



MULTI-ANNUAL REPORT 2013-2016

NpM, Platform for Inclusive Finance

Augustus 2017

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About NpM

NpM, Platform for Inclusive Finance, is the leading national platform in inclusive finance sector worldwide. Established in 2003, the platform brings together Dutch development organisations, social investors and commercial banks active in the inclusive finance sector. Together with the Dutch Ministry of Foreign Affairs, NpM's 13 members share a commitment to expanding access to finance in underserved regions and to anticipate the changing need in the sector to grow towards a responsible industry. The members of NpM are active in over 90 countries and have committed EUR 2.8 billion to the inclusive finance sector. NpM's activities are directed to the contribution of the financial sector in reaching the Sustainable Development Goals.

Introduction

In October 2012 MicroNed and the Netherlands Platform for Microfinance merged into NpM, Platform for Inclusive Finance. Thus, the period of 2013-2016 constituted the first four years of the new platform. NpM's strategic focus and core activities in this period derived from its multi-annual plan 2013-2016. An important change in this timeframe has been the active **shift in focus from microfinance to inclusive finance**. In the sector, more attention was drawn to access to other financial products besides microcredit, such as savings, pensions, insurance and SME financing.

Multi-annual plan 2013-2016

Central in the policy vision of NpM is our facilitating and coordinating role in initiatives of our members. Such initiatives usually arise in response to actual events and market developments and therefore the multi-annual plan 2013-2016 can be seen as a frame of reference rather than a strict guideline of putting policy into action. The multi-annual plan consisted of three complementary elements:

- A. A non-exhaustive list of possible **topics** which can be executed within the period of the plan (2013 - 2016) and result in e.g. a conference, publication, seminar, study or workshop, etc.
- B. A list of organizations and institutions which albeit in a different way than the members of NpM as direct investors (and donors) engage in inclusive finance and could be contacted e.g. for possible **cooperation**, and
- C. An overview of **'ongoing' activities** of NpM derived from its three core tasks 1. Coordination and representation, 2. Knowledge management 3. Awareness and communication.

This multi-annual report will give a general overview of the achieved activities and results on NpM's three core tasks: **1. Coordination and representation 2. Knowledge management and 3. Awareness and communication**. For each of these activities we will give a brief description of addressed topics and institutions that NpM cooperated with. For a more detailed description of each activity, we kindly refer to our annual reports which can be found on our website¹. Moreover, this report gives a brief description of the developments in the organizational structure of NpM as well as a financial report.

Coordination and representation

NpM is a representative of the Dutch inclusive finance sector as a whole. For this reason, NpM was an active participant at various worldwide events between 2013 and 2016, the following of which take place on an annual basis: annual meetings of the **Consultative Group to Assist the Poor (CGAP)** and the **Social Performance Task Force (SPTF)**.

NpM is also a member of the **European Microfinance Platform (e-MFP)** of which Director Josien Sluijs became a board member in 2013. Activities included exchanging information with representatives of other national platforms, co-organisation of workshops during e-MFP Action Group meetings and contributing to the European Microfinance Week by hosting knowledge sessions.

¹ www.inclusivefinanceplatform.nl/what-s-new/reports-more

NpM maintains a close working relationship with the **Ministry of Foreign Affairs (MoFA)** in the reporting period and regularly provided input to government initiatives and programmes, answers to parliamentary questions and organisation of information sessions for NpM members and Ministry's staff.

Besides these structural gatherings, NpM represented the sector on many other **inclusive finance related events** amongst others those organised by the World Bank, European Commission and Netherlands African Business Council.

Every year, NpM hosted an **Annual Dinner** for the inclusive finance staff of our members. On average 60 participants took place who had the opportunity to network with colleagues from other member organisations.

Knowledge management

One of the main activities of the platform is to contribute to the sector by developing and disseminating knowledge and best practices. Over the years, several **seminars and trainings** were organized for NpM members on a broad range of topics such as risk management in agri-finance, remuneration of CEOs, local currency lending, micro-insurance, finance for refugees and responsible exits.

Every year, together with one or two of the members, NpM organised a **Conference** on an innovative theme in the inclusive finance sector. On average 250 participants took part and the aim of these conferences was threefold: inspiring, sharing knowledge and networking. The following annual conferences were organised in the reporting period:

- 2013: NpM, FMO and Triple Jump 'SME Finance- How to reach the missing middle?';
- 2014: NpM and ING 'A Billion to Gain? – Social impact of microfinance'; and
- 2015: NpM, FMO and Hivos 'Green Inclusive Finance – Extending the impact of investing'.

The conference on 'Geodata for Inclusive Finance and Food' in collaboration with Rabobank Foundation and the Netherlands Space Office was held in February 2017.

Knowledge sharing amongst members is enhanced by two NpM working groups, the Rural Finance Working Group and the Green Inclusive Finance Working Group, working on themes of common interest. NpM facilitates this by organising meetings, events and carrying out research.

The **Rural Finance working group** has been active since 2003 and focuses on improving its members' activities to increase access to financial services in rural areas. The working group consists of the following NpM members: Cordaid, FMO, Hivos, ICCO Terrafina Microfinance, Rabobank Foundation and Oxfam Novib. Topics that the working group worked on in the reporting period include member-owned financial service providers, finance for smallholder farmers and financing inclusive supply chains in cooperation with corporate clients. The Food & Business Knowledge Platform was a strategic partner for the working group and financed research and expert meetings in 8 countries in Africa.

The **Green Inclusive Finance working group** was established in 2014 and focuses on improving members' investment activities in inclusive financial services that support economic growth in a clean, resilient and sustainable manner. The group consists of FMO, Lendahand, Oikocredit, Triodos Investment Management and Triple Jump. Topics that the group worked on in the reporting period include carbon credits and cook stoves, financing of biogas installations, the group developed a common definition and set of indicators for Green Inclusive Finance and works on developing business cases.

During the Conference on Green Inclusive Finance, a Letter of Intent was offered to MoFA signed by all NpM members, committing to Greening their portfolios. Based on this we prepared a baseline study of the current status of their activities.

A total of **11 studies and publications** were released in the reporting period, fully accessible on our website². Topics include, amongst others:

- 'Paying Taxes to Assist the Poor? Balancing Social and Financial Interest' (2013), lead members were SNS and FMO (publication offered to and discussed with Minister Ploumen);
- 'A Billion to Gain? Social Impact of Microfinance and India and Ghana' (2014) by ING and NpM;
- 'Client Protection in Microfinance – The current state of law and regulation' (2014) by EY and NpM;
- 'Finance for Smallholders – Opportunities for risk management by linking financial institutions and producer organisations' (2015) by the Rural Finance Working Group; and
- 'NpM Greening Financial Inclusion' (2016) by Enclude.

Lastly, NpM has coordinated together with MoFA the selection of the **CGAP - Boulder Scholarship**, a 3-week training course on inclusive finance. And since 2013, NpM is a partner institution of the **Frankfurt School of Finance** and hosted twice a year the examinations of the online courses on development finance.

Awareness and communication

Creating awareness about inclusive finance and the activities of NpM members were high on the agenda in the reporting period. Below, you find an overview of achieved results in communication outreach:

	2013	2014	2015	2016
Media exposure	4	3	5	12
Website Users	2,650	4,170	7,045	9,165
Quarterly newsletter recipients external	115	881	1,151	1,151
Monthly Newsflash Members recipients			317	300
Twitter followers	297	439	581	727
LinkedIn followers			64	139
Total	8	25	4	3

The **Communication Working Group** was established in 2014 and consists of the communication contact persons of NpM members. The main aim of the working group is to inform each other about news and events in the inclusive finance sector. The members collaborate mainly in the run up to big events and in aligning efforts in media coverage. In 2015, the members jointly created an informative video on interest rates in microfinance³.

Media exposure increased from four articles in 2013 to 12 articles in 2016. On our website⁴ you find an overview of news articles in which NpM was featured, for instance:

- One World, 8 October 2015: Máxima: microkredieten tegen klimaatverandering
- Next Billion, 9 August 2016: 10 Developments Shaping Smallholder Finance in Africa
- Trouw, 25 November 2016: Banken zien enorme doelgroep over het hoofd (about Finance for Refugees seminar organised by NpM in 2016)

The NpM **website** serves as the inclusive finance portal of the Netherlands informing all stakeholders, including the press, expert organisations and the general public. The new website was launched at the end of 2012 and was updated with worldwide funding activities of NpM members. The interactive map 'funding figures'⁵ now shows the investing activities per funder,

² www.inclusivefinanceplatform.nl/what-s-new/reports-more

³ www.inclusivefinanceplatform.nl/what-s-new/videos/interest-rates-in-microfinance-2015

⁴ www.inclusivefinanceplatform.nl/what-s-new/npm-in-the-media

⁵ www.inclusivefinanceplatform.nl/funding-figures-2015

country, region, type of project and instrument and is updated annually. Moreover, news of NpM members, events, vacancies, press releases, FAQs about inclusive finance and blogs can be found on the website. The number of visitors increased from 2650 in 2013 to 9165 in 2016.

Four times a year, NpM sends out a **newsletter** to subscribers interested in the inclusive finance sector. The newsletter includes the following sections: interview with member (related) staff, highlights NpM activities, inclusive finance figures, environmental, social, governance (ESG) and upcoming events. The number of subscribers has increased ten-fold from 115 in 2013 to 1151 in 2016. In 2015, a **newsflash** was added to the media mix for monthly updates on news, vacancies and events in the inclusive finance sector. Recipients constitute inclusive finance staff of NpM members and the number of subscribers increased steadily from 64 in 2015 to 139 in 2016.

Twitter has been used as an easy tool to share the latest news on developments in the sector. The NpM twitter account has seen a steady growth in followers from 297 in 2013 to 727 in 2016. In 2014 NpM created a **LinkedIn** company page to connect and expand the network, promote inclusive finance events and share vacancies. The number of followers has grown to 139 in 2016.

Lastly, NpM creates awareness about inclusive finance by providing information to students and a broad audience in (public) events such as the NpM **One Day University** and the annual **Summer School** 'New financing models in a changing world' of Hogeschool Utrecht.

Organisation

In the reporting period, there have been a couple of changes in membership but the **member base** has remained stable at 13 members. In 2016, the members consisted of ASN Bank, Cordaid, FMO, Hivos, ICCO, ING, Lendahand, Oikocredit, Oxfam Novib, Rabobank Foundation, TCX, Triodos Investment Management and Triple Jump.

During the semi-annual **member meetings**, the members decide on organizational issues like changes in membership, discuss and approve NpM annual plans and reports and update each other about activities that are relevant for the entire sector. External experts are invited to give a presentation to add a knowledge sharing component to these meetings.

Members are organised in the following **working groups** that meet on average four times a year:

- Rural Finance Working Group (since 2003);
- Green Inclusive Finance Working Group (since 2015); and
- Communication Working Group (since 2014).

Moreover, members have formed short-term working groups on specific issues during the reporting period, such as:

- Tax and Microfinance (2013);
- Social and Financial Balanced Returns (2013); and
- Finance for Refugees (2016).

The **NpM Board** consists of a Chairman, a Treasurer and two general board members. During the reporting period, the position of Chairman was held by Ben Simmes (former CEO Oikocredit) and Wim Hart (ICCO) was the Treasurer of NpM. The two General Board members were Marc Breij (ING) and Roy Budjhawan (ING) who were replaced by Mark van Doesburgh (Triple Jump) and Kees Verbeek (Rabobank) in 2015 and 2016 respectively. The NpM Director reports to the Board on achieved and planned activities. The Board meets on average four times per year.

Josien Sluijs has been the Director of the **NpM** since October 2012 and was supported by a Programme Manager during the reporting period: respectively Marloes van den Berg and Annemarie Mastenbroek. On a structural basis, NpM hired Aafke van Sprundel as a Communication Advisor in order to optimise communication activities. Moreover, interns and volunteers have regularly worked for NpM on specific projects or by assisting in daily activities. In the reporting period, NpM held office in Utrecht in the ICCO building and moved to the Hamburgerstraat in December 2014.

Financial report

Statement of Income and Expenditure		
	Actual 2013-2016	
	€	€
INCOME		
Membership fees	418.000,00	
Ministry of Foreign Affairs	488.000,00	
Other income	218.968,41	
Total Income		1.124.968,41
EXPENDITURE		
Salaries	506.089,54	
Staff costs	7.309,88	
Training & Education	14.887,47	
Rent & service level agreement	80.306,78	
Communication costs	93.658,57	
Office costs	20.784,13	
Travel costs & meetings	183.386,96	
Board fee	23.425,60	
External advisors	223.272,75	
Subtotal Expenditure		1.153.121,68
Interest		1.341,11-
Total Expenditure		1.151.780,57
Result		26.812,16-
APPROPRIATION OF NET RESULT		
Transferred to / from :		
Continuity reserve		-
Appropriated reserve		26.812,16-
Result		26.812,16-

Budget and expenditure specification				
NPM		BUDGET 2013-2016	EXPENSES 2013-2016	% BUDGET 2013-2016
1	Personnel costs secretariat NPM			
1,1	Salary costs total	464.557,00	507.503,48	109,2
1,2	Office costs ICCO	67.623,00	89.639,68	132,6
1,3	Other office costs	4.750,00	8.298,44	174,7
1,4	Compensation Chairman	24.900,00	24.900,00	100,0
1,5	Expertise development secretariat staff	24.000,00	16.920,31	70,5
1	Total personnel + office costs secretariat	585.830,00	647.261,91	110,5
2,1	Representation costs Chairman	4.150,00	1.880,36	45,3
2,2	Travel costs Netherlands	4.250,00	5.017,67	118,1
2,3	Travel & accommodations costs abroad	52.500,00	35.059,83	66,8
2,4	Unforeseen	1.325,00	126,40	9,5
	Subtotal	62.225,00	42.084,26	67,6
	Subtotal 1+2	648.055,00	689.346,17	106,4
ACTIVITIES NPM				
3,1	Meeting costs	4.250	4.837,32	113,8
3,2	Representation costs	4.250	5.050,00	118,8
3,3	Database/website	41.510	35.912,80	86,5
3,4	Communication	46.510	62.017,34	133,3
3,5	Promotion materials	28.880	22.154,62	76,7
	Subtotal	125.400	129.972,08	103,6
4,1	Annual conference	104.500,00	94.700,28	90,6
4,2	Barbecue	26.100,00	10.807,25	41,4
4,3	NPM meetings/seminars	20.000,00	25.093,09	125,5
4,4	Studies/consultants	60.000,00	177.589,47	296,0
	Subtotal	210.600,00	308.190,09	146,3
NPM PLUS				
	Activities NPM Plus			
4,5	Training & workshops DFO staff	15.572,00	22.086,71	141,8
	Unforeseen	375,00	0,00	0,0
	Subtotal	15.947,00	22.086,71	138,5
5	Unforeseen	5.975,00	3.542,18	59,3
	Subtotal	5.975,00	3.542,18	59,3
	Total	1.005.977,00	1.153.137,23	114,6

Balance sheet 31st of December 2016

Balance sheet 31 st of December 2016		
	31-12-2016	
	€	€
ASSETS		
Financial assets		
Receivables	71.846,31	
Bank	51.444,80	
		123.291,11
LIABILITIES		
Equity		
Continuity reserve	108.442,00	
Appropriated reserve	538,11	
		108.980,11
Debts		
Advanced receivable	-	
Other debts	14.311,00	
		123.291,11

