How can eSignature help microfinance practitioners offer better services and face the COVID-19 crisis?

24/06/2020
Agenda

1. short presentation of Adie
1. benefits and inconveniences of eSignature
1. how does it works, what makes it legal
1. how to mitigate the risks when you do not meet the client
1. how to choose an eSignature provider
1. which steps to implement eSignature
1. REX after 2 months using eSignature
ADIE IN FRANCE

OUR MISSIONS

FINANCE
Micro entrepreneurs up to 10 000€ who do not have access to loans from the mainstream banking system

SUPPORT
Micro entrepreneurs before, during, and after creating their business through the use of business development services, to ensure the sustainability of their activity

ADVOCATE
For the improvement of the legal environment of microcredit and business creation

Sabrina is a success! She started her own luxury transportation company, Nayla Transport, and currently employs 7 drivers.
WHO WE ARE

Inspired by Muhammad Yunus’ microcredit model, Maria Nowak adapted this concept in France, and created Adie in 1989. Adie is a regulated non-profit microfinance institution that firmly believes in a person’s right to initiate an economic activity. For this reason, Adie finances, supports, and also offers its clients the possibility of obtaining micro-insurance as well as personal loans to access employment.

ADIE’S CLIENTS

46% are women
38% are social welfare recipients
24% do not have a diploma
55% line under the poverty line

IMPACT

19,375 micro enterprises financed in 2019
15,346 jobs created thanks to business microcredits in 2019

ACTIVITY

60,660 active clients
168,5M€ portfolio
3,303 micro-insurances

ORGANIZATION

158 branches in France & French overseas territories
584 employees
1,281 volunteers

Where to reach us

139 boulevard de Sébastopol
75002 Paris, France
Benefits and inconveniences of eSignature

What is a e-signature

The electronic signature is to a digital document, what the handwritten signature is to a paper document. Just like a paper signature, an electronic signature has the sole purpose of demonstrating to a third party that the document has been approved by an identified person. This is a reliable engagement mechanism using cryptographic techniques.

Digitalisation
Remote instruction
Accelerate services
Less paper, less stamps

Time saver
Anticipate every scenario

Less human relationships
Phone and an e-mail address required

Prove its legality to yours partners
What makes it legal?

**eIDAS Regulation**


**Article 25** An electronic signature shall not be denied legal effect and admissibility as evidence in legal proceedings solely on the grounds that it is in an electronic form or that it does not meet the requirements for qualified electronic signatures

https://joinup.ec.europa.eu/dss-webapp/validation

In case of use of simple e-signature, you should check the national law as well
How does eSignature works at Adie

New contact

Loan Appraisal meeting

Decision

Grant

Loan details in Adie IS

Contracts edition (Pdf)

Signed document stored in EDM system

Signed Document + certificate stored

Signed document and proofs are stored during 15 years

Timestamping forbids any ulterior modification of the document

One Time Password is received on personal phone, which granted authentication

Signatory checks appropriate legal notices

Get back personal details

Select appropriate scenario

Internal IS

Meeting (face to face or videoconference)

e-Signature provider portal

Icon made by FreePick from www.flaticon.com
How does eSignature works at Adie

New contact

Loan Appraisal meeting

Collection and control of ID

Decision

Loan details in Adie IS

Contracts edition (Pdf)

Signed document stored in EDM system

Signed Document + certificate stored

e-Signature

Initiate e-Signature collection

Personal details (first name, last name, phone number, e-mail address) saved

Get back personal details

One Time Password is received on personal phone, which granted authentication
Signatory checks appropriate legal notices

Get back personal details
Select appropriate scenario

Signed document and proofs are stored during 15 years

Timestamping forbids any ulterior modification of the document

it is capable of identifying the signatory;
How does eSignature works at Adie

1. **New contact**

   - Personal details (first name, last name, phone number, e-mail address) saved

2. **Loan appraisal meeting**

3. **Decision**

4. **Loan details in Adie IS**

5. **Contracts edition (Pdf)**

6. **Get back personal details**

   - One Time Password is received on personal phone, which granted authentication
   - Signatory checks appropriate legal notices

7. **Initiate e-Signature collection**

   - it is uniquely linked to the signatory;
   - it is capable of identifying the signatory;

8. **Signed document stored in EDM system**

   - Timestamping forbids any ulterior modification of the document
   - Signed document and proofs are stored during 15 years

9. **Signed Document + certificate stored**

10. **e-Signature**

   - Get back personal details

   - Select appropriate scenario
How does eSignature works at Adie

New contact

Loan
Appraisal
meeting

Initiate e-
Signature
collection

Personal details (first name, last name, phone number, e-mail address) saved

Collection and control of ID

Get back personal details

(b) it is capable of identifying the signatory;

Signed document stored in EDM system

Loan details in Adie IS

Contracts edition (Pdf)

Signed Document + certificate stored

Signed document and proofs are stored during 15 years

Timestamping forbids any ulterior modification of the document

Decided

Granted

One Time Password is received on personal phone, which granted authentication

Signatory checks appropriate legal notices

Initiate e-Signature collection

(a) it is uniquely linked to the signatory;

(c) it is created using electronic signature creation data that the signatory can, with a high level of confidence, use under his sole control
How does eSignature works at Adie

New contact

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Initiate e-Signature collection

Signed document stored in EDM system

Signed Document + certificate stored

e-Signature

Get back personal details

Timestamping forbids any ulterior modification of the document
Signed document and proofs are stored during 15 years

One Time Password is received on personal phone, which granted authentication
Signatory checks appropriate legal notices

(a) it is uniquely linked to the signatory;
(b) it is capable of identifying the signatory;
(c) it is created using electronic signature creation data that the signatory can, with a high level of confidence, use under his sole control
(d) it is linked to the data signed therewith in such a way that any subsequent change in the data is detectable.
How to mitigate the risk when you don’t meet the client?

- Maintain a meeting with the person, if face to face is impossible, at least with videoconferencing to check the ID (the action can be subcontracted)

- Maintain a signature meeting to raise awareness about commitment required when contracting a micro-loan.

- Reinforce the ID documents checks

- Be sure all the personal details are stored safely in your data base
How to choose a eSignature provider?

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Which steps to implement e-Signature?

M0: Use the provider IT Portal Pilot on small part of your organisation

M1: Use the provider IT portal Extent to your whole organisation

M2: Connect the provider app to your IT for one business case

M3: Connect the provider app to your IT for every business case
REX after 2 months using eSignature

Satisfaction among loan officers: **95.9%**

The whole process is really simple

Our final customers learn quickly how to perform the signature.
It is so quick that it improves deeply our service.

after covid-19, when back to normal, I intend to continue on using eSignature, even when the customer comes to our office, because it is really timesaving.
Thank you for your attention