 Breakaway Session

Innovative Products and Services:

2.6.1 Micro-insurance

Mr. P. S. Gunaranjan
Head-Insurance Business
BASIX

The paper presents a comprehensive picture of the benefits to the poor by promoting the livelihoods of poor households. The study findings indicate that micro-credit is a necessary input for promoting livelihoods; however, it is not sufficient alone. The provision of risk management services becomes another necessary part of the promotion and protection of livelihoods as these risks are severe. Distributing and servicing micro-insurance provided at a low cost and in a sustainable manner can reduce poverty. BASIX, a company for protecting livelihoods, is an institution established in India to provide micro-insurance services. Micro-insurance institutions in India have grown at a fast in recent years achieving significant outreach among the poor and low - income households.



Comments of Chairperson and Panelists

The session was chaired by Mr. Ramesh Raj Bhattarai, Executive Director, Insurance Board and the panelists were Mr. Dharma Raj Pandey, Executive Director, Paschimanchal Grameen Bank Ltd. and Mr. Manish Kumar, Assistant General Manager, LIC Nepal.

Respondents

Comments were made on the main subjects i.e. premiums, products, distribution channels, benefits, claim procedures, regulatory aspects etc. .

- The paper was experience based and covered all of the micro-insurance procedures
- BASIX services have directly affected the poorest of the poor.
- Products are of the bonded type.
- Premium collection appears difficult.
- The claims procedure takes a considerable amount of time
- The product designed should be simple and easily understood.

Conclusion

Micro-insurance protects low-income people from specific perils in exchange for regular monetary payments (premium) proportionate to the likelihood and cost of the risk involved. As with all insurance, risk pooling allows many individuals or groups to share the cost of a risky event. To serve poor people, Micro-insurance must respond to their priority needs for risk protection (depending on the market, they may seek health, car or life insurance), be easy to understand and affordable” (CGAP 2003).

Nepal should profit from BASIX’s experience and should establish a micro-insurance sector through a tie-up with microfinance institutions for the protection of the poorest of the poor.

Floor Questions and Suggestions

Question: Is a credit guarantee part of the insurance? What is the experience of India?

Answer: The credit guarantee is separate from the insurance. In India there is separate institution for it.

Question: What is the premium rate for poultry insurance? Is it calculated on a per thousand basis or on a per Lakh basis?

Answer: The premium for poultry insurance is fixed as per the claims experience on the insured population.

Question: What are the regulations on livestock for BASIX, India?

Answer: As per the insurance company’s rules.

- Question:** What is the role of the Insurance Board in regulating micro-insurance?
Answer: The Insurance Board is drafting the regulations on Micro-insurance
- Question:** Is the premium constant on Micro Insurance i.e. life insurance.
Answer: It depends on the ‘law of large numbers” and the claim. It can be reduced if the claim goes down as well as if overhead cost is low.
- Question:** Insurance is needed for everyone but the premium rate is high so, if the premium rate is less can micro-insurance be sustaintainable?
Answer: The Nepal Insurance Board is studying this matter from the stage of product design to finalization of claim.
- Question:** When the claim settlement is not prompt why does it take so long for settlement?
Answer: It depends on the client and the submission of the claim documents.

2.6.2 Migrant Savings and Alternative Investment

Mr.Gabi Afram
Finance Economist
The World Bank,
Washington DC

The presentation provided an overview into the nature of the demand of migrant households for financial services. It focused on the economic characteristics of migrant households. With this as the background, two (2) products relevant for migrants and their families were discussed: a) the use of deposit accounts to channel remittance, based on the example of the Mexican “People’s Network”, which has been operating for a few years; and b) the offering of mortgage backed loans by the Microfinance International Corporation, USA, and their partner institutions in El Salvador. In both cases, the general characteristics of the countries will be analyzed to determine the design features of the financial products offered,



Comments of Chairperson and Panelists

The session was chaired by Mr. Uday Manandhar, Deputy Director, SCUS. The panelists were Dr. Chandra Bhadra, Independent Expert; Mr. Hem Raj Poudyal, Coordinator-Livelihood Program, Plan Nepal and Mr. Richard K. Moss, International Expert.

Floor Questions and Suggestions

There was no suggestion.

2.6.3 MICRA: Model

Ms. Meynar Sihombing
Deputy Financial Access Programme Manager
Mercy Corps, Indonesia

MICRA, the Microfinance Innovation Center for Resources and Alternatives, is a newly established Indonesian foundation focused solely on microfinance. MICRA's mission is to build the institutional strength and outreach of the Indonesian microfinance sector by providing a full range of high-quality, best-practice technical inputs and support to all industry stakeholders, in a sustainable and demand-driven manner. As an independent support center, MICRA is committed to promoting innovations, transparency, and increased outreach to the poor and ever-improving performance in the microfinance industry. MICRA was founded by Mercy Corps in early 2006 to institutionalize its joint "Commercial Linkages Pilot Project" with IFC PENSA, as well as Mercy Corps' four-year experience supporting a large network of MFIs throughout Indonesia.



MICRA includes six technical units: Networking, Research and Innovations, Financial Services, Ratings and Appraisals, MIS and Technical Assistance. A case of sustainable model: MICRA has a staff of over 30, including leading microfinance practitioners, commercial

bankers, researchers, economists, professional accountants and auditors. MICRA staff are assisted by three expatriate microfinance experts funded by MICRA, Mercy Corps and other strategic partners. Expatriates specialize in technical assistance, research, ratings and product innovation. Expatriates provide technical input for all units, as well as support in the areas of strategic planning, operations, public relations and finance. MICRA's headquarter offices are located in Jakarta. In August 2006, MICRA opened its first branch office in Banda Aceh. MICRA, today is financially self sustainable and an independent unit. In recognition of MICRA's impact and outreach on micro finance, the Gates Foundation and Mercy Corps have entered into a partnership to replicate and expand such models within Indonesia and the Region.

Comments of Chairperson and Panelists

The session was chaired by Mr. Ganesh Bahadur Thapa, Chairperson, CMF. The panelists were Dr. Bamadev Sigdel, Deputy Director, NRB and Mr. Minraj Kadel, Chairperson, NEFSCUN.

Floor Questions and Suggestions

Question: I would like to know the rate of interest of commercial banks and MFIs to their clients?

Answer: The rate of commercial lending is 5% and MFIs rate of interest is 25%, however the rate of interest doesn't matter in service delivery. The crucial aspect is access to credit and service delivery.

Question: What modality of MICRA induced such sustainability in MICRA in span of only nine (9) months? This will be helpful for the financial institutions in Nepal which haven't been sustainable for a long time.

Answer: Sustainability of MICRA has been possible due to: Covered cost; management expertise; a variety of products and cross-selling; and transparency.

Question: What type of research does MICRA conduct? Who is responsible for it? And how do you disseminate your findings?

Answer: We have emphasized in active research rather than academics research. Research is more supply and demand driven and more product development.

Question: Is MICRA a government model or a central bank's model? Is it a wholesaler model or direct retailer's model? How is the CMF and MICRA model similar?

Answer :

Question: What is MICRA and how does it work? Do you have a link with a government? How is MICRA regulated? Do you conduct monitoring and evaluation of MICRA MFIs? Are the services available free?

Answer: There is a link with government as MICRA helps the Indonesian Ministry of Cooperatives to evaluate programs at the grassroots level. Monitoring and evaluation is not conducted by MICRA but MICRA enables the clients

to do it themselves. In the future MICRA expects to audit the improvements of their supported MFIs.

Question: Can CMF align with the MICRA model?

Answer: First, Nepal has to identify what has been done and what needs to be done in the MF sector so that the needs of Nepal are prioritized. After doing this CMF can be developed to adapt to Nepal's needs.

Question: How can a double bottom line and financial self-sufficiency be achieved at the same time?

Answer: The challenges of MICRA and other Asian financial institutions are not only to produce a profit but also to disseminate technological innovation and information to others.

Question: How are supervision and auditing carried out in MICRA? How does MICRA teach wholesalers and retailers?

Answer: Supervision of MFIs is a big problem. MICRA doesn't focus on supervision. Instead MICRA focuses on introducing best practices so that a MFIs capacity for financial sustainability is strengthened. Transparency and promotion of good governance is also a focus of MICRA

Question: What are the indicators that are used to judge MICRA's sustainability?

Answer: The indicators are the possibility to retrieve cover cost, expertise availability, the production of various programs/products, and the cross selling of products.

2.6.4 Opportunities in Micro financing Renewable Energy Services in Nepal

Mr. Prem Sagar Subedi
Microfinance Specialist
Winrock International Nepal

Nepal is heading towards a crisis through its unsustainable energy use pattern. There is an overwhelming dependence on traditional fuels: firewood, agricultural residue, animal dung (accounting for 88% of primary energy use) and fossil fuels (accounting for 11.5% of primary energy use). This gives rise to adverse impacts regarding energy security, environment and human health. Therefore, there is an urgent need to substitute these energy sources with renewable clean energy sources. Fortunately, Nepal has a huge potentiality for promoting renewable energy technologies (RETs).



Micro-finance Institutions (MFIs) can provide credit to rural poor for acquiring RETs. Proven technology, a strong quality control mechanism and favorable economics of the various RETs makes providing loans to them viable, reliable and bankable loan products for MFIs. A recent market estimate shows that there is an annual financing need of over 1 billion Nepalese rupees for small scale RETs, which can be an immediate market for MFIs in Nepal. As commercial/development banks are also looking for new investment opportunities, these financial institutions can also partner with MFIs to fulfill this demand.

Experience in Nepal and outside shows that interventions are necessary on both the demand and supply side to promote the micro financing of RETs. Demand side interventions include increasing awareness of technology and financing options, and the promotion of productive uses of energy for increasing the income of the rural poor. Supply side interventions include capacity building of MFIs, wholesale finance and energy companies; facilitating the flow of funds from wholesalers to MFIs; building working relationships among energy companies and MFIs; and lobbying for a favorable policy environment.

Comments of Chairperson and Panelists

The session was chaired by Mr. Manoj Kumar Goyal, CEO of Clean Energy Development Bank. The panelists were Mr. Shalik Ram Sharma, Former CEO of CMF and Dr. Triratna Bajracharya, Energy Expert.

Comments

- Nepal as a country is among the lowest energy users.
- Nepal is second richest not in terms of capacity alone but in population density , not resource
- Fossil fuels are not renewable and emit greenhouse gases.
- Energy security and human health problems are caused by the use of fossil fuels so renewable energy is preferred
- Renewable energy sources are used in the production of goods in developed countries but in Nepal they are mostly used to offset load reductions
- A lack of capital hurts the development of renewable energy sources
- The nine (9) rural microfinance banks and a number of Savings and Credit Cooperatives (SCCs) that operate in rural areas have the most potential for RET financing. Nirdhan Utthan Bank, Purbanchal Bikas Bank and a few SCCs have already started RETs financing, while other microfinance banks and most SCCs are either not yet convinced or lack funding sources. Those who have not yet shown a positive attitude need to be convinced and provided with positive incentives including: a favorable policy environment; wholesale funding; tax exemption, guarantee funding; staff orientation/training; and field visits of their staff to RET financing MFIs.
- Nepal Rastra Bank submitted a draft microfinance policy and Act to the Government two years ago but nothing has happened. It is essential that the Government creates a favorable legal environment by announcing an appropriate microfinance policy and by enacting the submitted Microfinance Act.

Comments by the Chairperson

The obstacle facing the financing renewable energy is: How can commercial banks and MFIs reach remote areas? Nepal has an abundance of renewable energy sources which can't now be feasibly reached. We must develop mechanisms for reaching the poor and ultra poor. Capacity building initiatives should originate in Kathmandu through the creation of wholesale funds. In addition, credit should be guaranteed and provided to groups to minimize credit defaults. The gap between the banks in Kathmandu and the poor in remote areas needs to be reduced; proper statistics need to be kept; and the high interest rate which is due to a lack of credit security and monitoring needs to be reduced.

2.7 Plenary Session

Social Inclusion and Strategy

2.7.1 How to reach the remote areas and groups with financial services: A case study of the Self-Reliant Groups

Mr. Prabin Kumar Dahal
Nirdhan Utthan Bank Limited

Microfinance has emerged as a powerful and sustainable tool for poverty reduction. It is increasingly important and necessary in the remote areas and the hills where the poverty level is high. Unfortunately, due to limited infrastructure and market access, a sparse population, less arable land and few economic activities, the scope of microfinance services has been marginalized.



This paper discusses the microfinance services provided in the remote areas and hills by the Self-Reliant Group (SRG) model developed by Nirdhan Utthan Bank Limited (NUBL). It attempts to highlight the concept, emergence and features of the SRG model. It attempts to show how and when the SRG model branch will numerically breakeven. It also highlights the opportunities and threats in geographically remote and economically disadvantaged areas. It

provides NUBL's experience, the lesson learned, the challenges, and the essential policies that make the model successful and sustainable with stakeholders. It can be used by those who wish to access and expand microfinance services in remote areas and the hills.

Comments of Chairperson and Panelists

The session was chaired by Dr. Ram Prakash Yadav, Vice-Chairperson, PAF. The panelists were Mr. Yogendra Mandal, CEO, Jivan Bikash Samaj and Mr. Ram Chandra Joshee, Executive Director, Chhimek Bikas Bank Ltd..

Microfinance services are still not widely and easily available. Due to the technical challenges in hill and mountain areas. We are thankful for a model that targets mountainous areas. While the financial aspects are still not assuring, we need to make our efforts cost effective.

Comments by the Chairperson

The SRG model can be implemented in the hills and in the Terai as in the case of Grameen Bank It has focused on cost reduction. We need to try other models too and see which works the best. We must understand how to make the branches sustainable? Our focus should be on skill development and training. In addition, to market access, road and infrastructure development are needed. All of this can't be borne by the banks alone so different grants and other forms of assistance are needed.

Floor Questions and Suggestions

- Are you planning to fully adopt the SRG (Self Reliant Group) model and ignore the other models?
- Why has no model reached the poorest of the poor?
- Why do we have this unhealthy competition in this seminar, more focused should be given to promoting our own organizations?
- How do you categorize the poorest of the poor, based on income, ethnicity, etc?
- Are MFIs working only on an experimental basis?
- How has this model raised the sufficiency level of the poorest of the poor?
- How does this model work within the regulatory framework?
- How has this model addressed social sustainability ?

Answer: Mr. Prabin Dahal, Presenter

- The Grameen model is high cost, many staff are needed, hence the SRG model is the most cost efficient.

- The Self Reliant Group (SRG) was assisted by PLAN and Save the Children in its development.

Note: Only 2 minutes were given to answer all the questions

2.7.2 How to reach the poorest of the poor – A Case Study

Mr. Man Bahadur B.K
Save the Children US/ NCDB

This study focused on the social-economic-cultural aspects of excluded people by including them as part of the microfinance sector. Their inclusion in microfinance institutions can be a meaningful instrument for economic empowerment and democratization. It also is relevant for the achievement of the UN Millennium Development Goals.



Nepal is multi-ethnic, multicultural and multi-linguistic society, however, the inclusion of every one is not equitably balanced in the development process. The practices of the age old caste system deprives many people of socio-economic opportunities. Since poverty and ethno-caste hierarchy are interlinked, it has made it difficult to curb poverty. Therefore, the challenge presented by this paper, is how to make micro-finance inclusive and accessible to the most deprived and excluded people.

Comments of Chairperson and Panelists

The session was chaired by Mr. Raj Babu Shrestha, Executive Director, PAF. The panelists were Mr. Om Prakash V.K, Independent Expert and Mr. Prakash Raj Sharma, CEO, Nirdhan Utthan Bank Limited.

Among the poorest people 90% are Dalits. i.e. the problems of Dalits should be identified and a program should be scheduled. A model for launching inclusive microfinance is

needed, and the current data on the poorest of the poor updated. The savings and credit process is causing historical barriers to fall by allowing microfinance to reach to the poorest. An access to microfinance services is more important than an interest rate subsidy. By removing the barrier of collateral for the poorest of the poor, the microfinance delivery mechanism becomes pro-poor.

Floor Questions and Suggestions

- MF institutions should not compete with each other but bring action plans that are appropriate.
- Microfinance institution should not stand only as a source of employment.
- There is confusion between microfinance institutions and cooperatives- microfinance institutions provide loans on a group guarantee basis where collateral is not needed.
- Microfinance has done their best at the grassroots level .

DAY 3

2.8 Breakaway Session Microfinance Industry Promotion

2.8.1 Role and Scope of INGOs in Microfinance Industry Promotion

■ **Mr. Francis Chhetri**
World Vision International

The role of microfinance in development has always been important for INGO's. Their efforts in the areas of livelihood and economic development would have been incomplete unless they had been able to address the provision of microfinance services to poor households. Although many programs have been implemented for poverty alleviation in Nepal, only microfinance programs are seen as poor targeted and rural based. The role of INGO's in the microfinance sector has been mostly limited, however, to being donors. Although some activities like the capacity building of cooperatives and village banks as well as the provision of revolving loan funds have been implemented by a few INGOs, many have confined their activities to group formation and initiating savings and credit schemes.

INGO's have also sought to form alliances with other MFIs operating in an area and to work jointly with MFIs on their capacity building and institutional development. Apart



from that, INGOs continue to be active players in other sectors i.e. market development, technology integration and skill development where the provision of credit can be done by MFIs. INGO's should strongly refrain from providing credit at subsidized rates and providing revolving funds. These actions are likely to affect the long-term sustainability of other MFIs in the immediate area. Long-term and sustainable economic development is only achieved through forging clear partnerships between INGOs and like minded MFIs.

Comments of Chairperson and Panelists

The session was chaired by Dr. Mohan Man Sainju, Former Vice-Chairperson, PAF. The panelists were Ms. Ambika Pradhan, Board of Director, CMF and Mr. Bishnu Pathak, Chairperson, Nepal Microfinance Bankers Association.

Comments

- World Vision should have a subsidy program in the remote areas, as it has an adequate resource base.
- World Vision starting banking is not a relevant issue i.e. MFIs can be involved in banking.
- An institution should focus on its major institutional goal rather than engaging in multiple systems i.e. INGOs can be a facilitator but it should not change its vision.
- Is it convenient to go to microfinance through development or development through microfinance?

Floor Questions and Suggestions

- INGOs are not legally permitted to provide microfinance services but they do. This Summit 2008 should facilitate INGOs being legally able to provide microfinance services.
- The challenge is how to reach all the areas of Nepal. A partnership with an INGO may be a good solution as equity is a requirement for addressing the problems.
- Creating an environment to enable an MFI to work more easily is a role for an INGO. Government. policy should not hamper this role as MFIs are responsible to conduct their own work activities.
- INGOs have worked in Nepal for the last fifty (50) years. They should comment on the following questions: How many INGO exist in a particular area? How much money do INGOs spend? How many clients are there? Also, INGOs should be transparent in regard to their achievements and they should issue equity on behalf of the poor in order to demonstrate more involvement with poor people.
- INGOs support for microfinance would be a good solution to the present situation.
- Nepalese bankers should first commit to provide better service to MF institutions rather than prohibiting INGOs to do banking transactions.

2.8.2 Policy and Regulatory Issue in Microfinance

Mr. Tulasi Prasad Uprety
Board of Director
Center for Microfinance

There was no formal GON microfinance policy until now. NRB is now taking the initiative to declare a national microfinance policy. The NRB and Department of Co-operatives are working through the regulations to formalize MFIs. Policy issues discussed in recent days include such areas as: capital requirements; areas of coverage; the role of the Government; capacity building; regulation and supervision and the creation of STI. The discussion is expected to support and provide inputs to the NRB on microfinance policy issues related to the role of the Government, micro finance best practices and regulatory issues that will have impact on wider outreach.

Comments of Chairperson and Panelists

The session was chaired by Mr. Sushil Ram Mathema, Executive Director, NRB. The panelists were Dr. Harihar Dev Pant, Vice Chairperson, CMF and Md. Atiqun Nabi, Executive Director, INAFI.

Comments

Policies should aim at growth and avoid the misuse of funds. Government is indifferent towards the development of the microfinance sector; however the formation of the Cooperative Act, Development Act and FINGO Act does provide some motivation. Government should play a facilitating and monitoring role but a direct role should be avoided as it can have negative political implications.

The suggestion of lowering the role of interest is not practical. The role of the NRB in regulation should be appreciated. In some countries the Central Bank carries out the regulatory function as a separate authority. In order to supervise and regulate the microfinance sector the Central Bank needs capacity and competency as well as infrastructure and institutional support. The issuance of license criteria, performance standards, institutional capability requirements, interest rate guidelines, taxation guidelines, and the probability of establishing of second-tier institutions.

Conclusion

Appropriate policies can resolve these problems. A few major decisions towards tax differentiation for microfinance will be taken soon. NRB is monitoring the microfinance sector but it doesn't have the resources to look after every aspect. Future policies should aim at building second tier institutions.

Floor Questions and Suggestions

- Government and NRB have conflicting policies as they focus on poverty reduction but have high implementation costs, no tax differentiation and other problems.
- How can one talk about sustainability but provide no opportunity for deposit collection?
- Why not consider skills as a type of collateral?
- Government creates hurdles for microfinance operations.
- There is the need for pressure groups to maintain the rights of microfinance institutions.
- Existing Government policy is not cooperative friendly
- How has microfinance benefited the urban poor?
- How are Government policies going to help the accessibility of credit in places like Humla and Jumla?

2.8.3 Towards expanding the frontier of Microfinance Services in Nepal

Mr. Sharad Chandra Neupane
Assistant Resident Representative
UNDP

Mr. Narahari Dhakal
Realignment Coordinator
UNDP

This study revealed that the Nepalese microfinance sector is reaching 37% of its potential market with access concentrated in accessible areas and virtually no or limited access in inaccessible hill and mountain areas. It concluded that the expansion of microfinance services to a large number of un-served and under-served micro-entrepreneurs and poor households who live in remote districts is still a challenge. While commercial microfinance service providers (MSPs) are quite successful in introducing their services in urban and densely populated peri-urban areas, community based MSPs have had comparatively better penetration in relatively inaccessible areas. On the other hand, over 55,000 Savings and Credit Groups (SCGs) promoted by the Government and non-government sectors exist nationwide irrespective of remoteness, but are not fully used to their potential..

The existing service delivery cost structure is a barrier for commercial MSPs to expand their services in remote areas; while such an impediment either does not exist or is at a minimum among community based MSPs. Innovation to reduce operating cost is one of the pre-requisites to expand the microfinance services of existing MSPs in inaccessible hill and mountain areas. Further, product and service delivery methodologies deter commercial MSPs to expand their services to inaccessible hill and mountain areas, while the capacity and resource constraints undermine the potential of community based MSPs to intensify their services in their working areas and expand their growth in more remote areas.

The business linkages of commercial MSPs with informal SCGs in inaccessible hill and mountain areas, and the partnerships of apex institutions with community based MSPs for

capacity enhancement and access to loan funds is an effective and efficient alternative way to expanded microfinance services in these areas. This alternative effort will be instrumental to promoting inclusive financial services in Nepal.

Comments of Chairperson and Panelists

The session was chaired by Mr. Satyendra Pyara Shrestha, Former Governor, NRB. The panelists were Mr. Jan Kerer, Senior Microfinance Advisor, GTZ and Mr. Amrit Bishwakarma, General Secretary, JUP.

Comments

There is a difference between commercial and community based MFIs. There has also been an over emphasis on the capacity of larger MFIs (FINGOs, MF banks). The capacity of smaller MFIs should also be analyzed. How to reach these savings and credit groups? Perhaps the development of assessment tools in the form of partnerships? Ideas for reaching these SCGs include improving the cost of transactions; investing in developing their capacity, formalizing the savings groups; developing a policy framework to provide loans to groups easily; and Government subsidies to the ultra-poor, Dalit community .

Answer from Presenter

The capacity building of DAGs and Dalits; services diversification; and the development of a rating scale should be considered.

Floor Questions and Suggestions

- MFDBs are not able to reach the remote and needy people because of NRB capital formation rules as well as GoN tax policy, a lack of technology, and necessary infrastructure.
- Partnerships with the local MFIs need to be established to promote the capacity building of local MFIs.
- The legal and regulatory framework and commitment of MFDBs is needed.
- Wholesale credit offered by all the MFIs. Is it appropriate?
- Can't commercial banks provide subsidies to reach remote areas?
- Why there is a large gap between formal and informal MFIs?
- Promotion of healthy competition is to be encouraged.
- The role of community based MFIs are not to be underestimated. They are the financial services who operated during the 10 year insurgency.

Recommendations

- Improve quality of services and use of technology.
- Reach the largest possible number of people Startup losses of MFIs in inaccessible areas should be shared by NGOs, INGOs, and the Central Bank.

- The paper is silent about the resources required.
- Insure MFIs and their customers.

2.8.4 Mapping of Microfinance Institutions in Nepal

Dr. Pitamber Rawal Chhetri
Team Leader
Total Management Services

In Nepal microfinance has evolved as a development approach for improving access particularly to rural areas. Over the years numerous MFIs have emerged to provide financial services for undertaking micro-enterprise and small business activities. The ongoing mapping of these institutions is being done by a consortium of two consulting firms: Total Management Services (TMS) and Solutions Consultant Private Ltd. with the following objectives – i) to identify various types and levels of institutions involved in microfinance activities; ii) to identify and locate microfinance institutional presences nationwide; and iii) to provide an overview on microfinance institutions and their outreach.

This mapping exercise is the first in the microfinance sector. It attempts to locate all MFIs using a GPS device to collect information on each MFI. This exercise when completed will benefit planners, policy makers, bankers, researchers as well as members of Parliament. The methodology used for locating and collecting information is census based. Two types of structured questionnaires are used for collecting the necessary information.

A field survey revealed that many institutions, which were identified in the census frame, no longer existed. Many other cooperatives apart from the savings and credit ones were also engaged in micro-finance activities. The smaller institutions did not have permanent offices which resulted in problems accessing relevant personnel. The access to many MFI rural locations were also difficult. Other difficulties included an unwillingness to share information and the unavailability of updated data. In some cases, available audited information was wrong. It was also difficult to separate non-financial and financial activities in some of the institution's operations. Field work started in mid-December 2007. and 25 Districts have been completed with ongoing activities in another 35 districts.

Comments of Chairperson and Panelists

The session was chaired by Dr. Harihar Dev Pant, Vice-Chairperson, CMF. The panelists were Dr. Tika Pokharel, Chairperson, USC Nepal and Mr. Kailash Rijal, DEPROSC Nepal.

Comments

- There is confusion as to which organizations should be called microfinance institutions.
- Is it microfinance or saving and credit access?

- The issue of transparency is very important and we should consider why organizations are reluctant to do this.
- There are 9,000 cooperatives and 12 microfinance institutions that exist.
- Do not map geographically, focus should be on outreach and it should be developed seriously.
- The overlap of coverage areas and the intensity of overlap should be analyzed.
- Inclusion, duplication and intensity of coverage should also be included.
- Should the volume of transaction or outreach be considered? Using the intensity of coverage as an indicator is confusing.
- Where is the link to the accessibility to fund, and which type of organizations has what type of access to funds?
- Simply listing is not sufficient to complete microfinance's outreach.
- There is limited access to rural area
- Without describing the coverage and number of served people it is important to determine the percentage of poverty alleviation.
- What is the linkage to external funds?
- Which organization has outreach and coverage? Which sectors are to be discussed ?

Answer by the Presenter

Qualitative data has not been shown in this presentation because of the problems with the questionnaire. It was very long and people hesitated to answer all the questions. There is, however an inbuilt system for updating and controlling these institutions. Unfortunately, we could not change the methodology during the study. It was observed that if the rate of interest remains relatively low poverty is indirectly addressed.

Floor Questions and Suggestions

Questions

- What particular type of mapping is this?
- What are the criteria used for differentiation between SFCL and saving and credit institutions?
- What is the aim and use of this study? We should set a target and monitor it. Is there a need to define the level of intensity of coverage?
- Due to the similar work of NGOs, MFIs and other organizations is it difficult to differentiate whether it is a service organization or a business?
- Why are NGOs converting into cooperatives ?

Suggestions

- GPS should be updated. After completing the study, it should be updated periodically.
- There should not be a debate on sampling in a World Bank report. A demarcation of institutions with high investment and the ones with lower investment is required.
- The biogas carbon credit fund regulated by AEPC has provided a wholesale lending program which should be included in the mapping of microfinance institutions.
- The study on demarcation should be brought forward.
- Microfinance institutions should be categorically defined and social institutions should also be included in the mapping.
- The data should also include ethnic segregation. Members should be differentiated in terms of equity owners and governance. In this study we found that only members have been defined but the 24,531 members of MFIs aren't members they are clients.
- Microfinance and access to finance are not similar. Access to finance relates to the accessibility of finance in different areas where as microfinance is the tool to provide finance in those areas where there is no accessibility.

Inclusion and Sustainability

2.8.5 Measuring Social Performance in MFIs

Mr. Jan Kerer
Senior Advisor
GTZ-RUFIN

With high levels of poverty in Nepal, particularly in rural areas, microfinance can and should play a key role in contributing to the improved livelihood of the poor. This requires strong microfinance service providers which are financially sound as well as effective in reaching the (rural) poor. Only through double bottom line businesses, (defined as businesses which strive to achieve measurable social and financial outcomes) a significant contribution to poverty alleviation in Nepal can be achieved. This requires an effective monitoring of the social performance of microfinance institutions (MFIs). Social performance can be defined as “the effective translation of an organization’s social mission into practice. Social performance is not just about measuring the outcomes, but also about the actions and corrective measures that are being taken to bring about those outcomes”.

The paper shows how to structure and organize the Social Performance Measurement (SPM) within individual institutions but also within the microfinance industry as a whole. It elaborates on the SPM systems and tools available internationally and where these systems and tools are best applied. The paper shows concrete examples of social performance assessments carried out in Nepal and its results and findings. The end of the paper deals with recommendations on what needs to be done in the area of SPM development in Nepal.



Comments of Chairperson and Panelists

The session was chaired by Ms. Tory Clawson, Country Director, SCUS. The panelists were Mr. Yadav Chapagain, Independent Expert and Dr. Rama Bashyal, Independent Expert.

Comments

The social and economic gap can be met through the double bottom line approach with the focus on sustainability. The important question is how to ensure effective and efficient social performance?

It was not clear in this paper – how many beneficiaries there are; who has been reached; what kind of products are available; and if they are appropriate- all of this comes under the compliance sector. Focusing on this or on monitoring the changes brought to client's lives. Compliance is the input, focus on output or meeting the client's needs instead. The system should be according to beneficiary need. A comprehensive strategy needs - regular monitoring for selected aspects instead of one time research.

Social performance- monitoring strategy should be developed for each MFI based on individual capability.

Answer by the Presenter

Social performance and accountability are important. Such issues are the reasons why this Summit was organized. It also was used when deciding what type of programs were needed and whom to focus on.

Conclusion

There is consensus on whom to work with. Different approaches, however, are needed for different groups. We need to continue to ask hard questions so as to monitor ourselves.

Floor Questions and Suggestions

Is a triple bottom line instead of a double bottom line needed? as there should be more focus on rural women and illiterates? Hence, the need for a three tiered structure.

- Every presenter discussed his/her own model and promoted them. Instead, shouldn't we talk about what is happening in Nepal?
- Poor for the MF, or MF for the poor?
- NRB is still assisting clients who are better off and using them as success stories. Is this due to a lack of monitoring?
- How is social mapping and accountability ensured in MFIs? How can they do it?
- Inclusion assistance must be considered in preparing action plans.
- Implement practical models.

2.8.6 What can social investors bring?

Ms. Delphine Thizy
PlaNet Finance

This paper was presented by Ms. Edel McWilliams on behalf of Planet Finance. Contrary to classic investment, socially responsible investing (SRI) describes an investment strategy which combines the intentions to maximize both financial return and social good, by recognizing that corporate responsibility and societal concerns are valid parts of investment decisions. In general, socially responsible investors favour corporate practices which are environmentally responsible, support workplace diversity, and increase product safety and quality. SRI investors also encourage corporations to improve their practices on social, and governance issues.

SRI investors seek to build wealth in underserved communities worldwide and represent an estimated \$2.3 trillion out of the \$24 trillion in the U.S. investment marketplace alone. After years of questioning on whether Microfinance Institutions (MFIs) could be profitable or not (and the fact that fund management costs are high and capital bases of MFIs often small), Social Investors are now willing to play a stronger role in the sector. MFIs can be the right investment vehicle, as suggested by the strong potential return on equity for well managed MFIs. But Social Investors can bring more than capital (debt or equity), they can actually be providers of Technical Assistance for MFIs, serve as example for entry of other investors in the market (they could be the "bridge" between the historical trend of more donor driven contributions and pure private equity investments in MFIs), and overall they could help in instilling a culture of commerciality into the MFI sector. However, considerable challenges for social investment are still ahead. Among them are social performance measurements, reaching the middle size MFIs, or foreign exchange risk management.

Comments of Chairperson and Panelists

The session was chaired by Ms. Menyar Sihombing, Deputy Financial Access Programme Manager Mercy Corps, Indonesia. The panelists were Mr. Suman Basnet, Director, Winrock International and Mr. Shivaram Koirala, Sr. Manager, SKBBL.

Comments

Energy and microfinance can be linked for rural livelihood improvement. Social investors have already invested in the rural energy sector. Social investment is a difficult job. The interest rate through flexible needs to be assessed whether it is reaching the needy. While there is an emphasis on cost effectiveness, the financial return should not be outweighed by the social return.

The paper does not sufficiently explore the promotion of social investment. It is more about the work of PlaNet Finance which is available on its website. The Presenter has not prepared a proper case study. The paper clearly mentions that social investors are neither donors nor charity organization – they are philanthropist but also expect returns.

The double bottom line approach – social and financial return, are both a concern of social investors the trading off of social and financial return is very difficult. Can it be done? Is it being done: now is not clearly mentioned? Social investment is a long-term affair. This mechanism of assistance and abrupt withdrawal will not work in the case of Nepal. Nepal requires a long-term commitment. The presenter mentioned that social investors can assist in providing the missing ingredients necessary for MFIs (i.e. technology assistance and entrepreneurship skill) but how can partnerships be established. between the MFIs and the social investor is not mentioned.

Answer by Presenter

Projects are proposed and funding is obtained from social investors. If you receive a social return and a profit you are social investor. Currently, PlaNet Finance is trying to attract commercial banks with the double bottom line approach.

Conclusion

The concept of the social investor is pretty new though some have been practicing it. The question is how to attract social investors to Nepal. The categorization of MFIs is difficult to understand in a global context. There are many important questions about the implementation of social investment projects. The challenge is that with limited local capacity how to bring social investing here.

Floor Questions and Suggestions

- What comes under financial return and who is it for? What type of support is PlaNet Finance providing to MFIs and how is it implementing the gained experience?

- MF should not be only debt providers and collectors but should pursue a social mission. Who are social investors? Are they pooled by PlaNet Finance? Are all MFIs under PlaNet Finance eligible to be claimed as social investors? How can we differentiate social investor and the other organization working for social welfare? What types of technology or logical support is provided by PlaNet Finance? How can we get it? How can it help us?

2.8.7 Business Development Services for Sustainable Microfinance

Mr. Hem Poudyal
Livelihood and Microfinance Coordinator
Plan Nepal

Microfinance is generally regarded as one of the most effective tools to reduce poverty. Its impact among clients and their families will be limited, however, if it is not complimented with business development services. Microfinance institutions will face client drop-out, reduced average loan size or more savers than loaners unless clients' capacities are enhanced.



The paper highlights the role of different business development services, the providers and the mechanisms that need to be developed to promote this service for the sustainable growth of the microfinance sector in contributing to the reduction of poverty.

Comments of Chairperson and Panelist

The session was chaired by Mr. Harihar Subedi, Country Representative, SEQUA. The panelists were Ms. Anita Mahat, Program Manager, USAID and Mr. Anurag Mishra, Head OCC, Standard Chartered Bank Nepal. .

Comment

The claim that income is being spent on food and consumption is not clearly mentioned. The high level of budget mentioned for a household is not a convincing argument.

A single body to be involved in BDS is not unreasonable. BDS is very important for the promotion of microfinance enterprises. Microfinance and micro-credit assumptions used currently are based on the feedback or comments of users. It doesn't seem plausible because without consumption, providing feedback is not possible. BDS as a single body to provide a facility may not be possible rather it should be a joint practice. Microfinance creates assets to uplift livelihood. MFIs and BDS, however, need to be segregated.

Conclusion

The BDS program should be run on the basis of market need and a subsidy should not be provided.

The BDS program has not been successful during the last four (4) years. Providing financial support is not enough, information related to its utilization and future risks needs to be provided. Without BDS, there will be an embarrassing situation for the users. To avoid such a situation, there is a need for BDS to survive so a micro-business advisor can be used to help BDS with networking.

Floor Questions and Suggestions

- Rather than BDS maps, this Summit should identify and clarify the most important issues of job identification and division.
- Hard core poor gain employment but it should be a process. Everyone speaks about developing the poor into entrepreneurs this in reality is not possible because everyone cannot be an entrepreneur. We should try to end the poverty problem. It is possible through work.
- The names of institutions working as business developers should have been mentioned in the presentation.
- Why don't we give some microfinance for consumption purposes too? Why are we searching for a purposeful use for MF?
- The percentage decrease of people's interest in taking loans should also be mentioned and not only generalized. Which one should be provided before microfinance or BDS training? Monitoring and evaluation is critical for BDS success.
- The theme of the program should be microfinance for sustainable living standards rather than BDS for sustainable microfinance.
- Enterprise development is one of the main problems. A package of all the microfinance services is needed. Micro-enterprises need to be strengthened. Marketing schemes are equally important to strengthen an enterprises status.
- Microfinance cannot sustain itself and preparation is necessarily before developing an enterprise.

- BDS should be promoted first among the poor people before a microfinance program. The sustainability of BDS training should be focused on before launching the program. Its use and importance in the commercial market should also be studied.
- The paper was written from a negative perspective. GoN. is not required to reach the poorest of the poor, microfinance can. The types of programs that can be launched as part of the BDS program should also be mentioned. Should a division of the poor people be done based on their poverty?

2.8.8 Community Managed Revolving Fund

Mr. Ramkrishna Pokharel
National Programme Manager
DLGSP

The study on the Community Managed Revolving Fund starts with the concept of a broad-based community managed social mobilization process where rural community people work together in Village Development Programs (VDP) on various development undertakings for the enhancement of their own community. This concept helps to enhance the capacity of community organizations to explore and mobilize resources from different sources. This program also contributes to increasing the participation of women, Dalits and the ultra poor in development initiatives. Based on the experiences gained during the implementation of the Community Development Fund, it is recommended that initiatives that help stakeholders with microfinance services be implemented in community managed funds which include the wider society reaching to Dalits, Janajatis, and the disadvantaged.

Comments of the Chairperson and Panelists

The session was chaired by Dr. Jayandra Shrestha, Member Secretary, Social Welfare Council. The panelists were Ms. Pampha Devi Rai, Member Secretary, National Cooperative Development Board and Mr. Ramdev Yadav, CEO, Madhyamanchal Grameen Bikash Bank.



Comments

This program seems very large but in reality it is only 50 cores Nepalese Rupees for 600,000 people in sixty-six (66) districts. Eighty (80) percent of the people in the selected areas become members. Even so, the poor are still not able to participate in the governance: There is also less access for the poor and only a minority benefit. Local governance is the unit of the program.

This program has formed a group in a remote area but the revolving fund is very small.

- The presentation doesn't discuss how to give continuity and sustainability to the community organization.
- This program should provide extra employment opportunities.
- Why are there only 500 revolving fund in 850 VDCs?
- The main idea of this program is the management of the savings.
- Where is deposit insurance scheme for the community fund?
- How should the promotion of the community fund be done?
- The idea of empowerment should be part of the program.
- The program can work in an integrated way towards a holistic approach and implemented from the grassroots.
- Is this paper based on an urban or rural community?
- What social and economical changes are brought to people by DLGSP?
- What are the savings and what proportion is from internal loan flow?

Response by the Presenter

Sustainability is a long run phenomenon. The main agenda of this program is poverty alleviation. DLGSP is not an investor; it is just a background creator. It builds background to enable the poor to access rather than receive a service as in microfinance. There are horizontal and vertical linkages. The commitment of local government has been observed.

Revolving funds are provided only after certain exercises at the group level. Group performance can be measured by thirty-five (35) indicators. More than 54% women participate in this program. During the conflict only 34% of loans recovery could not be made. Many MFDBs, however, failed while community managed groups did not. This was due to the ownership feeling among members.

Microfinance is also a tool of SAPTA for poverty alleviation. The Government and multiple actors should be involved for substantial changes to poor communities.

Floor Questions and Suggestions

- What new model exists so not to replicate the past? What is the viability rate of DLGSP groups? Is the fund sufficient for poverty reduction?
- DLGSP- a loan or subsidy program: Why is there low recovery as compared to other models? What are the factors responsible for this? Can DLGSP go together with MFIs?
- Why not to work with existing group? Why is there less or no vision of MFIs in the DLGSP program?
- What is your vision for giving continuity to your program?
- The modality of the program is still not clear and only based on a trial basis.
- How to manage the revolving fund in an effective manner?

CONCLUSION

3. Conclusion

Plenary Session

3.1 Consensus on Summit Declaration

Mr. Tejhari Ghimire
Chief Executive Officer
Center for Microfinance and Member Secretary of MS Summit Nepal 2008

Mr. Ghimire presented the Summit Declaration for discussion and consensus as mentioned in 3.2 below.

Comments of the Chairperson and Panelist

The session was chaired by Mr. Bir Bikram Rayamajhi, Deputy Governor, NRB. The panelists were Dr. Harihar Dev Pant, Vice Chairperson, CMF; Ms. Tory Clawson, Country Director, SCUS; Mr. Amrit Biswakarma, General Secretary, JUP Dr. Bamdev Sigdel, Deputy Director, NRB Mr. Man Bahadur Biswakarma, Director, National Cooperative Development Board; Mr. Min Raj Kandel, Chairperson, NEFSCUN; Ms. Saraswati Shrestha, Chairperson, Women Cooperative Society; Mr. Jan Kerer, Senior Microfinance Advisor, GTZ; and Mr. Sujit Mundul, CEO, Standard Charter Bank. Mr. Tejhari Ghimire, CEO, CMF responded to queries from the floor and the panelists on the occasion.

3.2 Summit Declaration: Microfinance Summit Nepal 2008

Preamble

- ⇒ Recalling the national development plan and that the Millennium Development Goals (MDGs) of the United Nations call for reducing poverty by half by 2015 per country, globally reaching 175 million poor families;
- ⇒ Bearing in mind that the Global Microcredit Summit held in Halifax, Canada declared a

goal of ensuring that 100 million of the world's poorest families move from below US \$1 day earnings to an adjusted purchasing power parity above US \$1 a day;

- ⇒ Recognizing that adopting an inclusive approach for poverty reduction through appropriate financial services contributes to ensuring a peaceful, democratic future for Nepal. Summit delegates promulgate the 22 articles Kathmandu Declaration on February 16, 2008.

Summit Goal

1. We set as our goal:
 - Reaching 2 million poorest of the poor with microfinance services for their sustainable income by 2010;
 - Reaching a total of 3 million poorest of the poor by 2015
- * There were 1.18 million poorest of the poor as of July 2007.

Commitments

2. Summit delegates commit to work in a coordinated and cooperative way in order to ensure sustainable income for the poorest of the poor.
3. Summit delegates commit to avoid duplication and to increase synergy.
4. Summit delegates commit to share best practices and success stories and encourage their replication and scaling up in the remote and under served areas of the country.
5. Summit delegates commit to diversify products, services and approaches to ensure inclusion of disadvantaged groups such as women, youth, and children, Dalits, marginalized Janjatis, socially and geographically excluded, all over the country and to track impact to ensure we meet this goal.
6. Summit delegates commit to form a Microfinance Network Nepal and determine sector norms and standards for market discipline and self regulation.
7. Microfinance institutions commit to regularly disclose social and financial performance data to ensure transparency and good governance practices.

Strategic for Recommendations

8. Summit delegates have noted with satisfaction the assurance given by the Minister of Finance to review the tax policy for MFIs that are providing services (including cooperatives) in the hill, mountain and other underserved communities in order to exempt them from tax to compensate for the operational losses incurred during expansion.
9. All rural development programs should include relevant business development services and skills in order to improve the capacities of clients to access financial services and increase their income.
10. It is expected that the Regulatory authorities, CGAP and other development partners

pilot E-finance to reduce operational cost and increase efficiency in the hills and mountains.

11. Poverty Alleviation Fund and other development programs should build the capacity of small Microfinance Institutions, service providers and their clients.
12. There should be at least one branch of a Microfinance Development Bank/ FINGOs/ Cooperative bank in each district of Nepal.
13. Self Help Groups should be given proper legal status with satisfactory independent ratings and be linked with MFIs.
14. Commercial banks and other financial institutions should support MFIs.
15. MFIs should develop standard tracking tools for social performance, to measure how well MFIs are able to fulfill their social mission of bringing women, Dalits, Janjatis, the ultra-poor, youth, and other marginalized groups out of poverty.
16. Microfinance Network should initiate the establishment of a Microfinance Credit Information Bureau to overcome overlapping of microfinance services and to establish fair competition and/or cooperation among practitioners.
17. Summit delegates recommend that interest rates are best determined by market forces.
18. Specific policies and guidelines should be declared to operate microfinance through cooperatives.

Action Plan

19. All MFIs and promoting agencies agreed to submit annual action plans to the Secretariat by May 2008.
20. The Summit declares that the Second Nepal Microfinance Summit be held in February, 2010.

Task Force-1

21. The Summit forms a task force to consult with Government and the NRB on the draft Microfinance policy involving practitioners of different models, promoters, service providers and microfinance experts as follows:
 1. Representative Grameen Model-Coordinator
 2. Representative FINGO Model- Member
 3. Representative SACCOs Model-Member
 4. Representative SFCL Model-Member
 5. Representative SHGs/ COs promoter-Member
 6. Representative Women Managed MFI-Member

7. Representative Dalit managed MFI-Member
8. Representative NRB-Member
9. Representative DOC-Member
10. Representative International Development Partner-Member
11. Representative NPC-Member
12. Representative MOF-Member (Invitee)
13. Independent Microfinance Expert-2 (Male-1 and Female-1)
14. Representative CMF-Member Secretary

Task Force-2

22. The Summit forms a separate task force to initiate and work with Government (as defined above) to draft a micro-insurance policy involving practitioners of different models of microfinance, promoters, non financial service providers, and microfinance and micro-insurance experts.

1. Representative Grameen Model-Coordinator
2. Representative Insurance Board-Member
3. Representative FINGO Model- Member
4. Representative SACCOs Model-Member
5. Representative SFCL Model-Member
6. Representative Women Managed MFI-Member
7. Representative Dalit managed MFI-Member
8. Representative NRB-Member
9. Representative DOC-Member
10. Representative International Development Partners-Member
11. Representative NPC-Member
12. Representative MOF-Member
13. Independent Micro insurance Female Expert-1
14. Representative Credit Deposit and Guarantee Corporation (Expert-1)
15. Representative CMF-Member Secretary

3.3 Closing Session

The three-day Microfinance Summit Nepal 2008 concluded adopting the Kathmandu Declaration as mentioned in 3.2. The Summit declared to reach 2 million of the poorest of the poor with microfinance services for their sustainable income by the Year 2010 and 3 million by 2015.

Comments and suggestions made by the participants on the occasion are mentioned below:

Comments

- Microfinance's contribution to poverty alleviation should be researched
- Task forces should add people with different skill competencies
- Include BDS in the microfinance plan
- Commercial banks and financial institution should support microfinance
- One dollar per day is for one family or for one person?
- Participatory mapping/wellbeing ranking of microfinance needs to be done
- Old people should be included not only youth and children
- Definition of poor needed: Who are the poor? How to reach there? What are the appropriate tools to reach the poorest of the poor?
- Funding for microfinance is not included in the Declaration
- What about the participation of a finance company in microfinance: as suggested by Dr. Mahato
- The name of Grameen banks should be used when using MFDBs
- If the problem of duplication is not solved, then who would be held responsible? A code of conduct should be prepared.
- Licensing of FINGOs should be open in order to expand branches in each district.
- What is the role of INGOs? Whether microfinance needs support from INGO or only commercial banks?
- Social activities should be include in the Declaration
- A flexible funding policy for FINGOs should be implemented to fulfill the goals of the Declaration
- The sustainability of MFIs should be incorporated into the Declaration
- The National Cooperative Federation and National Cooperative Bank should be involved in the task force
- Foreign support should reach all the informal groups that are doing microfinance not only the UN.
- Microfinance clients should be present at the next Summit to share their problems and experiences
- Declaration should speak out on microfinance interest rates.
- Loan ceiling should be increased or remain the same (NRs 60,000).
- The Insurance Board should coordinate the task force related to micro-insurance.
- A microfinance Information Bureau should be created.
- The same indicators for poverty mapping should be used by every MFI.

The closing session was given by Mr. Sujit Mundul, CEO, Standard Chartered Bank who stressed that transparency in implementing the Declaration was a necessary pre-requisite

for its success. He pointed to the necessity of networking in microfinance, and the relationship between commercial banks with resources and MFIs who have rural network. The complementary nature of the two will lead to economic and social inclusion which, in turn, will result in poverty alleviation.

Mr. Armin Hofmann, Program Manager of GTZ-RUFIN expressed that a large microfinance movement in Nepal had made a joint understanding to define vision, mission and goal. They are now joining hands to see what microfinance is in the country context. It is a driving engine for the economy.

Mr. Tankamani Sharma, Registrar, Department of Cooperative thanked all the participants for their attendance and appealed for support to apply the Declaration on behalf of organizing committee and the Department of Cooperatives. He assured participants to eliminate any difficulties and hindrances in cooperative policy and directives for the development of microfinance.

Mr. Tejhari Ghimire, CEO of the Centre for Microfinance reviewed the budget of the Summit. He presented a list of donors and their contributions as well as expenses to date.

Ms. Tory Clawson, Country Director of Save the Children US and Co-chair of the Microfinance Summit Nepal 2008 expressed her view that all should join hands and go forward together.

Honorable Dr. Jagdish Chandra Pokharel, Member of National Planning Commission and the Chief Guest at the closing ceremony said that the presence of the participants showed the importance and interest towards the sector. He added on behalf of Nepal Government that the Summit's suggestions and recommendations would be strongly considered. He said "Small MFIs will become a bridge to join grass roots to the center. All local authorities and MFIs should show their commitment to the distribution of resources for poverty reduction. We are working on how to better utilize poverty alleviation funds".

He opted that the Ministry of Finance will work on the interest rate exemption. MFIs have a social component which should be supported by the Government for sustainability. The Nepal Rastra Bank should coordinate effectively for the development of MFIs. The Nepal Government, National Planning Commission and Ministry of Finance would review the licensing policy and tax policy related to microfinance to create a friendly environment for the development of sector. The relationship between microfinance and remittance was to be identified and coordination is needed. Dr. Pokharel congratulated all the participants and organizers for their efforts on the First Microfinance Summit.

Dr. Harihar Dev Pant, Chairperson of the Microfinance Summit thanked all the participants for their joint support in the success the First Microfinance Summit. At the request of Dr. Pant the Declaration was passed by applause. He thanked the financial contributors and other volunteer supporters of the Summit. He also thanked his colleagues who made this success possible. He also expressed his thanks to the resource persons who provided their time and knowledge to the Summit. He further thanked the Minister of Finance, National Planning Commission, Nepal Rastra Bank for their presence, encouraging comments and commitments towards the sector. He requested that participants provide the plans of action of their respective organization before July 2008.

Mr. Bir Bikram Rayamajhi, Deputy Governor of the Nepal Rastra Bank thanked the organizer for organizing such a large event. He added that as per the Declaration, this Summit wanted to revise the microfinance policy which NRB had already been handed over to the Government. He encouraged all the participants to apply what they learnt during the Summit in their work situations. In conclusion, Mr. Rayamajhi closed the Microfinance Summit Nepal 2008.

3.4 Action Plan of MFIs

This action plan is according to the data provided by thirty-four (34) MFIs.

SN	Particulars	As of 15 July 2007	By 15 July 2008	By 15 July 2009
1	Total Active Clients	400,676	557,590	719,872
2	Average First Loan (NRs)	16,746	21,294	27,908
3	Total Active Savers	507,689	668,421	840,065
4	Average Savings per Client (NRs)	3,646	3,687	3,767
5	Operational Self Sufficiency (OSS)	76%	89%	97%

AUDITOR'S REPORT

Auditor's Report on "Microfinance Summit '08" Centre For Microfinance(CMF) Pvt. Ltd., Kalyanumkali, Mysore

We have audited the accompanying Fund Accountability Statement of "08" jointly organized by CMF with Plan Nepal, Save the Children, VSNL, Kalyanumkali, Mysore for the period from July 17, 2007 to July 15, 2008. The Fund Accountants have assumed responsibility of the Organization's Management. Our responsibility is to express an opinion on this Fund Accountability Statement based on our audit.

We have conducted our audit in accordance with Audit Standards set by the Institute of Cost Accountants of India. The Standards require that we plan and perform the audit to obtain reasonable assurance whether the Fund Accountability Statement is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures used and significant estimates made by management, as well as evaluating the overall Accounting Statement. We believe that our audit provides a reasonable basis for our opinion.





P. L. Shrestha & Co.

Chartered Accountants

Auditor's Report on "Microfinance Summit '08"

Centre For Microfinance(CMF) Pvt. Ltd., Kathmandu, Nepal

We have audited the accompanying Fund Accountability Statement of "Microfinance Summit '08" jointly organized by CMF with Plan Nepal, Save the Children, USA, Rufin - GTZ and other for the period from July 17, 2007 to July 15, 2008. The Fund Accountability Statement is the responsibility of the Organization's Management. Our responsibility is to express an opinion on this Fund Accountability Statement based on our audit.

We have conducted our audit in accordance with Nepal Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Fund Accountability Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Fund Accountability Statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Fund Accountability Statement. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Fund Accountability Statement gives a true and fair view of "Microfinance Summit '08" for the period ended on 15 July, 2008 in accordance with relevant practices.

For: P. L. Shrestha & Co.

Chartered Accountants

P. L. Shrestha, FCA

Partner

Place: Kathmandu

Date: December 14, 2008

113/19 Surung Galli, Maharajgunj, Kathmandu, Nepal. Tel: 4425761, 4412207, E-mail: plshrestha@wlink.com.np
Also at: 657/28 Bhakti Thapa Sadak, Bijulibazar, P.O. Box No. 3516, Kathmandu, Nepal. Tel: 4491187, 4462467, Fax: 4462408

P. L. Shrestha & Co. is a member of International a world-wide network of professional accounting firms & business advisors.

MICROFINANCE SUMMIT 2008

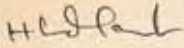
FUND ACCOUNTABILITY STATEMENT

FOR THE PERIOD FROM 17 JULY, 2007 TO 15 JULY, 2008

PARTICULARS	SCH	AMOUNT (RS)	
SOURCE OF FUND:			
1. OPENING BALANCE OF FUND			0.00
2. FUND RECEIVED			4,674,122.90
A. MICROFINANCE SUMMIT CONTRIBUTION	1	3,809,237.00	
B. MICROFINANCE SUMMIT REGISTRATION FEE		802,818.40	
C. EXHIBITION FEE		60,000.00	
D. INTEREST INCOME		2,067.50	
TOTAL FUND DURING THE PERIOD (1+2)			4,674,122.90
APPLICATION OF FUNDS:			
3. TOTAL EXPENDITURE			4,158,406.14
A. HUMAN RESOURCE AND MANAGEMENT COST	2	650,050.00	
B. TRAVEL EXPENSES	3	2,650.00	
C. EQUIPMENT AND SUPPLIES	4	210,000.00	
D. SECRETARIAT OFFICE	5	168,323.80	
E. SUMMIT ACTIVITY AND SERVICE COST	6	3,127,382.34	
4. CLOSING BALANCE OF FUND			515,716.76
A. CASH AND BANK BALANCE	7	242,752.80	
B. ADVANCE AND RECEIVABLE	8	307,771.07	
C. CURRENT LIABILITIES	9	(34,807.11)	
TOTAL APPLICATION OF FUND DURING THE PERIOD (3+4)			4,674,122.90

SCHEDULE 9 NOTES TO ACCOUNT

SCHEDULE 1 TO 9 ARE INTEGRAL PART OF THIS FAS.



Dr. Hariher Dev Pant
Chairperson

Ms. Tory Clawson
Co-chairperson


As per report of the even date
For: P. L. Shrestha & Co.
Chartered Accountants



Mr. Amrit B.K.
Member



Mr. Min Raj Kandel
Member



P. L. Shrestha
Partn
Date:

Dr. Bamdev Sigdel
Member

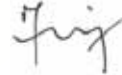


Ms. Sarshwati Shrestha
Member

Mr. Man Bahadur B.K.
Member



Mr. Jan Kerer
Member



Mr. Tej Hari Ghimire
Member Secretary

MICROFINANCE SUMMIT 2008

SCHEDULES FORMING PART OF FUND ACCOUNTABILITY STATEMENT

SCHEDULE 1

MICROFINANCE SUMMIT CONTRIBUTION	AMOUNT (RS)
Sana Kishan Bikash Bank Ltd.	20,000.00
Nepal Federation of Savings and Credit Cooperative Unions Ltd.	31,670.00
The Lutheran World Federation	10,000.00
Cooperative Development Board	15,000.00
Swabalamban Bikash Bank Ltd.	10,000.00
Rural Microfinance Development Center	25,000.00
DEPROSC - Nepal	10,000.00
Women Cooperative Society	10,000.00
Center for Self-help Development	10,000.00
United Mission to Nepal	10,000.00
Machhapuchre Bank	10,000.00
Plan Nepal	849,312.00
German Technical Cooperation/Rural Finance Nepal	633,500.00
Canadian Center for International Studies & Cooperation	316,750.00
Mercycorps	315,000.00
Poverty Alleviation Fund	300,000.00
Banking Promotion Board /NRB	200,000.00
Save the Children, USA	189,975.00
Planet Finance	50,000.00
United Nations Development Program	114,030.00
Standard Chartered Bank Nepal Ltd.	285,000.00
Manushi	4,000.00
Clean Energy Development Bank	30,000.00
CMF-In-Kind Contribution	350,000.00
Nirdhan Utthan Bank Ltd	10,000.00
TOTAL	3,809,237.00

SCHEDULE 2

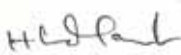
HUMAN RESOURCE AND MANAGEMENT COST	AMOUNT (RS)
SALARY - TEAM LEADER	300,000.00
SALARY - PROJECT OFFICER	90,000.00
SALARY - LOGISTIC CUM FINANCE OFFICER	31,500.00
SALARY - VOLUNTERS	53,550.00
MANAGEMENT COST	175,000.00
TOTAL	650,050.00

SCHEDULE 3

TRAVEL EXPENSES	AMOUNT (RS)
LOCAL TRANSPORTATION	2,650.00
TOTAL	2,650.00

SCHEDULE 4


EQUIPMENT AND SUPPLIES	AMOUNT (RS)
EXHIBITION STALL ERECTION	87,600.00
RENT OF SEMINAR EQUIPMENT	122,400.00
TOTAL	210,000.00



Dr. Hariher Dev Pant
Chairperson

Ms. Tory Clawson
Co-chairperson


As per report of the even date
For: P. L. Shrestha & Co.
Chartered Accountants


Mr. Amrit B.K.
Member


Mr. Min Raj Kandel
Member


P. L. Shrestha
Partn
Date:

Dr. Bamdev Sigdel
Member


Ms. Sarshwati Shrestha
Member

Mr. Man Bahadur B.K.
Member


Mr. Jan Kerer
Member


Mr. Tej Hari Ghimire
Member Secretary

MICROFINANCE SUMMIT 2008

SCHEDULES FORMING PART OF FUND ACCOUNTABILITY STATEMENT

SCHEDULE 5

SECRETARIAT OFFICE	AMOUNT (RS)
VEHICLE FUEL COST	31,753.94
SECRETARIAT OFFICE RENT	50,000.00
CONSUMABLES OFFICE SUPPLIES	69,112.86
OTHER SERVICE	16,957.00
BANK CHARGES	500.00
TOTAL	168,323.80

SCHEDULE 6

SUMMIT ACTIVITY AND SERVICE COST	AMOUNT (RS)
AUDIT FEE	30,000.00
ADVERTISEMENT	246,000.00
COMMITTEE MEETINGS	26,012.00
COST OF SUMMIT PARTICIPANTS	2,034,373.59
IEC MATERIAL	666,464.35
PRESS CONFERENCE	71,756.00
TRANSLATION, INTERPRETERS	4,165.00
WEBSITE DEVELOPMENT AND SPACE	48,611.40
TOTAL	3,127,382.34

Handwritten signatures and initials of various individuals, including 'H.C. Paul', 'P. Sharma', and others.

SCHEDULE 6

SUMMIT ACTIVITY AND SERVICE COST	AMOUNT (RS)
AUDIT FEE	30,000.00
ADVERTISEMENT	246,000.00
COMMITTEE MEETINGS	26,012.00
COST OF SUMMIT PARTICIPANTS	2,034,373.59
IEC MATERIAL	666,464.35
PRESS CONFERENCE	71,756.00
TRANSLATION, INTERPRETERS	4,165.00
WEBSITE DEVELOPMENT AND SPACE	48,611.40
TOTAL	3,127,382.34

SCHEDULE 7

CLOSING CASH AND BANK BALANCE	AMOUNT (RS)
CMS/NRS/MICROFINANCE SUMMIT'08 0210017512894	242,752.80
TOTAL	242,752.80

SCHEDULE 8

CLOSING ADVANCE AND RECEIVABLES	AMOUNT (RS)
ADVANCE TAX	310.13
VAT RECEIVABLE ACCOUNT	277,460.94
CLEAN ENERGY BANK	30,000.00
TOTAL	307,771.07

Handwritten signatures and initials in black ink, including 'Hedy', 'H.S.P.', 'Fuj', and others.

SCHEDULE 9

CURRENT LIABILITIES	AMOUNT (RS)
P. L. SHRESTHA & CO.	29,601.77
TAX PAYABLE	5,205.34
TOTAL	34,807.11

SCHEDULE 10

Notes to Accounts

1. Background of the Project:

Centre for Microfinance along with Save the Children USA, Plan Nepal, Rufin/GTZ and other had jointly organized Microfinance Summit 2008 on February 14 - 16 and it will organize similar other summit in every two years. The main theme of the summit is to create awareness among all stakeholders involved in the field of microfinance.

2. Accounting Policy:

The fund Accountability Statement has been prepared in conformity with the generally accepted accounting principle. Income and Expenses are accounted on accrual basis of accounting.

List of summit participants

Secretariat

SN.	Name of Organization	Name of Staff Members
1	Centre for Micro finance	Mr. Tejhari Ghimire, Ms. Sushila Gautam, Mr. Naresh Nepal, Mr. Ganesh Bista, Ms. Ruchi Bhagat, Ms. Mimu Raghubanshi, Mr. Jagadish Tiwari, Mr. Lila Nath Niraula, Ms. Anne – Marie Burnside, Mr. Suman Nepal, Mr. Umakant Sharma, Mr. Ashok Dhakal, Mr. Nani Kaji Maharjan, Mr. Dhruba K.Thapaliya, Ms. Sujana Dhital, Ms Rumina Khanal

Resource Person

SN.	Name of Organization	Name of Resource Persons
1	Save the Children US	Ms. Tory Clawson, Ms. Naramaya Limbu, Mr. Udaya Manandhar Ms. Uday Laxmi Pradhananga, Mr. Jay Banjade
2	Centre for Micro finance	Mr. Ganesh Bahadur Thapa, Former Governer, Dr. Harihar Dev Pant, Ms. Pampha Devi Rai, Mr. Tejhari Ghimire, Mr. Tulasi Prasad Uprety, Mr. Shalik Ram Sharma, Dr. Chandra Bhadra
3	Former Governer of Nepal Rastra Bank	Mr. Hari Shankar Tripathi, Mr. Satyendra Pyara Shrestha
4	The World Bank	Mr. Henry Bagazonzya, Mr. Gabi Afram
5	Plan Nepal	Mr. Prem Shukla, Mr. Hem Poudel
6	National Cooperative Development Board	Mr. Haribol Bhattarai & Mr. Man Bahadur B K
7	Independent Expert	Mr. Bihari Krishna Shrestha
8	National Planning Commission	Honorable Mr. Deependra Kshetry
9	Insurance Board	Mr. Ramesh Raj Bhattarai
10	Poverty Alleviation Fund	Dr. Ram Prakash Yadav, Mr. Raj Babu Shrestha

SN.	Name of Organization	Name of Resource Persons
11	Engineering Campus	Dr. Triratna Bajracharya
12	Mercy Corps, MICRA, Indonesia	Ms. Meynar Sihombing
13	Social Welfare Council	Dr. Jayandra Shrestha
14	Standard Chartered Bank Nepal Limited	Mr. Sujit Mundul, Mr. Anurag Mishra
15	Clean Energy Development Bank	Mr. Manoj Kumar Goyal
16	Tribhuvan University	Prof. Dr. Madan Dahal
17	Nepal Bankers Association	Mr. Radhesh Pant
18	UNDP	Mr. Sharad Chandra Neupane, Mr. Narahari Dhakal
19	Canadian Cooperative Association	Ms. Sarah Shima
20	Former Vice-chairperson of NPC	Dr. Mohan Man Sainju
21	Child Development Bank	Ms. Bimala Thapa
22	Mahila Bikas Bibhag	Mr. Keshav Regmi
23	USC Nepal	Dr. Tika Pokharel & Mr. Shree Ram Shrestha
24	World Education	Ms. Helen Sherpa
25	Women Cooperative Society	Ms. Sarashwati Shrestha, Dr. Sumitra Manandhar
26	RWSC	Ms. Bhagabati Pudasaini
27	Rastriya Banijya Bank	Mr. Gopal Chandra Sharma
28	TRUST	Dr. Purushwottam Shrestha
29	Swalamban Bikas Bank Ltd.	Mr. Keshar Bahadur Shrestha
30	SOLVE	Mr. Rajendra Bahadur Pradhan
31	Paschimanchal Grameen Bank	Mr. Dharma Raj Pandey
32	LIC Nepal	Mr. Manish Kumar
33	Jeevan Bikas Samaj	Mr. Yogendra Mandal
34	Dalit and Rural Development Center	Mr. Om Prakash V.K
35	Nirdhan Utthan Bank Ltd	Mr. Prakash Raj Sharma, Mr. Prabin Kumar Dahal
36	CECI Sahakarya	Dr. Prahlad Thapa, Ms. Mahendra Laxmi Sharma, Mr. Keshav Koirala
37	Trichandra Multiple Campus	Dr. Rama Bashyal
38	Winrock International	Mr. Suman Basnet, Mr. Prem Sagar Subedi
39	USAID	Ms. Anita Mahat
40	Sana Kissan Bikas Bank Ltd	Mr. Shiva Ram Koirala, Mr. Upendra Bahadur Karki

SN.	Name of Organization	Name of Resource Persons
41	Madhyamanchal Grameen Bank Ltd.	Mr. Ramdev Yadav
42	Chhimek Bikas Bank Ltd.	Mr. Ramchandra Joshee,
43	DLGSP	Mr. Ram Krishna Pokharel
44	World Vision International	Mr. Francis Chhetri
45	CGAP	Mr. Stephen Rasmussen
46	BASIX, India	Mr. P.S. Gunaranjan
47	INAFI, Bangladesh	Md. Atiqun Nabi
48	Independent Expert	Mr. Kuseshwor Mahato
49	NSSC	Mr. Udaya Raj Khatiwada
50	Nepal Rastra Bank	Mr. Krishna Bahadur Manandhar, Act. Governor, Mr. Bir Bikram Rayamajhi, Deputy Governor, Mr. Sushil Ram Mathema, Dr. Bama Dev Sigdel
51	Nepal Telecom Authority	Dr. Dinesh Sharma
52	Microfinance Information Exchange, Inc. (MIX)	Ms. Hind Tazi
53	NEFSCUN	Mr. Min Raj Kadel
54	FORWARD	Ms. Bhagabati Chaudhary
55	GTZ-RUFIN	Mr. Armin Hoffman, Mr. Jan Kerer
56	DEPROSC-Nepal	Mr. Pitambar Prasad Acharya, Mr. Kailash Rijal
57	Total Management Service	Dr. Pitamber Rawal Chhetri
58	RMDC	Mr. Ram Dayal Rajbansi
59	Department of Cooperative	Mr. Tanka Mani Sharma
60	CSD	Mr. Mukunda Bahadur Bista
61	International Expert	Mr. Richard K. Moss
62	Nepal Microfinance Bankers Association (NMBA)	Mr. Bishnu Pathak
63	MANUSI	Ms. Ambika Pradhan
64	JUP Nepal	Mr. Amrit Bishwakarma
65	Independent Expert	Mr. Yadav Chapagain
66	Planet Finance	Ms. Edel McWilliams on behalf of Ms. Delphine Thizy
67	GTZ-SEQUA	Mr. Harihar Subedi
68	National Planning Commission	Honorable Dr. Jagadish Chandra Pokharel

Grameen Banks

SN.	Name of Organization	Name of Participants
1	Purbanchal Grameen Bank Ltd.	Mr. Ramesh Poudyal, Mr. Sudhir Kumar Aryal Mr. Shyam Dev Yogi, Mr. Shyam Kumar Katuwal, Mr Ram Chandra Sahah, Mr. Ram Dev Das, Mr.Rajendra Kumar Sunwar, Ms. Muna Kumari Shrestha
2	Madhyamanchal Grameen Bikas Bank Ltd.	Mr. Bikas Koirala, Ms.Radha Kumari Upadhaya, Mr. Bharat Yadav, Mr. Ram Keval Chaudhari, Mr. Kesahv Prasad Dahal, Mr. Khagendra P.Prasai, Mr.Bindeshwori Basnet, Mr.Ram Prasad Baskota, Mr Rabinda Kumar Thakur, Mr.Chinta Mani Sapkota, Mr. Bal Bahadur Dhital, Mr.Laxman Paudel, Mr.Rajesh Sharma, Mr. Rewanta Dahal, Mr.Udhav Prasad Dahal, Mr.Dal Bahadur Sintan, Mr Bed Raj Neupane, Mr.Ram Dev Yadav
3	Paschimanchal Grameen Bikash Bank Ltd.	Mr Ramesh Bahadur Shahi, Mr. Anil Mani Pokhrel, Mr. Pitambar Nepal, Mr. Dev Raj Dhakal, Mr. Sharad Paudel, Mr. Dipak Pandey Mr. Laxman Aryal, Mr. Motiram Adhikari, Mr. Govind P. Dhakal, Mr. Khagendra P. Aryal, Mr. Ram Prasad Sapkota, Mr. Kumar B. Singh, Mr. Motiraj Khanal, Mr. Puskar Banjade, Mr. Mahendra Adhikari, Mr.Min Bahadur Bohara, Mr Dharma Raj Pandey
4	Madhaya-paschimanchal Grameen Bikas Bank Ltd.	Mr. Prabhakar Mishra, Mr. Dev Singh Bist, Mr. Chandra Bahadur Thapa, Mr. Bhuwan Prasad Upadhaya
5	Sudur Paschimanchal Rural Development Bank Ltd	Mr. Gopal Bahadur Rawat, Mr. Prajapati Bhatt

Micorfinance Development Banks

MFDBs		
SN.	Name of Organization	Name of Participants
1	Chhimek Bikas Bank Ltd.	Mr. Kul Chandra Parajuli, Mr. Mr. Deepak Pandey, Tara N. Mahato, Mr. Bishwa N. Sigdel, Mr. Sunil Kumar Ray, Mr. Nikesch Adhikari, Mr. Dilip Kumar Shrestha, Mr. Deepak NidhiTiwari, Ms. Shova Mishra, Mr. Chola Raj Sharma, Mr. Bishwamitra Shrestha, Mr. Ram Chandra Joshee, Mr. Dan Raj Panta, Mr. Nirajan Aryal, Mr. Nirajan Mahato,

SN.	Name of Organization	Name of Participants
		Mr. Pradip Kumar Singh, Mr. Rudra Bikram Thapa, Mr. Arjun Panta, Mr. Manoj Krishna Upreti, Mr. Uttam Raj Kattel, Mr. Ram Nath Mahato, Mr. Lal Bahadur Yadav, Mr. Ramji Das, Mr. Guru Prasad Pokhrel, Ms. Niru Basnet, Mr. Rupak Budhathoki, Mr. Gyanendra Panta, Mr. Prem Raj Joshee, Mr. Mesh Bahadur Basnet, Mr. Padam B.Ghimire, Ms. Bhubeneshwori Pant, Mr. Narayan Prasad Ghimire
2	Deprosc Development Bank Ltd.	Mr. Bishnu Prasad Pathak, Mr. Sarada Prasad Kattel, Mr. Hem Kumar Kafle, Mr. Hari Prasad Acharya, Mr. Puspa Raj Adhikari, Mr. Buddhi Raj Ghimire, Mr. Hari Marahattha, Mr. Gyanendra Aryal, Mr. Yub Raj Bartaula, Mr. Hari Prasad Ruwali, Mr. Pawan Raj Pathak, Mr. Jamiri Yadav
3	Swabalamban Bikas Bank Ltd.	Mr. Keshar Bahadur Shrestha, Mr. Khagendra Raj Mishra, Mr. Sanjeev Kumar Jha, Mr. Rana Bahadur Rai, Mr. Nanda Ram Baidya, Mr. Bashu Dahal, Mr. Mod Prasad Tripathi
4	Nirdhan Utthan Bank Ltd.	Mr. Prabin Dahal, Mr. Prakash Sharma, Mr. Keshab Kumar Poudel, Mr. Krishna Raj Chaudhari, Mr. Gokarna Prasad Upadhyay, Mr. Narayan Bahadur Karkai, Mrs. Sudha Sriwastava, Ms. Kalpana Gautam, Ms. Muna Rijal, Mr. Gangapal Chaudhari, Mr. Dhruba Raj Koirala, Mr. Krishna Prasad Poudel, Mr. Krishna Kanhaiya Chaudhary, Mr. Binod Ram, Mrs. Ambika Shrestha, Mrs. Shobha Shrestha, Mrs. Bina Devi Shah Kanu, Mrs. Sima Lamichhane, Mrs. Janaki Thapa, Mrs. Pampha Pun
5	Nerude Laghubittiya Bikash Bank Ltd.	Dr. Bhesh Prasad Dhamala, Mr. Mani Kumar Arjyal, Mr. Udhav Prasad Sharma, Mr. Navin Subedi, Mr. Surendra Raj Bhattarai
6	Sana Kisan Bikash Bank Ltd	Mr. Jalendra Bhattarai, Mr. Krishna Prasad Poudel, Mr. Bhoj Raj Bhandari, Mr. Tej Prasad Khatiwada, Mr. Dipesh Koirala, Mr. Kishor Bajgain, Mr. Siva Ram Koirala, Ms. Anju Pathak
7	Proposed Swarojgar Bikas Bank	Mr. Radha Krishna Dhungel, Mr. Gyanendra Pandey

SFCLs

SN.	Name of Organization	Name of Participants
1	SFCL Anandaban	Mr. Suka Dev Neupane

SN.	Name of Organization	Name of Participants
2	SFCL Triveni	Mr. Dev Bahadur Thapa
3	SFCL Argauauli	Ms. Januka Dhungana
4	SFCL Banjariya	Mr. Raj Kumar Chhetri
5	SFCL Semilar	Mr. Sobhakhar Sharma
6	SFCL Parroha	Mr. Dinesh Ghimire
7	SFCL Dudharakshya	Mr. Prakash Aryal
8	SFCL Madhabaliya	Mr. Narayan Aryal
9	SFCL Karahiya	Ms. Jhupa Neupane
10	SFCL Dumarwana,	Mr Ravi Lal Acharya

NEFSCUN

SN.	Name of Organization	Name of Participants
1	Holika Savings and Credit Cooperative Society Ltd	Mr. Bijaya Dhital Ms. Indira Shrestha
2	Samuhik Savings and Credit Cooperative Society Ltd.	Ms. Madhav Dhaju
3	Milijuli Savings and Credit Cooperative Society Ltd.	Ms. Maya Devi Chhetri
4	Pragatishil Mahila Krishak Savings and Credit Cooperative Society Ltd	Ms. Mandara Mishra
5	Mahila Samaj Savings and Credit Cooperative Society Ltd.	Ms. Mina Sigdel
6	Barahi Savings and Credit Cooperative Society Ltd.	Mr. Krishna Sundar Tulsi Mr. Punya Krishna Bhaju
7	Suvam Savings and Credit Cooperative Society Ltd	Mr. Prakash Kuber
8	Samuhik Savings and Credit Cooperative Society Ltd.	Mr. Radha Shyam Duwal
9	Bhaktapur Mahila Savings and Credit Cooperative Society Ltd	Ms. Sunita Duwal Ms. Rita Prajapati
10	Naya Pati Savings and Credit Cooperative Society Ltd.	Ms. Laxmi Degal Ms. Hira Devi Pandit
11	Ekikrit Savings and Credit Cooperative Unions Ltd.	Ms. Bindu Dhungana
12	Balkot Savings and Credit Cooperative Society Ltd.	Mr. Niraj Kumar Karki Mr. Krishna Saran Poudel
13	Jyotikunja Savings and Credit Cooperative Society Ltd.	Ms. Jaya Wali

SN.	Name of Organization	Name of Participants
14	Balkumari Savings and Credit Cooperative Society Ltd.	Mr. Jagat Krishna Shrestha Mr. Pancha Krishna Shrestha
15	Chitwan District Savings and Credit Cooperative Unions Ltd.	Mr. Ramjee Prasad Badu
16	Indragram Punarmilan Savings and Credit Cooperative Society Ltd.	Mr. Dhan Prasad Shrestha Ms. Durga Poudyal
17	Dashin Bahari Savings and Credit Cooperative Society Ltd.	Ms. Kabita Sapkota Ms. Dipa Chetri
18	Swargadwari Savings and Credit Cooperative Society Ltd	Mr. Jivan Nepal
19	Araniko Yatayat Savings and Credit Cooperative Society Ltd.	Mr. Mohan Ghimire Mr. D. B. Basnet
20	Janakalyan Savings and Credit Cooperative Society Ltd.	Mr. Bishnu Bhandari
21	Dhading District Savings and Credit Cooperative Unions Ltd.	Mr. Ram Lal Shrestha
22	Bhairabi Savings and Credit Cooperative Society Ltd	Mr. Ganesh Kumar Shrestha
23	Friendship Savings and Credit Cooperative Society Ltd.	Mr. Nar Bahadur Jiral
24	Nilkanth Mahila Savings and Credit Cooperative Society Ltd	Ms. Bhawani Wali
25	Janasahoyogi Savings and Credit Cooperative Society Ltd.	Mr. Bhakta K.C.
26	Bishal Aama Mahila Savings and Credit Cooperative Society Ltd	Mr. Komal Shrestha
27	Aalu Biu Savings and Credit Cooperative Society Ltd.	Mr. Indra Bahadur Khadka
28	Jiri Khimti Savings and Credit Cooperative Society Ltd.	Mr. Bhumi Raj Khadka
29	Janakalyan Savings and Credit Cooperative Society Ltd.	Ms. Sabitri Khadel Ms. Prativa Tripathi
30	Nari Bikash Savings and Credit Cooperative Society Ltd.	Ms. Bhagawati Upreti
31	Gaurab Savings and Credit Cooperative Society Ltd.	Mr. Prem Bahadur Khatri
32	Jogimara Savings and Credit Cooperative Society Ltd	Ms. Chandra Kumari Magar
33	Akashdip Savings and Credit Cooperative Society Ltd.	Ms. Mina Jirel

SN.	Name of Organization	Name of Participants
34	Sacharata Mahila Savings and Credit Cooperative Society Ltd.	Ms. Srijana Subedi
35	Saharamahila Savings and Credit Cooperative Society Ltd.	Ms. Sharmila B K
36	Sworna Savings and Credit Cooperative Society Ltd	Mr. Chandra Lama
37	Jhula Milan Savings and Credit Cooperative Society Ltd.	Mr. Sudarsan Karki
38	Nashik Savings and Credit Cooperative Society Ltd.	Mr. Tek Nath Sharma
39	Navadip Savings and Credit Cooperative Society Ltd.	Mr. Krishna Lal Upreti
40	Milijuli Savings and Credit Cooperative Society Ltd	Mr. Ganga Sagar Shrestha
41	Betali Savings and Credit Cooperative Society Ltd.	Mr. D.K.Basnet
42	Dolkha District Savings and Credit Cooperative Unions Ltd.	Mr. Ramdas Shrestha
43	Saptakoshi Savings and Credit Cooperative Society Ltd.	Mr. Min Bahadur Adhikari
44	Janachetana Savings and Credit Cooperative Society Ltd.	Mr. Hemanta Chaulagai Mr.Yagya Raj Dungal
45	Sindhu Bhotechour Savings and Credit Cooperative Society Ltd.	Ms. Yasodha Chaulagai Mr. Homkanta Chaulagai
46	Janamukti Savings and Credit Cooperative Society Ltd.	Mr. Madhav Prasad Dahal
47	Shikshak Kalyan Savings and Credit Cooperative Society Ltd	Mr. Jiwas Raj Khadka
48	Bikash Savings and Credit Cooperative Society Ltd.	Ms. Rajina Karmacharya
49	Bhahisya Nirman Savings and Credit Cooperative Society Ltd.	Ms. Goma Basnet
50	Hamro Janakalyan Savings and Credit Cooperative Society Ltd.	Mr. Prem Prasad Adhikari
51	Nepal Federation of Savings and Credit Cooperative Unions Ltd. (NEFSCUN)	Mr. Shivaji Sapkota, Mr. Babu Ram Neupane, Mr. Tirtha Ghimire, Mr. Levi Andreas Van Wingerden, Mr. Ram Prasad Dhakal, Mr. Rishi Raj Ghimire, Mr. Deepak Thapa, Ms. Menuka Dahal, Mr. Gokul Dhoj Karki, Mr. Chandr Prasad Dhakal,

SN.	Name of Organization	Name of Participants
		Mr. Nani Babu Budhathoki, Ms. Sadhana Singh Shai, Mr. Shiva Adhikari, Mr. Rambabu Acharya, Mr. Dev Narayan Chaulagain, Mr. Binod Kumar Shah, Mr. Bhola Shrestha
52	Janakalyan Savings and Credit Cooperative Society Ltd.	Mr. Bishnu Bhandari
53	Shankeswor Savings and Credit Cooperative Society Ltd.	Mr. Pran Pratap K.C.
54	Pragati Savings and Credit Cooperative Society Ltd.	Mr. Dal Bahadur Karki
55	Khukura Bikas Savings and Credit Cooperative Society Ltd	Mr. Dhan Bahadur Khatri
56	Babhiyakharka Savings and Credit Cooperative Society Ltd	Mr. Mohan Ghimire, Mr. Tara Ghimire, Mr. Chetnath Ghimire, Mr. Girindranath Ghimire, Mr. Gyanendra Ghimire
57	Suryodaya Savings and Credit Cooperative Society Ltd.	Mr. Kapil Babu Kattel
58	Hajurko Triveni Savings and Credit Cooperative Society Ltd.	Mr. Manoj Pudashaini
59	Gorkha District Savings and Credit Cooperative Unions Ltd.	Mr. Mahendra Khanal
60	Vintuna Savings and Credit Cooperative Society Ltd.	Mr. Mohan Bahadur Maharjan
61	Maitidevi Savings and Credit Cooperative Society Ltd.	Ms. Sarita Chaulagian
62	Durga Bhawani Savings and Credit Cooperative Society Ltd.	Mr. Sambhu Prasad Ghimire Mr. Keshav Raj
63	Laxmi Mahila Savings and Credit Cooperative Society Ltd	Ms. Subashana Shrestha Ms. Yamuna Pradhan
64	Yuva Savings and Credit Cooperative Society Ltd.	Mr. Bishnu Prasad Sapkota Mr. Raj Kumar Timilsena
65	Chandeswori Savings and Credit Cooperative Society Ltd	Mr. Jyoti Prakash Saiju Mr. Buddha Ratna Manandhar
66	Kavre District Savings and Credit Cooperative Unions Ltd.,	Mr. Shambhu Lal Shrestha Ms. Tirtha Maya Pradhan
67	Samudaiek Savings and Credit Cooperative Society Ltd.	Ms. Shubhadra Karki
68	Kusadevi Savings and Credit Cooperative Society Ltd.	Mr. Dhruva Prasad Humagain

SN.	Name of Organization	Name of Participants
69	Jyoti Savings and Credit Cooperative Society Ltd.	Mr. Rajan Thapa, Mr. Udhav Sapkota
70	Sankalpa Savings and Credit Cooperative Society Ltd.	Mr. Netra Prasad Adhikari
71	Mahila Kalyan Savings and Credit Cooperative Society Ltd.	Ms. Suntali Pudasaini
72	Kalyankari Savings and Credit Cooperative Society Ltd.	Mr. Rabindra Ghimire
73	Makwanpur District Savings and Credit Cooperative Unions Ltd.	Ms. Manju Thing
74	Janakalyan Savings and Credit Cooperative Society Ltd.	Mr. Ramesh Adhikari
75	Marsyangdi Savings and Credit Cooperative Society Ltd.	Ms. Basana Kumari Thapa
76	Lamjung District Savings and Credit Cooperative Unions Ltd.	Mr. Meg Raj Gurung
77	Mahila Jagriti Savings and Credit Cooperative Society Ltd	Ms. Tulshi Tamang
78	Mahila Ekata Savings and Credit Cooperative Society Ltd	Ms. Shova Thapa
79	Mahila Smaj Savings and Credit Cooperative Society Ltd.	Ms. Shanti Thapa
80	Mahila Janachetana Savings and Credit Cooperative Society Ltd	Ms Sushila Thapa
81	Mahila Aviyan Savings and Credit Cooperative Society Ltd.	Ms. Radha Sintan
82	Shramjivi Mahila Savings and Credit Cooperative Society Ltd.	Ms. Tara Lama
83	Mahila Jagaran Savings and Credit Cooperative Society Ltd.	Ms. Bimala B.k.
84	Mahila Shakti Savings and Credit Cooperative Society Ltd	Ms. Shubhadara Gurung
85	Mahila Janashkti Savings and Credit Cooperative Society Ltd.	Ms. Padmi Thapa
86	Mahila Aawaj Savings and Credit Cooperative Society Ltd.	Ms. Mina Churela
87	Mahila Sewa Savings and Credit Cooperative Society Ltd	Ms. Rama Pradhan
88	Mahila Milan Savings and Credit Cooperative Society Ltd	Ms. Laxmi thing

SN.	Name of Organization	Name of Participants
89	Janakalyan Savings and Credit Cooperative Society Ltd.	Mr. Kesav Neupane
90	Navapratibha Savings and Credit Cooperative Society Ltd.	Ms.Ram prashad Kaffle, Mr.Dila ram Ghimire, Ms.Gita Thapa, Mr.Ananda Raj Jaisi
91	Mahila Milan Savings and Credit Cooperative Society Ltd.	Ms. Saraswati Lama
92	Suryodaya Savings and Credit Cooperative Society Ltd.	Ms. Muna Kiran Chudal
93	Janachatana Savings and Credit Cooperative Society Ltd.	Mr. Krishna Prashad Sapkota Mr. Krishna Prasad Sapkota
94	Sumnima Savings and Credit Cooperative Society Ltd.	Mr. Devi Baral
95	Nava Adarasha Savings and Credit Cooperative Society Ltd	Mr. Devi Bahadur Basnet
96	Atmanirver Savings and Credit Cooperative Society Ltd.	Mr. Man Bahadur Aale Mr. Rim Bahadur Aale
97	Manakamana Savings and Credit Cooperative Society Ltd	Mr. Netra Ranabhat
98	Swabalamban Savings and Credit Cooperative Society Ltd	Mr. Khamba Bahadur Khadka
99	Khadgamai Savings and Credit Cooperative Society Ltd.	Ms. Fulmali Thapa
100	Manthali Savings and Credit Cooperative Society Ltd.	Mr. Govinda Prasad Ghimire Mr. Suresh Shrestha
101	Tanahu District Savings and Credit Cooperative Unions Ltd.	Mr. Rabindra Khanal
102	Bhotechaur Savings and Credit Cooperative Society Ltd.	Mr. Hom Nath Sharma
103	KissanKalyan Savings and Credit Cooperative Society Ltd	Mr.Chuda Raj Khitawada

Cooperatives

SN.	Name of Organization	Name of Participants
1	Shree Pindeshori Multi Purpose Cooperative Ltd.	Mr. Narayan P. Aryal
2	Sayapatri Nari Bikash Cooperative Ltd.	Ms. Amrita Rai
3	Shuva Sahayog Savings & Credit Cooperative Ltd	Mr. Kumar Raj Subedi
4	Sagarmatha Mahila SCCSL	Ms. Ratna Lama

SN.	Name of Organization	Name of Participants
5	Buddha Women Savings & Credit Cooperative Ltd.	Ms. Dev Kumari Lama Ms. Bimala Lama
6	Bhabisyā Nirman SCCSL	Ms. Krishna Kumari Basnet
7	Women Support Cooperative Ltd.	Mr. Pushpa Tuladaha, Mr. Satya Malla, Ms. Nani Shova Maharjan, Mr. Kamal K. Kafle, Ms. Savitri Shrestha, Ms. Jayanti Shrestha, Ms. Indira Manandhar, Ms. Durga Kunwar, Ms. Bijaya K.C., Mr. Puspa Raj Bhatta, Mr. Saroj Adhikari
8	Bachauli Nari Chetana SCCSL	Ms. Saradha Bidari
9	Sahara Mahila SCCSL	Ms. Parbati Khand
10	Nilkhantha Mahila SCCSL	Ms. Sarmila Shrestha
11	Barahi Mahila Bikash Cooperative Ltd.	Ms. Sabitra Karki
12	Kalpabrikshya Mahila SCCSL	Ms. Jamuna K.C
13	Aincho Paincho Savings & Credit Cooperative Ltd.	Ms. Nara Maya Rana Mr. Dinesh Sharma
14	Jyotikunja Mahila SCCSL	Ms. Susma Maharjan
15	Nari Kalyan SCCSL	Ms. Gooma Tewari
16	Nari Bikash Sangh	Ms. Sita Sharma
17	Itarara Savings & Credit Cooperative Ltd	Mr. Laxmi Prasad Guragain , Mr. Keshab P. Pokhrel
18	Rajsati Multipurpose Cooperative Society Ltd.	Mr. Tara Rai
19	Srijana Mahila Multipurpose Cooperative Ltd.	Ms. Champa Subedi
20	Sundar Savings & Credit Cooperative Ltd.	Mr. Krishna P. Dahal Mr. Kesab Sunam
21	Gachhiya Savings & Credit Cooperative Ltd.	Mr. Krishna P. Bhurtel
23	Women Cooperative Society Ltd	Ms. Saraswati Shrestha Dr. Sumitra Manandhar Gurung
24	Janakalyan SACCOS Ltd.	Mr. Rajendra Sharma
25	National Cooperative Development Board	Ms Binita Dhital
27	Nava Prativa SACCOS Ltd., Nawalparasi	Ms. Gita Thapa, Mr. Ram Prasad Kafle, Mr. Ananda Raj Jaishe, Mr. Dila Ram Ghimire
28	Namuna Cooperative Society Ltd.	Mr. Shyam Kaji Karki, Mr. Jagannath Karki

SN.	Name of Organization	Name of Participants
29	Regency Multipurpose Cooperative Ltd.	Mr. Guna Raj Rai
30	Biswas Multipurpose Cooperative Ltd.	Mr. Mani Prasad Rai
31	Trinetra Multipurpose Cooperative Ltd.	Ms. Bina Pokhrel
32	Gachchia SACCOS Ltd.	Mr. Krishana Prasad Bhurtel
33	Development Savings and Credit Cooperativ Society Ltd.	Mr. Rajina Amatya
34	Subhakamana Multipurpose Cooperative Ltd.	Mr. Hari Bahadur Budhathoki
35	Nepal Krishi Sahakari Kendriya Sangh Ltd.	Mr. Rudra Bhattraai
36	Hariyali SACCOS Ltd.	Mr. Narayan Pangen
37	Nepal Krishi Sahakari Kendriya	Mr. Khem Pathak
38	Laliguras Savings and Credit Cooperative Ltd.	Mr. Durga Bahadur Thapa
39	Vyccu Savings and Credit Cooperative Society Ltd.,	Mr. Khem Raj Sapkota, Mr. Tir Nath Adhikari, Mr. Madhav Prasad Poudel, Mrs. Tara Sharma
40	Jana Sewa SACCOS Ltd.	Mr. Surya Prasad Khatiwada
41	Champawati SACCOS Ltd.	Mr. Ram Kumar Shrestha
42	Jyoti SACCOS Ltd.	Mr. Rewati Prasad Pandey
43	Creative Savings and Loan Cooperative Ltd.	Mr. Rameshwor Timalsina
44	Jagannath Women Savings and Credit Cooperative Society Ltd	Ms. Ambika Bhandari
45	Mahanpur Saving and Credit Cooperative Ltd.	Mr. Tanka Sharma
46	Hamro Namaskar Savings and Credit Cooperative Society Ltd.	Mr. Raj Kumar Nagarkoti, Mr. Jitendra Nagarkoti, Mr. Satya Narayan Nagarkoti
47	Gadhawa Savings and Credit Cooperative Ltd.	Mr. Dinesh Pant
48	Sahara Nepal SACCOS Ltd.	Mr. Data Ram Bhandari
49	Madhi Marshyangdi Multipurpose Cooperative Society Ltd.	Mr. Binod Adhikari
50	Chandeshwori SACCOS Ltd.	Mr. Jyoti Prakash Saiju, Mr. Buddha Ratna Manandhar
51	Hatemalo Women Multipurpose Cooperative Ltd.	Ms. Rajani Gurung, Ms. Sunita Gurung, Ms. Rina Gurung, Ms. Sanju Gurung, Ms. Sangita Shrestha , Ms. Santi Gurung

SN.	Name of Organization	Name of Participants
52	Himalaya Mahila Savings and Credit Cooperative Society Ltd.	Ms. Nirmala Chaudhari
53	Madiganga Mahila Bikash Multipurpose Cooperative Ltd.	Ms. Krishana Devi Khanal
54	Pragatishil Mahila Bikas Savings and Credit Cooperative Society Ltd.	Ms. Durga Acharya
55	Srijana Mahila Savings and Credit Cooperative Society Ltd.	Ms. Shanti Sharma
56	Mahila Kalyan Mulitpurpose Cooperative Ltd.	Ms. Daurupa Regmi
57	Dev Nari Bikash SCCSL	Ms. Dev Kumari Bhattarai
58	Nari Sirjeet Multi Purpose Cooperative Ltd.	Ms. Sarita Khanal
59	Padamawati Savings and Credit Cooperative Society Ltd.	Ms. Laxmi Shakya Ms. Medina Shakya
60	National Cooperative Federation of Nepal	Mr. Deepak Prakash Baskota
61	Nava Siddhartha Mahila SCCSL	Ms. Shanta Sherstha
62	Mahila Bikas Multipurpose Cooperative Ltd.	Ms. Dhana Thapaliya
63	Mahila Prayash Savings and Credit Cooperative Society Ltd.	Ms. Ambika Budathoki, Ms. Binita Adhikari, Ms. Shova Karki
64	Sana Kisan Sahakari Sanstha Ltd.	Mr. Gopal Silwal
65	Sana Kisan Sahakari Sanstha Ltd.	Ms. Purna Maya Adhikari
66	Sana Kisan Sahakari Sanstha Ltd.	Mr. Bishnu Thapaliya
67	Mahila Kalyankari Savings and Credit Cooperative Society Ltd.	Ms. Rekha Poudyal
68	Sana Kisan Sahakari Sanstha Ltd.	Mr. Khil P.Silwal
69	Sirjanatmak Mahila Cooperative Ltd.	Ms. Meera Bhattari
70	Sana Kisan Sahakari Sanstha Ltd.	Mr. Purna Aryal
71	Narayani Nari Bikash Savings and Credit Cooperative Society Ltd.	Ms. Gooma Acharaya
72	Sana Kisan Sahakari Sanstha Ltd.	Mr. Gunara Mahato
73	Kerabari Nari Bikash Cooperative Ltd.	Ms. Santi Bhujal (Limbu)
74	Sana Kisan Sahakari Sanstha Ltd.	Mr. Ram Hari Dahal
75	Kalyan Nari Bikash Cooperative Ltd.	Mr. Pakhu Lal Bishwas
76	Mayaltar Women Group	Ms. Gita Parajuli
77	Deepajooti Nari Bikash Cooperative Ltd.	Ms. Gooma Khulal
78	Basuki Women Group	Mr. Nilam Shrestha

SN.	Name of Organization	Name of Participants
79	Mahila Savings and Credit Cooperative Society Ltd.	Ms. Geeta Shrestha
80	Bindhyabasini Savings and Credit Coeoprative Ltd.	Ms. Ishwori Kumari Karki (Thapa) Mr. Namaraj Timilsina, Ms. Rima Sapkota (Paudel), Ms. Gita Thapa
81	Young Star Savings and Credit Cooperative Society Ltd.	Mr. Deepak Raj Bhandari Mr. Ganesh Kumar Shrestha
82	Nari Namuna Savings and Credit Cooperative Society Ltd.	Mr. Sakher Karki
83	Nari Srijana Savings and Credit Cooperative Society Ltd.	Ms. Meena Baral
84	Sauraha Savings and Credit Cooperative Society Ltd.	Mr. Dipendra Prasad Khatiwada Mr. Yogendra Nath Adhikari
85	Sanchhit Nari Bikash Cooperative Ltd.	Ms. Sangita Bhattarai
86	Shree Youth Saving and Credit Cooperative Society Ltd.	Mr. Arjun Bastola Mr. Udav K.C

NGOs

SN.	Name of Organization	Name of Participants
1	NEWAH	Mr. Yubraj Shrestha
2	Samdo Bavishya	Mr. Ralphaelle Kafle Ms. Catherine Joriot Kafle
3	Nirdhan	Mr. Thakur Chauhan
4	Tharu Mahila Manch	Ms. Saniti Chhetri
5	NNSWA	Ms. Mamata Awasti
6	Sagar Bee Hive Industry	Mr. Daya Sagar Subedi
7	Center for Community Development & Research	Mr. Del Nath Sapkota
8	MEDC	Ms. Rachana Pandit
9	BSP-Nepal	Mr. Balaram Shrestha
10	SDIC	Mr. Upendra Shakya
11	SAHAYATRA	Mr. Raj Kumar Adhikari
12	Samuhik Abhiyan	Mr. Devendra Aryal Mr. Shreya Prasad Kafle
13	Jhuwani Community Library	Ms. Sita Adhikari
14	Nepal Mahuri Palan Mahasang	Mr. Rajendra Gautam Mr. Sanjib Pokhrel Mr. Kamal Prasad Mainali

SN.	Name of Organization	Name of Participants
15	Center for New Nepal Inclusive Development	Mr. Rajendra Kumar Mainali
16	Centre for Community Development and Research	Mr. Hari Ram Adhikari
17	SADIKA	Mr. Padam Bahadur Singh
18	Kathmandu Business & Professional Women	Ms. Minerva Manandhar
19	Rural women Service Center	Ms. Bhagawati Pudasaini
20	MIFAN	Mr. Rudra Prasad Dahal
21	JUP-Nepal	Mr. Santosh BK, Ms. Juli Yogasundram, Mr. Purna Bahadur Basel
22	General Welfare Pratisthan	Mr. Mahesh Bhattari Mr. Govinda Pandey
23	INAFI-Nepal,	Ms. Namita Shrestha Mr. Narendra Joshi
24	CWS	Mr. Man Bahadur BK
25	Dalit Welfare Organization,	Mr. Resham Sunar, Ms. Asha B.K, Mr. Ishwori B.K.
26	Ramva Devi Bikash Samaj,	Ms. Bishnu Kumari Sinjali Ms. Tara Karki
27	Feminist Dalit Organization	Ms. Kamala Bishwakarma, Ms. Shanti Harijan, Ms. Nirmala Devi Paswan, Ms. Meena Ahuji, Ms. Anuja Pariyar
28	Grameen Swyam Sewak Sang	Mr. Dadhi Ram Paudel
29	NESDO Nepal	Mr. Bishwo Prakash Prasai, Mr. Prem Prasad Sharma, Ms Sabitri Chhetri
30	Professional Development Support Services Ltd	Mr. Lok Maskey
31	FECOFUN,	Ms. Indrawati Moktan, Mr. Chandra Prasad Thani, Mr. Lal Bahadur Khatri
32	JUCN	Mr. Raju Rasali
33	Social Service Intellectual Circle	Mr. Chandra Mani Pandey
34	Concern Nepal,	Mr. Jiyam Shrestha, Mr. Narad Bajracharya, Mr. Bikesh Shrestha, Ms. Susmita Maharjan, Mr. Khadga Man Shakya, Mr. Bijaya Sainju
35	TRUST Pvt. Ltd.	Dr. Purushottam Shrestha
36	SNV/Nepal	Mr. Ramesh Gautam

FINGOs

SN.	Name of Organization	Name of Participants
1	ACSI	Mr. Keshar B. Bista, Mr. Raj Kumar Shrestha, Mr. Ram Kumar Shrestha, Mr. Keshar Bahadur Bista, Mr. Raju Shrestha
2	Women Development Center of Nepal,	Mr. Achyut Rajopadhyaya, Mr. Rajeshwor Adhikari, Mr. Suman Danuwar, Mr. Sher Bahadur Gurung, Ms. Belu Maya Magar, Ms. Rekha Maiya Shrestha, Ms. Subha Laxmi Joshi, Mr. Swayambhu Ram Joshi
3	SOLVE-Nepal,	Mr. Rajendra Bahadur Pradhan, Mr. Doyam Pradhan, Ms. Sabitri Shrestha, Mr. Prakash Shrestha
4	Nawa Pravat Yuba Sangh	Ms. Shankar P. Pantha
5	Adarsha Youth Club	Mr. Krishna C. Shrestha
6	Nepal MSR Centre and Women Development Centre of Nepal	Mr. Nhuchhe Narayan Maharajan
7	MANUSI	Ms. Shova Bajracharya, Mr. Kamal Shrestha, Ms. Padmasana shakya, Ms. Ambika Pradhan
8	Women Entrepreneurs Associations of Nepal	Ms. Rekha Aryal, Ms. Ganga Baidya, Mr. Bharat Prasad Sharma, Ms. Ramva Shrestha, Ms. Deepa Satyal, Ms. Rama Devi Satyal
9	Grameen Mahila Bikash Sanstha	Ms. Shanti Chaudhari, Mr. Padam Prasad Ghimire
10	Mahila Adarsha Sewa Kendra	Ms. Neelima Kafle, Ms. Asha Shrestha
11	DCRDC	Mr. Ishwor Lal Rajbhandari
12	Neighborhood Society Service Centre(NSSC)	Ms. Renu Karki, Ms Gyanu Khatri, Mr. Nilam Dangol, Mr. Krishna Raj Panta, Mr. Ram Sagar Sah, Mr. Dipik Pantha, Ms. Suchitra Shah, Mr. Udaya Raj Khatiwada, Mr. Prabhu Chaudhari
13	Women's Self Reliant Society	Mr. Chiranjibi Adhikari Ms. Sita Adhikari
14	SUPER	Mr Jyoti Prasad Chaudhary, Mr. Ram Bahadur Chaudhary
15	Mahuli Community Development Center (MCDC)	Mr. Prabhu Narayan Chaudhary, Mr. Lalit Prasad Chaudhary, Mr. Shyam Kant Chaudhary
16	Bhagwan Youth Club	Mr. Mahesh Kumar Shrestha

SN.	Name of Organization	Name of Participants
17	Center for Self-help Development	Mr. Kiran Man Singh, Mr. Ram Kumar Shrestha, Mr. Shanker N.Kapali, Mr. Inshwor Dhakal, Mr. Bishnu Dhakal
18	Jeevan Bikash Samaj	Mr. Sanjaya Mandal, Mr. Rohit Bhandari, Mr. Prem Kumar Mandal, Mr. Ramesh Ray, Mr. Yogendra Mandal
19	DEPROSC-Nepal,	Mr. Kailash Rijal, Mr. Pitambar Prasad Acharya, Mr. Amrit Rupakheti, Mr. Ram Hari Dahal, Mr. Shiva Prasad Acharya, Ms. Sashi Rupakheti
20	Nepal Mahila Samudiyak Sewa Kendra	Ms. Saradha Sharma, Ms. Yamala Bhusal, Ms. Jiva Bhusal, Ms. Sushma Poudyel, Ms. Kamala Nepali
21	FORWARD-Nepal	Ms. Jayanti Rai, Ms. Hira Thandar, Ms. Raj Kumari Tabdar, Ms. Dev Kumari Shrestha, Ms. Sabita Dahal, Ms. Mira Shrestha, Ms. Rita Kumari Chaudhary, Mr. Ashis Chanda Chaudhary, Mr. Mahesh Manjhi, Ms. Danawati Khan, Ms. Ful Maya Satar, Ms. Phans Rishi Dev, Ms. Kalabati Chaudhry
22	Srijana Community Development Center (SCDC)	Mr. Batuk Shamsher Shrestha, Mr. Hari Bhaju Shrestha, Mr. Lila Nath Shrestha
23	Patan Business and Professional Women	Ms. Urmila Shrestha, Ms. Chandani Vaidya, Ms. Moon Singh, Ms. Pramila Upreti
24	Women Development Center of Nepal	Mr. Siddhi Kumar Maharjan
25	NERUDO	Mr. Sudhir P Lohani

INGOs

SN.	Name of Organization	Name of Participants
1	Save the Children US	Mr. Arun Kumar Mahto, Mr. Udaya Manandhar, Ms. Naramaya Limbu, Mr Bishwo Ratna Pun
2	GTZ-PSP/RUFIN	Mr. Roshan Shrestha, Ms. Anu Joshi, Ms. Ashesh Pant, Ms Anupa Pant, Mr. GB Banjara, Ms. Kumudindi Rosa, Ms. Susmita Pradhan, Mr. Ujjwal Pokhrel, Mr. Zhang Jingang
3	BASE,	Ms. Shanta Chaudhary
4	GTZ/SEQUA	Mr. Manil Shrestha, Mr. Harihar Subedi
5	Nepal National Social Welfare Association	Ms. Mamata Awasti

SN.	Name of Organization	Name of Participants
6	Tharu Mahila Manch	Ms. Sabitri Chhetri
7	The Asian Foundation	Ms. June Ghimire
8	World Education Inc	Mr. Ram Chandra Khanal, Mr. Prakash Chandra Pokharel, Mr. Laxmi Prasad Ghimire, Ms. Indra Rai
9	Winrock International	Mr. Suman Dhakal, Mr. Prem Sagar Subedi
10	GTZ/UDLE,	Mr. Ram Bahadur Chhetri, Mr. Thomas Taraschewski, Mr. Mani Ram Mahat, Mr. Ishwor Joshi, Mr. Horst Matthaeus
11	United Mission to Nepal,	Ms. Sangita Pudasaini, Mr. Sudip Baidya, Mr. Ramji Bhandari, Mr. Sudhir Malla
12	PlaNet Finance,	Mr. Rajendra N. Poudyal, Ms. Pushpalata Poudel, Mr. Pramod Khakurel, Ms. Florence Solnica
13	Lutheran World Federation Nepal	Mr. Rajan Prasad Timilsina, Mr. Basanta Kumar Karki
14	DLGSP	Mr. Chandra Kanta Sharma, Mr. Ram Krishna Pokharel, Mr. Gokul Pyakurel, Mr. Birendra Adhikari, Mr. Riddhi Sharma, Mr. Dharmendra Shakya, Mr. Sundar Mulepati
15	READ Nepal	Mr. Saajan Thapa, Mr. Sujan Shrestha, Mr. Raju Babu Shrestha, Ms. Urmila Sharma, Ms. Indira Khanal, Mr. Sanjeev Dahal, Mr. Kalika Shrestha, Ms. Sabita Shrestha, Ms. Sita Adhikari, Mr. Chinkaji Shrestha, Ms. Sanjana Shrestha
16	World Vision Nepal,	Mr. Francis Chhetri, Ms. Sangeeta Lama, Mr. Keshab Adhikari, Ms. Maya Gurung, Ms. Silpa Shahi
17	Micro-Enterprise Development Programme	Ms. Heema Khadka K.C.
18	Plan Nepal	Mr. Kanaiya Pokharel, Mr. Dipendra Swarnakar, Mr. Shiva Narayan Rana Tharu, Mr. Rudra Nath Dahal, Mr. Prem Sukla, Mr. Prem Sambyu, Mr. Pawn Kumar Rai, Mr. Mitra Rai, Ms. Merina Sah, Mr. Laxmi Narayan Sah, Mr. Kush Thapa, Mr. Kiran Ojha, Mr. Jaimangal Kumar Thakur, Mr. Hem Raj Poudyal, Mr. Prabakar K.C., Mr. Bishnu Neupane
19	NEDC	Ms. Rachana Pandit
20	Practical Action Nepal	Mr. Deepak D.Khadka, Mr. Tanka BK, Mr. Binod S.Kadara, Mr. Keshab D.Dawadi, Mr. Min Bikram Malla, Mr. Hari Ram Adhikari, Mr. Krishna Raj Karki

SN.	Name of Organization	Name of Participants
21	GTZ-PASRA	Ms. Anita Khadka, Mr. Dirgha Sapkota
22	GTZ-PSP/RUFIN,	Mr. Nibedan Baidya, Mr. Radha Prasad Acharya, Mr. Roshan Bahadur Shakya
23	USAID	Ms. Anita Mahat
24	CECI-Sahakarya Project	Dr. Prahlad Thapa, Ms. Mahendra Laxmi Sharma
25	Mercy Corps	Mr. Jarrod Fath

Other Financial Institutions

Commercial Banks

SN.	Name of Organization	Name of Participants
1	Sunrise Bank Ltd.	Ms. Salonika Singh
2	Everest Bank Ltd.	Mr. Suraj Anu
3	Nepal Investment Bank Ltd.	Mr. Rajan K. Amatya
4	Bank of Kathmandu Ltd.	Mr. Ajaya Shrestha, Mr. Kamal Pokhrel
5	Laxmi Bank Ltd.	Mr. Binayak Pokharel, Mr. Dipesh Amatya
6	Nabil Bank Ltd.	Ms Neena Thapa

Finance Companies

SN.	Name of Organization	Name of Participants
1	Guneshwori Merchant Bank and Finance Ltd.	Mr. Shiva Raj Bhandari
2	Crystal Finance Ltd.	Mr.Nabin Chandra Bajracharya
3	IME Financial Institution Ltd.	Mr. Sudhir Gauli
4	IME Financial Institution Ltd.	Mr. Yogeshwor Sharma Dhakal
5	Deposit and Credit Guarantee Corporation	Mr. Mahesh Kumar Karki
6	Alpic Everest Finance Ltd.	Mr. Sagar Manandhar

Insurance Company

SN.	Name of Organization	Name of Participants
1	Sagarmatha Insurance Co. Ltd.	Ms. Chunky Chhetry
2	Rastriya Beema Sansthan	Mr. Murari Regmi,
3	Rastriya Beema Sansthan	Mr. Purushottam Subedi

Development Banks

SN.	Name of Organization	Name of Participants
1	Ace Development Bank Ltd.	Mr. Siddhant Raj Pandey
2	Excel Development Bank Ltd.	Mr. Shekhar R. Bastakoti

Whole Sale Loan Provider

SN.	Name of Organization	Name of Participants
1	RMDC, Kathmandu	Mr. Megh Raj Gajurel Mr. Tirtha Ratna Konajo

Government and other MF Related Organizations

SN.	Name of Organization	Name of Participants
1	District Development Committee	Ms. Sharada Kandel
2	Poverty Alleviation Fund	Ms. Anita Koirala, Ms. Sumita Malla, Ms. Nirmala Pant, Mr. Jaya Raj Pant, Mr. Ramesh Lama, Mr. Arun Pandey, Ms. Meena Nakarmi, Mr. Jhanak Narayan Shrestha, Ms. Dipa Regmi, Mr. Nabin Pokhrel, Mr. Om Prasad Poudel, Mr. Bikam Karki, Mr. Manoj Chipalu, Mr. Murari Lal Chaudhari, Mr. Shiv Bhakta Sharma, Mr. Jaya Raj Pant
3	National Cooperative Development Board	Mr. Anil Raj Poudel, Mr. Shiva Prasad Ghimire, Mr. Bishwo Mohan Acharya
4	District Development Office, Kathmandu	Mr. Indra Basyal, Mr. Dipak Kumar K.C.
5	AEPC/BCU	Mr. Sushil Acharya, Mr. Dharma Bhakta Dulal
6	Nepal Rastra Bank	Mr. Krishna Bahadur Thapa, Mr. Khyam Narayan Dhakal, Mr. Binod Raj Acharya
7	NMBA	Mr. Manohar Pathak

Academic Institutions

SN.	Name of Organization	Name of Participants
1	Saraswati Multiple Campus	Mr. Bal Krishna Subedi
2	Tri- Chandra Multiple Campus	Mr. Asha Kaji Maharjan
3	Institute of Engineering	Prof. Mahesh Shrestha

SN.	Name of Organization	Name of Participants
4	Conflict, Peace & Development Studies	Mr. Deepak Sharma, Mr. Surendra Tiwari, Mr. Loknath Ghimire, Mr. Adhik Badal, Mr. Ram Thapa, Mr. Krishna P. Adhikari, Ms. Anuj Tiwari, Mr. Daya Raj Subedi, Mr. Bishwa Nath Acharya, Mr. Kamal R. Lamsal, Ms. Shanta Thapa, Mr. Mani Ram Kandel, Mr. Khageshwar Adhikari, Mr. Yubraj Subedi
5	Purwanchal University, College of Development Studies,	Mr. Bisheswar Prasad Prasai
6	Kathmandu University of Management,	Mr. Jitendera Bahety
7	Padmakanya Campus	Ms. Laxmi Aryal
8	Ace Institute of Management,	Mr. Prabhat Kumar Singh
9	Anna University, Chennai, India	Mr. Tara Bhattarai
10	ST. Xavier's College Nepal,	Ms Nobuko Hirota

Foreign Delegates

SN.	Name of Organization	Name of Participants
1	FMO N.V., The Hauge, The Netherlands	Mr. Arno de Vette Ms Rene ' de Pont
2	Pakistan Christian Peace Foundation, Wah Cantt, Pakistan	Dr. Karamat Masih Bhatti
3	Community Enterprise Forum International, New Delhi, India	Ms. Leena Chakrabarti
4	N/A Previously St. George Bank Australia, Sydney, Australia	Ms. Vanessa Suen
5	Ekgaon Technologies New Delhi, India	Mr. Rohit Magotra
6	Coromandel Infotech India Ltd, India	Mr. Rajiv Manchanda
7	Mohan Cooperative ink, Estete Mathura Road, New Delhi, India	Mr. Khim Khadka
8	Coromandel Infotech India Ltd., India	Mr. Chalapathy Rao S.V.
9	MASS INDIA, Warangal, India	Dr. Raja K. Kalakotla
10	Canadian Cooperative Association, Canada	Ms. Sarah Shima
11	Ekgaon Technologies, New Delhi, India	Sasi Kumar K

Information Technology (IT)

SN.	Name of Organization	Name of Participants
1	Micro Banker Nepal Pvt.Ltd., Kathmandu	Mr. Santosh Rajbhandari Ms. Anjira Malakar
2	Synergy Solution, Kathmandu	Mr.Rajesh Panthi

Individual Registration

SN.	Name of Organization	Name of Participants
1	New Baneshwor, Kathmandu	Mr. Amit Gautam
2	National Sports Council, Kathmandu	Mr. Ramesh Khanal
3	KHOGSSK, Nepal	Mr.Bala Ram Gurung
4	TRIPL, Kathmandu	Mrs. Yamuna Gautam (Ghimire)
5	Banepa, Kavrepalanchowk	Ms. Prabha Bade Shrestha
6	Jeevan Career Institute, Kathmandu	Mr. Rajan Lohani
7	Puranao Baneshwor, Kathmandu	Mr. Salik Ram Sharma
8	Center For Environment and Sustainable Tourism, Kathmandu	Mr. Chet Nath Kanel
9	Kathmandu	Mr Krishna Hari Maharjan
10	Teka Samuha Nepal, Kathmandu	Mr. Anil Adhikari
11	Kathmandu, Nepal	Mr. Badri P. Khatiwada
12	Kathmandu, Nepal	Mr. Bal Bahadur K.C
13	Kapilbastu, Nepal	Mr. Yubaraj K.C.
14	Full Bright Commission	Mr Raj Shrestha

Media

SN.	Name of Organization	Name of Participants
1	Independent Business News	Mr. Hirdaya Raj Gautam,
2	Society for Economic Journalist	Mr. Bijay Ghimire,
3		Mr. Mukunda Subedi
4		Mr. Shree Ram K.C.
5	Himalaya Times	Mr. Bigyan Adhikari
6	Gorkhapatra	Mr. Dambar Jung Dangi
7	Rajdhani	Mr. Gajendra Budhathoki
8	Himal Khabar Patrika	Mr. Kiran Nepal
9	Sahakarita	Mr. Devendra Adhikari

SN.	Name of Organization	Name of Participants
10	Nepal FM	Mr. Narayan Sapkota
11	Independent Business News	Mr. Gokarna Awasthi
12	The Banker	Mr. Madhukar Adhikari
13	Janauthan Monthly	Mr. Raju Rasaili
14	Development Review	Mr. Ram Kumar Khatri

Exhibition

Details of Exhibition

SN.	Name of Exhibiting Organization	Name of Exhibiting Organization
1	Plan Nepal	Nepal Mahuri Palan Sang
2	Bhaghawan Yuba Club	Save the Children US
3	Nirdhan Utthan Bank	Saugaat Griha
4	Nirdhan NGO	Hatemalo Mahila Saving and Credit Cooperative Ltd.
5	Magnus Software	Chhimek Bikas Bank Ltd.
6	Women Cooperative Society Ltd	Microbanker Nepal
7	Center for Self-help Development	Info Developers
8	Neighborhood Society Service Center	Systech Nepal Pvt. Ltd.
9	Synergy Solution	Center for Microfinance
10	MANUSHI	Madhya Paschimanchal Grameen Bank
11	Vyccu Savings and Credit Cooperative Society Ltd.	Jeevan Bikas Samaj
12	Deprosc -Nepal	Coromandel, India
13	FORWARD	Nepal Sana Kisan Kendriya Sangh
14	Nepal Women Community Service Center	Carnes Software International Ltd., India
15	Clean Energy Development Bank	

Microfinance Summit Nepal 2008
 Handing the Power of the Poor to Sustainable Income
लघुवित्त सम्मेलन सुरु
 लघुवित्त विकासका लागि छुट्टै नीति आवश्यक

कार्यक्रमीको रूपमा
 ललित बजा
 बरफ सुन टोका
 एक सल्लाहकार समिति
 संयोजक
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गोस्वामिपत्र
अर्थ/व्यवसाय
 Thursday February 14, 2008
 पचास हजार व्यक्तिलाई लघु उद्यमी तालिम सफलताका लागि राजनीतिक प्रतिबद्धता जरुरी

गोस्वामिपत्रका कार्यकारी निर्देशक ललित बजाले बुधबार काठमाडौंमा भएको 'लघुवित्त सम्मेलन २००८'को उद्घाटन गर्दै भनाई गरेका थिए। उनले लघुवित्त विकासका लागि छुट्टै नीति आवश्यक रहेको बताए।

लघुवित्त विकासका लागि छुट्टै नीति आवश्यक रहेको बताए। लघुवित्त विकासका लागि छुट्टै नीति आवश्यक रहेको बताए। लघुवित्त विकासका लागि छुट्टै नीति आवश्यक रहेको बताए।

३० लाखलाई सेवा पुर्याइने
 लघुवित्त विकासका लागि छुट्टै नीति आवश्यक

लघुवित्त विकासका लागि छुट्टै नीति आवश्यक रहेको बताए। लघुवित्त विकासका लागि छुट्टै नीति आवश्यक रहेको बताए। लघुवित्त विकासका लागि छुट्टै नीति आवश्यक रहेको बताए।

the Himalayan
 Microfinance summit on Feb 14-16
 Handing the Power of the Poor to Sustainable Income

गोस्वामिपत्र
गारिबी निवारणमा लघुवित्त सहयोगी
 कार्यक्रम महत्वपूर्ण

लघुवित्त विकासका लागि छुट्टै नीति आवश्यक रहेको बताए। लघुवित्त विकासका लागि छुट्टै नीति आवश्यक रहेको बताए। लघुवित्त विकासका लागि छुट्टै नीति आवश्यक रहेको बताए।

'लघुवित्तलाई कर सुविधा दिन सकिन्छ'

लघुवित्त विकासका लागि छुट्टै नीति आवश्यक रहेको बताए। लघुवित्त विकासका लागि छुट्टै नीति आवश्यक रहेको बताए। लघुवित्त विकासका लागि छुट्टै नीति आवश्यक रहेको बताए।

Reaching the Poorest of the Poor for Sustainable Income

Microfinance Summit Nepal 2008

दोस्रो वित्तका प्रमुख मूढा

सहकारी संस्थाहरू निम्न सफल ?

सहकारी संस्थाहरूको विकास

विपन्नतामा कसरी जाने

लघुवित्तमा प्रविधि प्रयोग

नमूना योजना ल्याउन सुझाव



The Economic Times, Thursday, December 11, 2008

Micro-finance summit

A fad or something serious?

Micro-finance is on the verge of becoming a fad, says a leading expert. The expert, however, is not sure if it is a fad or something serious. The expert, however, is not sure if it is a fad or something serious. The expert, however, is not sure if it is a fad or something serious.

It is through group initiatives that the poorest transform themselves into stakeholders

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The Himalayan

Micro-finance world meet to start from Feb 14

Micro-finance world meet to start from Feb 14. The summit will focus on the challenges and opportunities of micro-finance in the region. It will bring together experts and practitioners from various countries to discuss the latest trends and best practices in the field.



आत्मनिर्भर बनाउँदैछ लघुवित्तले

लघुवित्तले आत्मनिर्भर बनाउँदैछ. लघुवित्तले आत्मनिर्भर बनाउँदैछ. लघुवित्तले आत्मनिर्भर बनाउँदैछ. लघुवित्तले आत्मनिर्भर बनाउँदैछ. लघुवित्तले आत्मनिर्भर बनाउँदैछ.

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लघुवित्त सफल परियोजना : गमर्ते

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लघुवित्त सेवाका विकास गर्न सम्मेलन

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A women's group collecting money for a weekly micro-finance program in the Helwara village of Shaikhpour, Bihar.

NOVEL SCHEME

Micro-finance new mantra to fight poverty

Himalayan News Service
Kathmandu, February 17

Poverty reduction has been on development agendas since Nepal began periodic development plans some five decades ago. Despite ongoing development efforts, poverty remains rampant in Nepal with approximately 31 per cent of the population living below the poverty line. The incidence of poverty is highest in hilly west parts of the country. The big projects, mostly designed in recent times to fight poverty effectively, it has given development. The concept of micro-finance or micro-credit is one that is aimed at the poorest of the poor through a small loan, often without collateral. The government practically started micro-finance schemes in 1975 through Agricultural Development Bank. The concept gained momentum in 1990 when the private sector entered the market. Today, the players in the field include private micro-finance institutions, NGOs, co-operatives, INGOs and NGOs, in addition to hundreds of informal community groups. Conceived on Bangladesh's Grameen bank model and adapted to the local conditions, micro-finance services in Nepal have reportedly reached over 1.2 million households. This figure represents eight per cent of the population and covers 26 per cent of those living below the poverty line. Dr Harish Dev Pant, chairman of Nidhan Urban Bank, said micro-finance has been one of the few effective tools for poverty reduction for some time. However, micro-finance has not cultivated a strong culture and people are reluctant to invest in micro-finance as well as access loans for productive purposes leading to higher income. Micro-finance has also led to good processes, participation in political inclusion and conflict transformation, and activities have been limited mostly within some semi-urban areas and Thari districts, he said. The challenge ahead of MFIs is to expand micro-finance services to rural populations, particularly in hilly and mountain areas, he said, adding that the micro-finance should accompany programmes for the best utilisation of the credit. Even the Finance Minister, Dr Ram

Saran Mahat, termed the micro-finance as a permanent tool to fight poverty in Nepal and local developed countries. In a recently concluded seminar on micro-finance in making the rural population self-reliant and turning them into entrepreneurs. He claimed that the government would assist in expanding micro-finance services to every nook and corner of the country, particularly where incidence of poverty is very high. Dr Mahat, who is engaged to avoid duplication of micro-finance activities, said the government should be able to compete among the MFIs.

Man Bahadur Thapa, former governor of Nepal Finance Bank and (Chairman) of Centre for Micro-finance, also stressed on the need for universal population. He suggested that the government should declare goal of reaching out to 2.41 million poor people through micro-finance services, women empowerment and business development by 2015.

On the other hand, the recently concluded MFIs Summit declared reaching out to the poorest of the poor families with micro-finance services for their sustainable income by 2010 and a total of 10 million people by 2015. The target will remain unmet unless the MFIs accelerate their services and diversify products, services and approaches to reach inclusion and marginalized Janajatis, social and geographically excluded all over the country. The government must be five to ensure the MFIs reach the targeted population with their activities in the hills and mountains.

Thapa, however, stressed the need of mapping of MFIs and their service areas. Although Thari and some semi-urban areas are better served than hills, when it comes to socially outcast and deprived factory. Absence of information about inclusion and the depth of coverage is not satisfactory. He said that the government should be able to reach the target population, and that the people below the poverty line, especially the socially excluded groups and geographically disadvantaged groups, are not reaching the MFIs. The MFIs reportedly lend to their clients, which needs to be changed if they want to reach the poorest of the poor. The scheme should be extended to the poorest, wider areas of the population and to remote areas.

Man Bahadur Thapa, a member of the National Cooperative Development Board, is contemplating to shift the job-based approach of MFIs to institutional development and capacity building of the poor.

दुई वर्षभित्र २० लाख परिवारलाई लघुवित्त सेवा उपलब्ध गराइने

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Business

MFIs assured of support

Micro-finance institutions (MFIs) are assured of support from the government and the private sector. The government has announced a plan to provide micro-finance services to 20 million families in two years. The private sector is also expected to play a significant role in the expansion of micro-finance services. The government has also announced a plan to provide micro-finance services to 20 million families in two years. The private sector is also expected to play a significant role in the expansion of micro-finance services.

काठमाडौं, २० पुष २०७८

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लघुवित्तले उद्यमी बनायो

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PHOTO GALLERY











Members of NSC

SN.	Organization	Designation	Representative
1	Center for Microfinance	Chair	Dr. Harihar Dev Pant, Vice-Chairperson
2	Save the Children US	Co-Chair	Ms. Tory Clawson, Country Director
3	Asian Development Bank	Member	Mr. Shyamal Krishna Shrestha, Economics officer
4	CECI	Member	Mr. Keshav Koirala, Country Director
5	CSD	Member	Mr. Mukunda Bahadur Bista, Executive Director
6	Department of Cooperatives	Member	Mr Tanka Mani Sharma, Registrar
7	DEPROSC – Nepal	Member	Mr. Pitambar Prasad Acharya, Executive Director
8	FORWARD	Member	Ms. Bhagabati Chaudhary, Executive Director
9	GTZ	Member	Mr. Armin Hofmann, Team Leader
10	JUP – Nepal	Member	Mr. Amrit Bishwakarma, Chairperson
11	Mercy Corps	Member	Mr. Sanjaya Karki, Program Officer
12	NPC	Member	Dr. Ram Chandra Bhattarai, Sr. Advisor
13	NCDB	Member	Mr. Man Bahadur BK, Member
14	NEFSCUN	Member	Mr. Min Raj Kadel, Chairperson
15	NMBA	Member	Mr. Bishnu Pathak, Chairperson
16	Nepal Rastra Bank	Member	Mr. Sushil Ram Mathema, Executive Director
17	Plan Nepal	Member	Mr. Hem Poudyal, Coordinator
18	Planet Finance	Member	Ms. Delphine Thizy, Head of Mission
19	Poverty Alleviation Fund	Member	Mr. Raj Babu Shrestha, Executive Director
20	RMDC	Member	Mr. Ram Dayal Rajbansi, Senior Manager
21	SKBBL	Member	Mr. Upendra Bahadur Karki, General Manager
22	UNDP	Member	Mr. Narahari Dhakal, Coordinator
23	Women Cooperative Society	Member	Ms. Sarashwati Shrestha, Executive Chairperson
24	World Bank	Member	Ms. Aurora Ferrari, Private Sector Development Specialist
25	Center for Microfinance	Member Secretary	Mr. Tejhari Ghimire, Chief Executive Officer



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