

Azərbaycan Mikromaliyyə Assosiasiyası



Azerbaijan Micro-finance Association

# THE ROLE OF AZERBAIJAN MICRO-FINANCE ASSOCIATION FOR ITS MEMBERSHIP

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Azerbaijan Micro-finance Association (AMFA)

# THE CONTEXT OF AZERBAIJAN IN 2001

- 1mln refugees/IDPs/low income families
- 40% poverty rate (1998 World Bank report)
- Absence of legal framework
- Poor “credit culture”
- Client over-indebtedness raise
- Poor personnel technical capacity
- Absence of consolidated market information
- Low visibility at national and international level





# AMFA'S MISSION & VISION

## AMFA Mission:

**To strengthen** the capacity of micro-finance institutions and **to promote** effective collective action in advancing the interests of the micro-finance community.



## AMFA Vision:

To promote and lead the **best practices & sustainability** of our members, and **to support our broad membership** within the **dynamic** microfinance industry.

# WHAT FOR AMFA STANDS FOR?



## ○ Quality & Competitive Services

- Matrix (Monthly Performance Statistics Report)
- Annual Benchmarking Study Report
- Customized Microfinance Impact Assessment
- Annual Compensation Survey

## ○ Industry Strong Representation

- MFC Chair of Directors(Poland);
- SEEP Board Member (USA)
- MIX Market
- SMART Campaign

## ○ Member Driven & Focused Agenda

- Annual Survey on membership needs
- Annual survey on Satisfaction
- Events Working Group(conference, annual dinner, lobbying/advocacy)
- Projects and initiatives addressing membership challenges( agricultural credits insurance mechanism, Gender, Social Impact)

## ○ Outstanding trusteeship over members

- Financial intermediation with investors
- Promoting at international level (MIX Market, Bankers Almanac, Smart Campaign, MF Transparency in Pricing)

# MEMBERSHIP ENGAGEMENT

## Innovative Products & Services

- Annual Award Dinner
- CAP courses
- Advisory Services
- Matrix (Performance Statistics Report)

## Continuing Education

- Financial Risks Management training
- FRAME training
- Microfin 4.0 Training
- Corporate Governance Seminar
- Tools & Techniques for Effective Financial Risks Management
- Trainings on SPM & TOT on Social Audit

## Industry Expertise & Advocacy

- Benchmarking Study
- SPM pioneer in Azerbaijan
- Microfinance Impact Assessment & Social Indicators Study
- AMFA is Board member of MFC for CEE & NIS
- AMFA Conference
- Panelist at MFC Conference, the SEEP Network 10<sup>th</sup> Global MF summit in USA
- AMFA established its brand & credibility in the market place

## AMFA's Financial Sustainability

- Cash flow managed and tracked by Board to manage the business on quarterly basis
- All projects have a profit and loss analysis attached to ensure financial viability
- Membership provide sponsorship support in conducting major associations events( conferences, Investor's Fair, Annual Award Dinner)



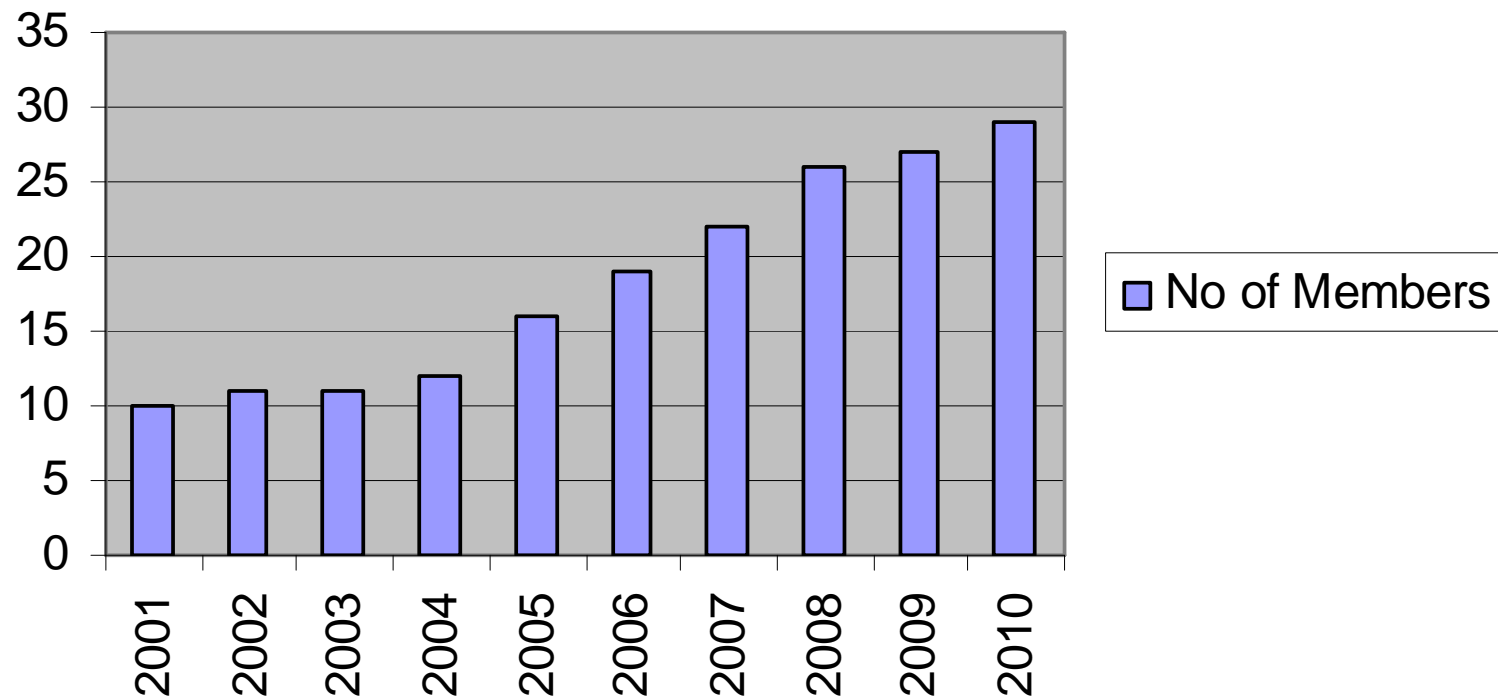
# PARTICIPATION IN FY 2010 INITIATIVES

- Social Reporting to MIX Market([www.mixmarket.org](http://www.mixmarket.org)) 18 members
- Financial Reporting to MIX Market([www.mixmarket.org](http://www.mixmarket.org)) 22 members
- Smart Campaign([www.smartcampaign.org](http://www.smartcampaign.org))
- Financial Transparency in Pricing (<http://www.mftransparency.org/data/countries/az/data/>) 10 members
- Gender Mainstreaming in Azerbaijan (piloting)
- Annual Performance Award 12 members

# MEMBERSHIP RECRUITMENT



**AMFA Membership Recruitment Evolution**



# WHY AMFA EXISTS?

## 1. To Advocate & Lobby for Change

- Matrix (monthly performance statistics report)
- Microfinance impact assessment study
- Benchmarking Study
- Policy Makers Forum
- Working Group with government stakeholders

## 2. Strengthen Networking

- Bi-annual Conference,
- Annual Investors Fair
- Annual Award Dinner
- Roundtable seminars(Microleasing, islamic banking)

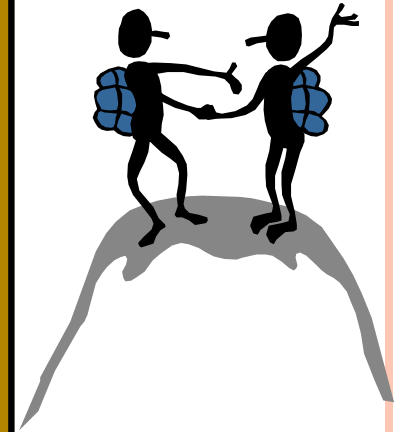
## 3. Promote Financial Transparency & Client Protection

- Established strategic partnership with high credibility org-s
  - MIX MARKET (USA)
  - MICROFINANZA RATING AGENCY( ITALY)
- Institutional profiles update at the MIX Market(Audited Financial Statements)
- Translation of Smart campaign questionnaire/supporting fill up
- Translation of 6 Client Protection Principles and explaining them
- Translation of MF transparency in pricing forms/supporting fill up
- Issue Award Certificates with MIX (4 & 5 diamonds)



# CORE PRINCIPLES OF ASSOCIATION'S SUCCESS

1. Strategic Planning
2. Membership Development
3. Member Driven Advocacy
4. Financial Transparency
5. Valuing Ownership by Members
6. Focusing on marketing strategies
7. Creating wealth



# PARTNERS IN BUILDING SOCIAL CAPITAL .....



# THANK YOU FOR ATTENTION!

For more information about AMFA visit us at  
[www.amfa.az](http://www.amfa.az)

For meeting Our members welcome to register for  
AMFA 5<sup>th</sup> Bi-annual Microfinance Conference at  
[www.amfaconference.com](http://www.amfaconference.com)