

# Annual Report 2019



*emn*



EUROPEAN  
MICROFINANCE  
NETWORK

[www.european-microfinance.org](http://www.european-microfinance.org)





# Our vision

## & mission

*We envision a society in which those excluded by the conventional banking system have access to a full range of financial and support services, empowering them to finance personal needs, consolidate existing businesses, and start new ventures to improve their lives.*

*Our mission is to advocate for transparency and good governance in the European microfinance sector, while developing capacity building, promoting best practices and fostering research within and beyond the membership.*



emmn

# A word from the President

*Dear EMN members and stakeholders of  
the European Microfinance sector,*

At the time of drafting this Annual Report, we find ourselves in uncharted territory due to the COVID-19 crisis. We don't know if life as we knew it back in 2019 will ever be the same, which makes the presentation of this report somewhat surreal. We are aware that many of our entrepreneurs, and with them the entire microfinance sector, suffer tremendous losses as a result of this crisis. At the same time, MFIs and social lenders show their great worth to micro-entrepreneurs and all other individuals that do not have access to financial services. In that sense, our sector is a beacon of hope in these dark days and will certainly emerge stronger once this crisis is over!

Looking back on 2019, we can confidently say that it has been another great year for EMN and the European microfinance sector. On the advocacy front, the exchange of know-how that is at the heart of our mission has been more dynamic than ever, strengthening local attempts at structuring legislative frameworks such as in Bosnia, in Serbia, etc. At European level, EMN has spearheaded the sector's endeavours towards greater recognition of its impact on the lives of those excluded by the traditional banking system. This led, for instance, to a microfinance lunch in the European Parliament, extensive input into the future EU budget framework, improvements to the Code of Good Conduct, and the further improvement of the EaSI programme.

These are but a few examples of EMN's achievements in 2019 and are testimony to the diversity, dynamism, and abundance of fresh ideas traversing the membership, ideas that we humbly aim to structure and disseminate.

In 2019, the EMN Board met 5 times and discussed execution and progress of our workplan, financial developments, new projects such as ImpaktEU and advocacy efforts. The Board also spent much time and effort on the integration activities with the Microfinance Center (MFC). After the approval from the 2019 General Assembly in Vienna, cooperation efforts were increased and several joint Working Groups were created. At Board level, a Steering Committee was set up and several joint Board meetings took place over the year. These Board meetings will continue in 2020 for the purpose of integrating MFC and EMN into one single organisation by 1 January 2021. Undoubtedly something to look forward to!

For now, we wish all of you much success in your endeavors during the COVID-19 crisis and beyond. One thing for sure, microfinance is now more relevant and needed than ever. Matching this trend, the current developments with MFC will lead to an even larger and deeper impact of the microfinance and social finance sectors in Europe. Not as a goal in itself of course, but for the benefit of the hundreds of thousands of entrepreneurs and vulnerable people that we are servicing together.



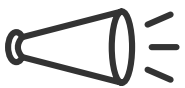
**Elwin Groenevelt**  
PRESIDENT OF EMN



# 2019

## in numbers

*In 2019, EMN acted once more as an interface and a catalyst for the European microfinance sector. By connecting its members not only with every relevant training and funding opportunity but also between themselves, EMN helped the sector raise the quality of standards for the provision of microcredit even further. As the voice of the sector, EMN has ensured the constant flow of information between all stakeholders, so that everyone can have as accurate a picture as possible for the ultimate benefit of the financially excluded.*



**30**  
calls  
promoted



**20**  
trainings  
advertised



**17**  
events  
organised

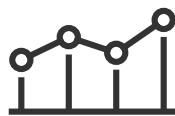
In 2019, EMN continued to play its lead role in the dissemination of information within the European microfinance sector and beyond. The constant promotion of all relevant funding and training opportunities, and the awareness-raising efforts through the scores of events organised and attended by the staff are but two striking examples of this.



**63**  
publications  
promoted



**22**  
Country Reports  
updated



**156**  
Benchmark Reports  
compiled

On the research front, EMN undertook a massive overhaul of its Country Reports, a pan-European legislative mapping exercise and one of its most useful publications for the sector. In the wake of the 2018 edition of its Microfinance Overview Survey, EMN also sent tailor-made benchmark reports to each of its member organisations. Together with ADA, EMN also released "*Enhancing the Financial Health of Micro-entrepreneurs*", a milestone publication on this key topic.



**18**  
Capacity Building  
activities organised



**4**  
Good Practices  
promoted



**6**  
Partnerships  
facilitated

Capacity building was once more at the core of EMN's mission in 2019, especially through Peer-to-Peer Visits, Tailored Trainings, and Technical Assistance on the European Code of Good Conduct. EMN also identified and promoted 4 Good Practices in the course of the year, and facilitated the matching between investors and its members, resulting in the signing of 6 new partnerships.

# Policy

## & advocacy



35

high-level  
meetings



6

Policy  
Notes



1

Microfinance  
lunch

In 2019, EMN reconsidered and renewed its methodology for advocacy, aiming for a more structured and technical approach. This new approach generated a noticeable increase in **advocacy initiatives and dialogue**, both for EMN and its members. A newly dedicated Advocacy Committee was set up involving members and enabling their mutual support and learning. EMN has therefore been able to focus on more regular and effective feedback to the EU Institutions on topics such as the European Code of Good Conduct (ECoGC), and policy & instrument design. EMN also provided more support to the European Commission on policy development for the sector, organised a **microfinance lunch in the European Parliament**, and met with the Permanent Representation of Finland who held the Council Presidency.

EMN staff attended more than 35 meetings and events with EU representatives and stakeholders during the year, discussing a wide range of issues such as the ECoGC, EU tools and future instruments for microfinance, and more. EMN highly prioritised its role as **advocate for the sector**, identifying concerns amongst its membership and relaying those in a constructive way to the relevant policymakers, chief among them the European Commission, and its DG EMPL in particular. Additionally, EMN met with the EIB and the EIF as their implementation of the EU budget also benefits from such feedback and discussions.

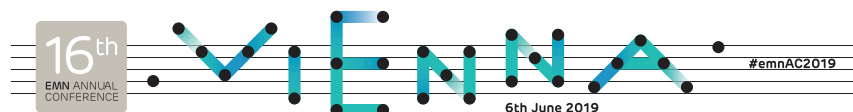
Aside from in-person representation, EMN also formally developed **Policy Notes** that set out the policy proposals from the sector in a convenient format to inform the policymaking process.



# Our flagship

## events

### Annual Conference 2019



EMN held its 16<sup>th</sup> Annual Conference in Vienna on 6<sup>th</sup> June 2019, with the tagline "*Connecting for the Future*". 218 participants from 23 different countries attended the event: a right balance between inspirational, motivational, and visionary messages from international keynote speakers, with break-out sessions on soft skills for personal & professional development, cooperation meetings, speed networking, and much more!



23

countries



218

participants



4.7

rated 4.7 out of 5

### European Microfinance Day



More than 20 EMN & MFC members from 15 European countries joined the 5<sup>th</sup> European Microfinance Day, organising about 30 different local activities including events, seminars, open houses, social media campaigns, and special offers such as loan discounts and invitations to local branches. The campaign also featured a Brussels event complete with a mobile exhibition on microfinance and a ceremony for the latest awardees of the European Code of Good Conduct.



15

countries



30

local actions



1

Brussels event

# Annual accounts

Revenues	Core	Annual Conference	Programmes	Total
Beneficiary's contributions in cash	€ 91,204.89	-	-	€ 91,204.89
Revenue generated by operation	€ 11,900.00	€ 50,032.53	€ 372,730.07	€ 434,662.60
Public funds	€ 338,550.55	€ 103,499.60	€ 21,392.31	€ 463,442.46
<b>Total revenues</b>	<b>€ 441,655.44</b>	<b>€ 153,532.13</b>	<b>€ 394,122.38</b>	<b>€ 989,309.95</b>
Expenditures	Core	Annual Conference	Programmes	Total
Staff	€ 323,614.58	€ 67,297.40	€ 93,529.60	€ 484,441.58
Travel & accommodation	€ 68,637.80	€ 8,533.80	€ 66,095.74	€ 143,267.34
Services	€ 139,068.18	€ 35,270.48	€ 150,872.43	€ 325,211.09
Administration	€ 42,787.77	€ 13,675.74	€ 12,489.60	€ 68,953.11
Provisions	-	-	-	-
<b>Total expenditures</b>	<b>€ 574,108.33</b>	<b>€ 124,777.42</b>	<b>€ 322,987.37</b>	<b>€ 1,021,873.12</b>
<b>Balance</b>	<b>-€ 132,452.89</b>	<b>€ 28,754.71</b>	<b>€ 71,135.01</b>	<b>-€ 32,563.17</b>

Assets	2019	2018	2017	2016
Fixed assets	€ 14,536.57	€ 19,676.18	€ 12,016.08	€ 19,879.18
<b>Total I</b>	<b>€ 14,536.57</b>	<b>€ 19,676.18</b>	<b>€ 12,016.08</b>	<b>€ 19,879.18</b>
<b>Current assets</b>				
Accounts receivable	€ 186,986.73	€ 71,661.68	€ 264,911.69	€ 123,680.21
Bank	€ 397,882.42	€ 464,875.69	€ 252,883.73	€ 255,176.07
Prepaid expenses	€ 438.40	€ 462.32	€ 1,067.53	€ 3,633.63
<b>Total II</b>	<b>€ 585,307.55</b>	<b>€ 536,999.69</b>	<b>€ 518,862.95</b>	<b>€ 382,489.91</b>
<b>Total I+II</b>	<b>€ 599,844.12</b>	<b>€ 556,675.87</b>	<b>€ 530,879.03</b>	<b>€ 402,369.09</b>

Equity & liabilities	2019	2018	2017	2016
<b>Own and general funds</b>				
Own funds	€ 461,983.14	€ 416,888.98	€ 312,215.12	€ 234,603.27
Surplus of the year	-€ 32,563.17	€ 45,094.16	€ 104,673.86	€ 77,611.85
<b>Total I</b>	<b>€ 429,419.97</b>	<b>€ 461,983.14</b>	<b>€ 416,888.98</b>	<b>€ 312,215.12</b>
Provision for risk	-	-	-	-
<b>Total II</b>	<b>€ 0.00</b>	<b>€ 0.00</b>	<b>€ 0.00</b>	<b>€ 0.00</b>
<b>Current liabilities</b>				
Accounts payable	€ 107,068.66	€ 47,647.05	€ 62,596.75	€ 41,609.93
Fiscal and social debts	€ 63,355.49	€ 47,045.68	€ 51,141.87	€ 48,544.04
Other debts	-	-	€ 251.43	-
Revenue received in advance	-	-	-	-
<b>Total III</b>	<b>€ 170,424.15</b>	<b>€ 94,692.73</b>	<b>€ 113,990.05</b>	<b>€ 90,153.97</b>
<b>Total I+II+III</b>	<b>€ 599,844.12</b>	<b>€ 556,675.87</b>	<b>€ 530,879.03</b>	<b>€ 402,369.09</b>



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*The information contained in this publication does not necessarily reflect the official position of the European Union.*