

Meeting

Investors Action Group & LabODD

Agree on a core outcomes questionnaire and a common set of outcomes indicators to collect reliable and useful outcomes data from customers to take informed decisions for building a strong social and environmental strategy.



Our objectives today

- Agree on a **core outcomes questionnaire**, to collect reliable and useful outcomes data from customers to take informed decisions for building a strong social and environmental strategy.
- Discuss a proposed **common set of outcomes indicators**: are they relevant and useful for both financial service providers (to understand and better serve their clients) and for related stakeholders (e.g., investors, networks, regulators) to understand the impact of financial services on clients?





Working documents to be discussed

- Mapping of diverse outcomes questionnaires
- Proposed core standard questionnaire to collect basic outcomes data
- Set of standards outcomes indicators to be included in SPI online assessment tools for Q1 2023 (outcome's module)



AGENDA

- 10:00 – 10:30: Introduction & tour de table
- 10:30 – 11:15: Investors' experience:
 - **ADA**, diverse set of questionnaires for different sectors
 - **Oikocredit**, standard outcomes questionnaire, methodology, lessons learned
- 11:15 – 11:45: Group work to review the questionnaire
- 11:45 – 12:15: Group work to review the core indicators proposed for SPI online
- 12:15 – 12:30: Wrap-up and next steps





3 years of discussion and sharing experiences among investors, DFIs and FSPs worldwide

- Discuss the way to **harmonize and push for outcomes management** with social investors and responsible financial service providers.
- Contribute toward a **minimum set of standard indicators** to collect outcomes data that would support financial institutions' strategic and operational decision-making and ease the reporting to the various investors.
- Prepare **standard indicators to be collected on SPI Online**, to produce “Sustainability/Outcomes” reports, aligned with the SDGs.
- Based on the [Brief](#) prepared by Cerise in collaboration with SPTF Outcomes Working Group and e-MFP Investors Action Group (2022)





OUTCOMES MANAGEMENT FOR FINANCIAL SERVICE PROVIDERS

A proposed standard framework aligned with the Sustainable Development Goals

Prepared by CERISE in collaboration with SPTF Outcomes Working Group and e-MFP Investors AG



EUROPEAN
MICROFINANCE
PLATFORM
NETWORKING WITH THE SOUTH



CERISE+SPTF

- 1 BACKGROUND**
- 2 RECENT TRENDS INFLUENCING OUTCOMES MANAGEMENT**
- 3 CHALLENGES AND FIRST STEPS FOR VALUABLE OUTCOMES DATA, ALIGNING EXPECTATIONS**
- 4 A PROPOSAL FOR OUTCOME INDICATORS BY SUSTAINABLE DEVELOPMENT GOALS AND TARGETS**
- 5 RECOMMENDATIONS: NEXT STEPS ON OUTCOMES MANAGEMENT AND SDG FOR FINANCIAL INCLUSION**

Download the [Brief](#)

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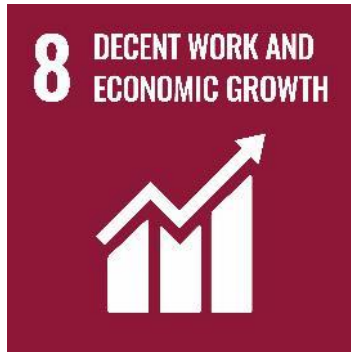


LUXEMBOURG
AID & DEVELOPMENT



THE GOVERNMENT
OF THE GRAND-DUCHY OF LUXEMBOURG
Ministry of Finance

Focus on the Targets of SDGs 8, 1 & 5



- 8.3 Promote development-oriented policies that support productive activities, decent job creation (...) through access to financial services



- 1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions
- 1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have (...) access to (...) appropriate financial services, including microfinance



- 5.1 End all forms of discrimination against all women and girls everywhere
- 5.2 Eliminate all forms of violence against women and girls
- 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in (...) economic (...) life



Outcomes indicators and SDG 8

SDG Target	Indicator
8.3 Promote development-oriented policies that support productive activities, decent job creation (...) through access to financial services	<p>Increased employment in financed business (legal working-age/adult family members, wage workers) (integrate notions of “decent work” and “formal jobs”), on average, for all productive loans</p> <p>Changes in business revenue: 1) annual sales; 2) annual net income</p>
...entrepreneurship, creativity and innovation...	<p>Number of new businesses created</p> <p>Changes in business practices, towards business professionalism (with list of positive changes towards new products, changes in business decisions, new processes)</p>
...encourage the formalization and growth of micro-, small- and medium-sized enterprises...	<p>Number of SMEs formalized (tracking changes)</p>
	<p>Changes in business assets (% invested in tools/equipment/productive assets; changes in total business assets)</p>
Target 8.3 globally	<p>Perception of change by the entrepreneurs</p> <p>Business attitude:</p> <ul style="list-style-type: none"> • Confident in ability to be successful • Satisfaction with business earnings <p>Feel optimistic about the future</p>



Outcomes indicators and SDG 1

SDG Target	Indicator
1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions	Acquisition of household assets (bed, stove, refrigerator, TV, bicycle, etc.)
	Improved basic needs (toilet, drinking water, clean cooking, school for children)
	Financial tools/ changes in liquid assets (livestock, jewelry, etc.)
	Change in number and quality of meals
	Income (number of sources, change, stability) Or, as a proxy, average monthly household expenditure
1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have (...) access to (...) appropriate financial services, including microfinance	Financial tools: change in savings balance % clients that can better manage their budget/ expenses/finances
	Ability to face major expense
	Perception of change in quality of life (and reasons) After years 3 and 5: % of households above the selected poverty line, who were below the line at entry



Outcomes indicators and SDG 5

SDG Target	Indicator
5.1 End all forms of discrimination against all women and girls everywhere 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in (...) economic (...) life	Capacity to use the loan for her own economic activity
	Capacity to contribute financially to the household needs
	Capacity to make decisions regarding the use of the household resources
	% of women who report that they are more comfortable voicing their opinions (at workplace, in household, in community, depending scale of intervention of the organization)
	% of women who report a perception of decreased discrimination/ easier access to work
5.2 Eliminate all forms of violence against women and girls.	Domestic violence: % of women who report that the use of financial product created unintended harm/ has resulted in a list of negative coping mechanisms (child labor, gender-based violence, etc.)



Recent workshops in 2022

- September 13th and 20th - The Outcomes Management Workshop Series (online)
- September 28th - Outcomes Working Group in Paris
- Today: e-MFP Investors Action Group in Luxembourg

The logo for Kiva, consisting of the word "kiva" in a lowercase, green, sans-serif font.

The logo for Incofin, featuring a stylized blue and green circular icon to the left of the text "incofin" in a lowercase, blue, sans-serif font, with "INVESTMENT MANAGEMENT" in smaller text below.

The logo for Fondation Grameen Crédit Agricole, featuring a green and red circular icon to the left of the text "FONDATION GRAMEEN CREDIT AGRICOLE" in a blue, sans-serif font, with "Microfinance & Social Business" below.

The logo for SIDI, featuring a stylized globe icon to the right of the text "SIDI" in a bold, black, sans-serif font, with "SOLIDARI E PLURALI ORBES" and "PANA AFRICANUS" in smaller text below.

The logo for Opportunity International, featuring a stylized "O" icon in pink and blue to the left of the text "OPPORTUNITY International" in a blue, sans-serif font.

The logo for Juhudi Kilimo, featuring a stylized green and yellow landscape icon to the left of the text "JUHUDI KILIMO" in a blue, sans-serif font, with "Investing in farmers. Transforming lives" below.

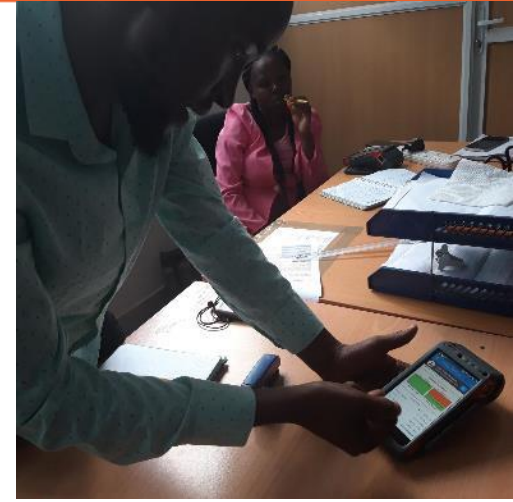
The logo for SEF, featuring a stylized blue and yellow icon to the left of the text "SEF" in a bold, blue, sans-serif font, with "Erasing the world of poverty. THE SMALL ENTERPRISE FOUNDATION" below.

[All Replays & Presentations](#)

What we've seen and heard so far

1. There are growing demands for accountability
2. Getting data has gotten easier and cheaper
 - *Income data captured on tablets and MIS (but need to be of better quality)*
3. We've adjusted our expectations of what financial inclusion can achieve
 - *Focus on direct changes (income, business) and perception from clients; outcomes versus "proof of impact"*
 - *The SDGs have emerged as a common framework*
4. Investor interest in outcomes is growing
 - *Willingness to support outcomes management (from collection to analysis), collaboration, and co-financing as a powerful approach*
 - *Push for more reporting, better understanding at the end-client level, towards sharing of data?*
5. Outcomes management is still challenging for most providers
 - *Kiva shows that only 35% of its partners can provide evidence of quantitative outcomes studies*
 - *Need for a combination of sources (MIS, quanti, quali)*

Tablets for Juhudi Kilimo's field officers, Kenya →



Key outcomes data/indicators you would value as...

INVESTORS

- % of clients who face repayment burden
- Smooth financial shock = ability to face a major expense
- Changes in Income, business, and household assets
- Life improvement
- More work or education for the family
- Gender-related positive or negative change
- Capacity to use the loan for female own business activity
- Capacity to contribute to family needs and decisions
- “Be able to” = power to do many things = confidence in the ability to be successful

FINANCIAL SERVICE PROVIDERS

- A combination of key indicators to report and demonstrate positive impacts, and indicators to improve services.
- Client profile (PPI) and Net Promoter Score (NPS) = How we reach out to target clients, to be able to live by our mission.
- Business and household income data. Measure the gap between income and expenses.

*Even if the method developed will never be able to embrace the diversity of situations, it has the merit of **giving an overview of the impact of each MFI***

NEXT STEPS

- Co-development Online Workshop on the outcome questionnaire: **December 2nd**
- SPI Online new platform to be launched in January 2023
- Continue the work on harmonizing and pushing for outcomes management
 - For the Inclusive Finance sector
 - Adopting a Gender Approach
 - Focusing on Environmental Risk & Performance Management
 - Responsible Investment in Agriculture
 - Energy Access



Resources

- [Brief by e-MFP/Cerise/SPTF: “Outcomes Management for Financial Service Providers: A proposed standard framework aligned with the SDGs”](#)
- [Article by Kiva: “Why social enterprises struggle to measure impact – and what impact investors can do about it”](#)
- [Gojo Webinar](#) (Sept. 15th, 2022)
- [The Outcomes Management Workshop Series](#) (September 13th and 20th)