

Project number	39907138
Title	Utvärdering mikrokrediter
Countries	Kyrgyzstan, Togo, Benin, Rwanda
Summary	<p>The micro finance activities supported by PMU are quite diversified in several aspects. The work is carried out in a number of countries with considerable variation in the general context ranging from Kyrgyzstan in Central Asia to different countries in Africa. There are however, only two main approaches:</p> <ul style="list-style-type: none"> • The first and most comprehensive is the cooperation between PMU and sister churches in Benin, Togo and Rwanda. • The second line is the cooperation with Business Professional Network (BPN), a Swiss organization specializing in integrated business development. <p>The church in Benin has used micro credit as a component in two projects. In Togo the church runs three different programs while the church in Rwanda uses micro credit in one project.</p>
Recommendations	<ul style="list-style-type: none"> • It has become apparent during this evaluation that the support from PMU hardly can be based on a well drafted institutional policy. One has found that the variation in approach and in quality among the projects is considerable. The main recommendation is therefore that PMU should finish (and updates) its ongoing policy study on micro finance as soon as possible and prepare general guidelines as a tool for project reviews and appraisals before new projects are approved. • It is further recommended that PMU encourages and possibly finance cross country exchange and learning among the different partners who are involved in micro finance. When dealing with advanced project in the portfolio and it is recommended that PMU enter into a dialogue with the partner concerning the future challenge of adapting and possible transforming the present project into a sustainable micro finance institution. • When the work has no central level of coordination or integration among the different micro credit components, it is necessary to considered how to make investment in competence and in capacity to make the micro credit components sustainable. • It is therefore recommended that PMU discuss the possibility of either invest in competence development or to terminate the micro credit activities and continue the different projects without these components. When projects show characteristics of focusing business development within the market sector, and not a broad development of the civil society, one needs to consider different strategies; i.e. if projects are narrowly targeting medium sized manufacturing companies and avoid working with broad sectors such as agriculture and trade where most poor people are working. • It ought to be considered if strategies that include mandatory training of all clients are relevant and if work models can have reasonable possibilities of becoming self-sustainable. • List of considerations: <ul style="list-style-type: none"> - Poverty eliminating targeting Church integration of strategies - Integration of CS and democratic principles

- Sustainable interest levels Plan for sustainability
- Selection of instruments for fighting poverty
- Relations to monetary institutions
- Volumes of recourses and capital