



SMARTAID INDEX 2013

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD)



Background

The SmartAid Index measures and rates the way funders with an interest in financial inclusion work. Heads of 29 major development institutions endorsed CGAP's development of the Index.¹

The premise of SmartAid is simple: funders with strong management systems are better equipped to support financial inclusion effectively. Its indicators assess five areas agreed by all funders as critical for effective financial inclusion: strategic clarity, staff capacity, accountability for results, knowledge management, and appropriate instruments.

SmartAid enables funders to understand how their systems, policies, procedures, and incentives affect their work in financial inclusion projects. An independent, external assessment, the Index highlights strengths and areas for improvement. It can also provide an impetus for funders to take action, prioritize changes, and hold themselves to account for their own performance.

Funders support financial inclusion with the goal of reducing poor people's vulnerabilities and increasing their incomes. Having the right systems is a necessary, not sufficient, condition for achieving this goal. SmartAid does not, however, evaluate the quality of programs on-the-ground.

Five funders— AFD Group (AFD/PROPARCO), EIF, IFAD, MIF and UNCDF —participated in SmartAid 2013, increasing the total number of funders participating in the SmartAid Index to 19. Prior rounds have included the participation of AECID, AFD, AfDB, AsDB, CIDA, EC, EIB, FMO, GIZ, IFC, ILO, KfW, SDC, and Sida. Three agencies from the 2013 round participated in prior SmartAid rounds (IFAD, MIF and UNCDF). AFD (AFD/PROPARCO) and EIF are both considered new participants given that different units in the agencies participated in prior rounds.² This diverse group of funders includes development finance institutions focusing mainly on mature retail institutions, large multilateral development institutions that make sovereign loans to governments and bilateral and multilateral agencies that primarily provide grants.

The Index presents a standard appropriate for all types of donors and investors. However, good performance against the indicators can take different forms for different agencies. Systems that work can look radically different across funders, based on numerous factors including size, level of centralization, and strategy.

¹See the Better Aid for Access to Finance meeting, 2006: www.cgap.org/betteraid_meeting/compact.

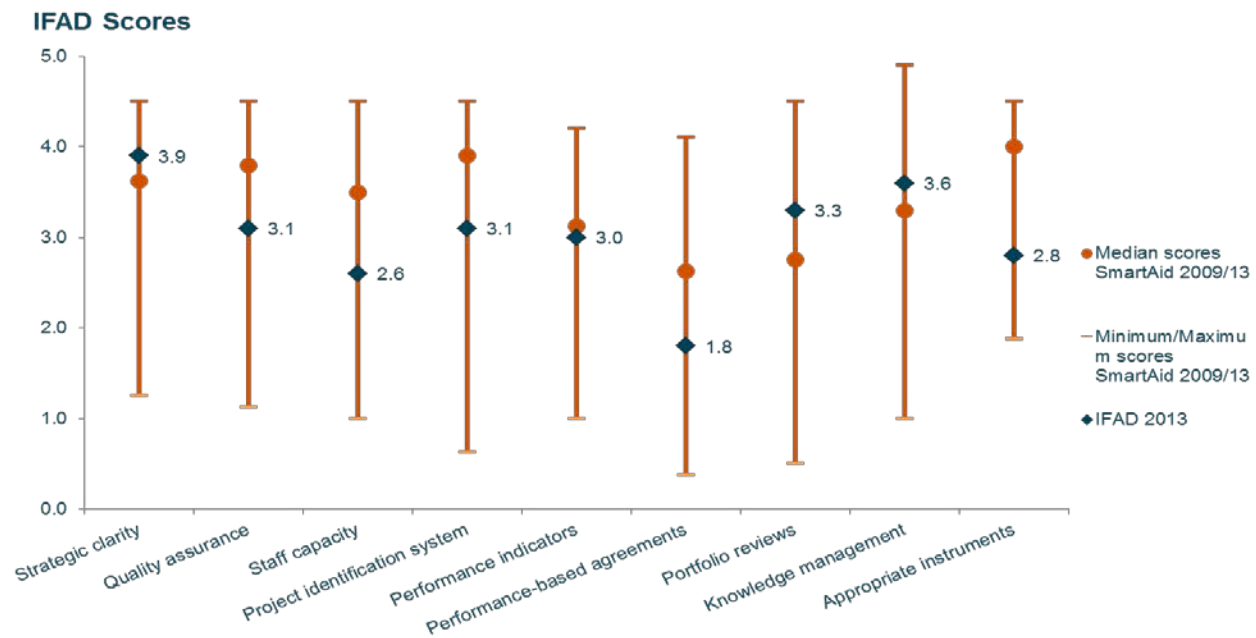
²In the case of AFD/PROPARCO, AFD participated in the 2009 round and the submission did not include Proparco. For EIF, two departments of the EIB Group's Directorate of Operations – Africa, Caribbean and Pacific region, and the Mediterranean region—participated in the 2011 round and did not include EIF.

Key Findings

IFAD received 61 out of 100 points, meaning that overall it has “good” systems in place to support microfinance. IFAD increased its score by eight points since its participation in SmartAid 2009. This can be attributed to significant improvements in its internal systems over the last four years. As the graph below shows, IFAD received a score of 3.9 (on a scale from 0 to 5) on indicator 1 (strategic clarity). Scores were only slightly lower than this benchmark on knowledge management (indicator 8) which received a score of 3.6, and still 3 or above on quality assurance, project identification system, performance indicators, and portfolio reviews (indicators 2, 4, 5, and 7). IFAD’s lowest score is on performance based agreements, (indicator 6), but reflects a 0.3 increase to 1.8 on this indicator since the 2009 round. Staff capacity and appropriate instruments (indicators 3 and 9) also show significant improvements since 2009.

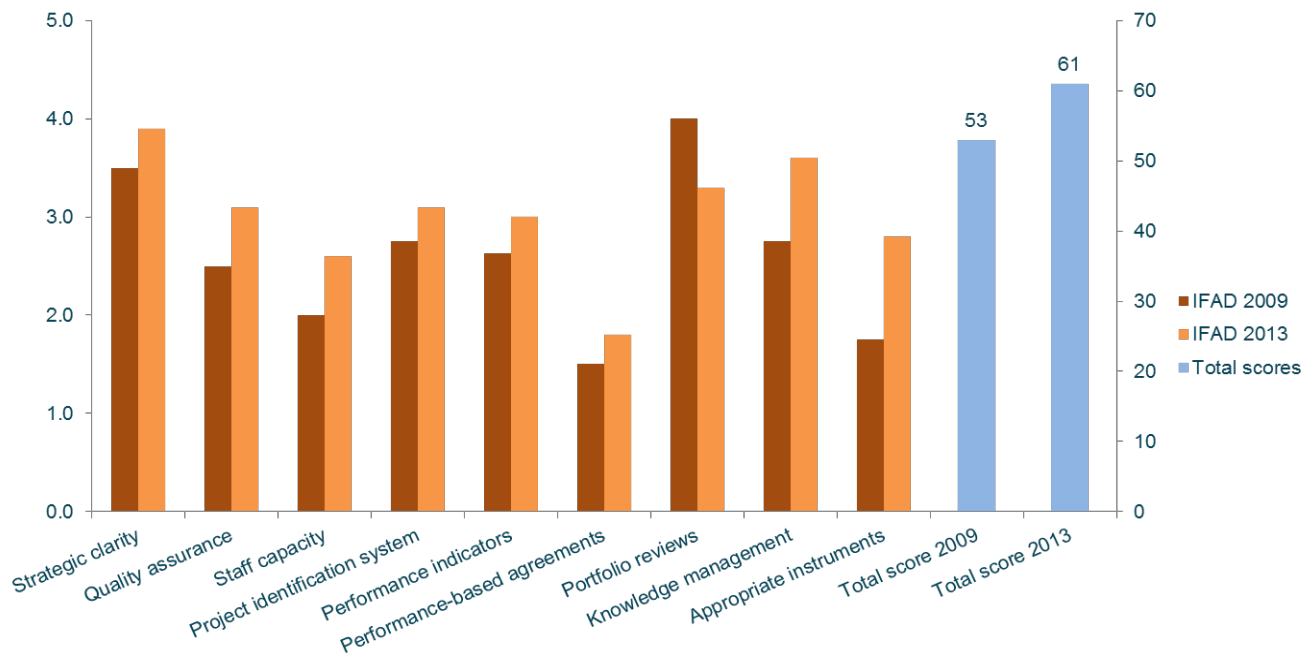
At a Glance	
Type of funder:	UN Agency
Microfinance portfolio (committed as of 12/12):	\$905 million
Microfinance as % of total portfolio:	15%
Number of projects:	160
Primary level(s) of intervention:	<input checked="" type="checkbox"/> Retail <input checked="" type="checkbox"/> Infrastructure <input checked="" type="checkbox"/> Policy
Primary instrument(s):	Concessionary-priced debt, grants
Primary source of funding:	Public funds

IFAD’s exclusive rural focus means it is uniquely positioned to help 75 percent of the world’s 1.2 billion people in extreme poverty living in rural areas. With close to 15 percent of its overall portfolio in microfinance, and a 14 percent growth in the microfinance portfolio in 2011, IFAD is the fourth largest microfinance funder according to the 2011 CGAP Funder Survey.



IFAD has made considerable gains on the basis of the recommendations of the 2009 SmartAid review. The new strategic framework (2011-2015) shows a focus on financial inclusion and an innovative approach to market building. Long hallmarks of the IFAD approach, the new strategy cautions against use of credit lines to avoid distorting markets. IFAD has also re-doubled efforts to bring knowledge management (KM) within the organization to life. Recognizing the critical aspect of KM within a large, centralized agency, IFAD's KM efforts enable IFAD staff and partners to develop technical skills to implement and innovate on rural finance initiatives on the ground. Advances in quality assurance systems with technical staff involved early in the design process are also worthy of note. These efforts in combining strategy with KM and improving operational procedures should continue, deepen and expand to country-level field staff and partners.

IFAD scores SmartAid 2009 & 2013



Key Strengths and Weaknesses

- Strategic Clarity (3.9/5.0).** IFAD's new strategic framework (2011-2015) supports a market-building approach, and reflects a focus on financial inclusion. The strategic framework is based on the corporate evaluation (2007) and the Rural Finance Policy (2009), both of which capture lessons, key principles and good practices in microfinance. A unique feature of the new strategic framework is that it is accompanied by operational advice: the Rural Finance Decision Tools, which provide guidance on making the strategy operational, and several Technical Notes, which provide guidance on an array of topics that support strategy implementation, such as weather index-based insurance, how to work with and assess community based organizations, and key performance indicators. While advances in strategy are notable, strategic alignment throughout the agency requires more attention, particularly as growth plans may outstrip staff capacity at the field level. Moreover, the new framework highlights a role for IFAD in the future to provide policy advice, while IFAD's current strength is on supporting retail organizations. At a minimum, IFAD will need to invest time to better analyze and understand how its existing engagements with government stakeholders can be better leveraged. In addition, IFAD has not

performed a SWOT analysis throughout the agency, including the rural finance team. Conducting a SWOT analysis would enable the agency to clarify how staff are prepared to support the new initiatives and the level of investment in capacity that will be required to see them through. This is an opportunity to seek clarity and support at the highest management levels that should not be missed.

- **Quality Assurance (3.1/5.0).** Field staff under the overall management of the CPM (HQ/field-based) is responsible for project design and monitoring, but the headquarters Policy and Technical Advisory Division (PTA) participates in 75% of project design initiatives and 25% of project supervision missions. Recent improvements in the quality enhancement (QE) process have improved technical input at the design stage by including PTA much earlier in the process. In addition, the process provides follow-up and control, by checking the adequacy of implementation of the QE. Moreover, rural finance experts are involved in all microfinance projects, including projects where microfinance is only a component. The technical inputs of the rural finance technical team are recorded in the Project Diary, which increases project traceability and accountability. The new system of quality enhancement appears strong at the outset, but how it supports PTA's role in effective oversight throughout the project cycle and over the longer term is still an open question. Given existing workloads, PTA is only able to support a small percentage of supervision missions (estimated at 25%) reducing its ability to provide quality technical support *during* project implementation. The new system of quality enhancement would benefit by a review, within due time.
- **Staff Capacity (2.6/5.0).** IFAD's core team of microfinance specialists represents a strong team of professionals with experience and educational backgrounds to support microfinance. However, the team, including a regional based specialist in Nairobi, and two technical specialists in remittances, is overstretched to support quality services in relation to the large size of the portfolio and the number of diverse projects. IFAD has invested in capacity building, organizing an average of 15 rural finance thematic workshops per year. Moreover, IFAD has leveraged partnerships with CGAP and MIX to train staff, particularly in performance monitoring, and capacity building of non-specialists. These notable efforts have increased the score by 0.6 from the 2009 round. As the fourth largest funder in microfinance and a relatively small technical team, IFAD's model for providing technical support to projects must continue to rely on a leveraged approach, whether through strategic partnerships or consultants. Identifying and building partnerships with technical organizations should be extended beyond global bodies such as CGAP and the MIX to include regional and country-level organizations that have a shared vision and the capacity to deliver support on an ongoing basis.

Good Practice Highlight

Complementing Strategy with Operational Advice

The Rural Finance Decision Tools provide guidance on making the strategy operational. They describe key performance indicators in detail, why they are important and how to calculate them in easily accessible ways.

Technical Notes provide guidance on an array of topics that support strategy implementation – such as the weather index-based insurance— how to work with and assess community based organizations, and key performance indicators. The Strategy combined with operational advice from the rural finance technical team provides a complete “tool kit” that helps staff ensure rural finance objectives and good practices are integrated into projects.

- **Project Identification System (3.1/5.0).** IFAD's new QE system requires identification of thematic areas, including rural finance. The new system allows identification of financial services at the component level, which is regularly done through the PTA, who is a lead advisor on every project from the outset. However, there are still rural finance components in multi-sector programs and the estimates of their size and location remain elusive. Excluding standalone rural finance projects and those that have been recently approved, PTA staff need to manually check projects to identify financial components since the software is not designed to specify the type of rural finance component, other than credit. Even when manual checks identify the component type, it often remains difficult to verify the funding amount. As a result, the total size of the rural finance portfolio is uncertain. As part of the new QE system, IFAD should develop a coding system to facilitate the tracking of rural finance projects, and particularly rural finance subcomponents in non-financial sector projects. There is a need to develop a more robust system which improves project and sub-component categories by capturing the purpose of the project and component, and develops staff capacity and their ability to use the system. Moreover, a designated microfinance specialist should conduct periodic checks on the coding system in order to ensure projects are correctly categorized. Such a system would enable more effective and efficient use of the PTA's and strategic technical partnerships expertise throughout the project cycle.
- **Performance Indicators (3.0/5.0).** IFAD tracks a standard set of performance indicators that are based on industry standards and set out in the Decision Tools. IFAD's multi-year partnership with the MIX, which has focused on improving monitoring capacity, has paid off, greatly improving monitoring since 2010. Additionally, a shift from activity based reporting to results based reporting has also taken place. Nevertheless, some challenges still persist. First, harmonizing the definitions used by the Results and Impact Management System (RIMS) and the Project and Portfolio Management System (PPMS), and reviewing outcome and output indicators, with regard to loan disbursement and repayment, respectively. Secondly, incorporating the performance of older but still outstanding projects remains a challenge. Third, a harmonized and comprehensive system to monitor performance across the entire portfolio as part of the PTA's oversight process could significantly improve the type of technical input that projects received beyond the design stage. As IFAD's new strategic framework incorporates a market building approach, an effort to capture ways of measuring performance toward that objective would be beneficial. IFAD should continue to improve and explore ways to strengthen its performance indicators and get support on how to better work with existing systems such as RIMS.
- **Performance-based Agreements (1.8/5.0).** IFAD's score has increased by 0.3 points in this indicator since the 2009 SmartAid review. The increase reflects an investment in developing a draft PBA and use of agreements with some partners. This shows potential that PBAs will be used in the future, even though it is too early to see this in practice. PBAs are required, according to the Rural Finance Policy and Decision Tools. Important progress on this front includes a standard performance based agreement (PBA) format has been developed with the Legal Department, which provides guidance on how to modify contracts and subsidiary agreements with governments to hold partners accountable for results. While the draft PBA is under review, some projects that have been approved by the IFAD Board and have been implemented at the beginning of 2013, have started utilizing PBAs. The current draft does not sufficiently outline minimum performance thresholds or the measures for non-compliance that would be taken by the partner apex institution should MFIs not meet minimum thresholds. As the

PBA addresses the legal agreement between IFAD's partner (the government agency or apex receiving the IFAD loan) and its local partners (MFIs), IFAD will need to identify how it plans on building the capacity of its apex partners to monitor and enforce compliance of these agreements. Once IFAD is regularly using PBAs with all of its partners, monitoring performance, checking for compliance and responding accordingly with its stated incentives or measures for non-compliance, it will be clearer whether the PBA process has been fully embedded into IFAD systems.

- **Portfolio Reviews (3.3/5.0).** This is the only indicator in the SmartAid review that shows a decline since 2009. The last rural finance portfolio review was conducted in 2007, prior to implementation of the Rural Finance Policy, representing a very long stretch of time with no new reviews to assess the global picture of IFAD's work in rural finance. While IFAD conducts an annual corporate portfolio review, this does not have a specific focus on rural finance. In addition, IFAD Guidelines to Portfolio Reviews do not incorporate any specific guidance for the rural finance portfolio, reducing the ability of the PTA to learn from the rich data and lessons that more general portfolio reviews provide. IFAD's long experience in the field highlights diverse challenges and exceptional opportunities to learn from the portfolio. Findings from such evaluations can be used to inform future operations, improve alignment with the new strategic framework and develop strategic reorientations. Moreover, IFAD's large and diverse rural finance portfolio presents opportunities to learn from the portfolio and use experience to improve knowledge management throughout the organization.
- **Knowledge Management (3.6/5.0).** Until 2010, IFAD's knowledge management system had been implemented with mixed success. A new Knowledge Management (KM) department was created in 2011, the Office of Strategy and Knowledge Management (SKM), that emphasizes IFAD's corporate commitment to being a learning institution. Multiple channels for KM have been developed and used to support rural finance, including regular learning events, the development of technical notes on key topics relevant to IFAD's rural finance program, internet and intranet information sources, and activities of the Rural Finance Learning Center, in collaboration with CABFIN. As a result of all of these improvements, IFAD's score increased by a significant 0.8 points on this indicator. While notable, the knowledge management system may not have fully incorporated the PMUs – government units which manage projects – and may not contain project updates or lessons based on evaluations and reviews. IFAD's external evaluation department could be further engaged in this process, adding a valuable resource to KM efforts.
- **Appropriate Instruments (2.8/5.0).** IFAD is hindered from achieving higher results on this indicator by its main instrument – loans to government. Nevertheless, IFAD's recent policy and creativity in the way agreements are implemented have increased this score by 1.05 points from the last round. First, IFAD has reduced the amount of funding for credit lines and requires, through its policy, that any new credit lines provide meaningful justification before approval. Second, IFAD has developed innovative facilities, such as the Multi-donor Financing Facility for Remittances (FFR) and the Weather Risk Management Facility. Moreover, a multi-donor co-funded platform for agricultural risk management (PARM) has been set up at IFAD. A recent initiative, publicly owned equity funds for agriculture, is currently under discussion. IFAD has also developed a private sector strategy (2011), which holds much promise for the agency as it explores new frontiers. Third, there is a requirement that funds on-lent to retail institutions

carry commercial or near-commercial rates. Finally, IFAD has discouraged development of credit components in larger non-financial sector projects, even though this practice continues.³

Recommendations

The advances made by IFAD since 2009 are very positive and show a commitment from the highest levels to strong execution at the strategic and operational levels. IFAD has clearly benefited from past experiences in implementing the rural finance policy, new directions set out in the strategic framework, and attention to operational procedures in quality assurance, including early involvement of PTA in design. These combined efforts show a cohesive approach to bringing harmony to strategy, capacity building, knowledge management and oversight. This SmartAid Review supports these accomplishments and encourages IFAD to maintain momentum.

The following suggestions emerge from the SmartAid review:

- **Increase leverage to provide technical support to projects.** IFAD is a decentralized agency that relies on the capacity of staff and consultants in the field and key institutional strategic partnerships for technical support throughout the project cycle. In light of the fact that IFAD is the fourth largest funder of microfinance yet with a relatively small technical staff size in relation to the scope of projects and country operations, IFAD's use of consultants and institutional partnerships at the field level is critical in enabling it to leverage and provide meaningful support to field projects. IFAD currently has several key institutional partnerships with global bodies such as CGAP and the MIX, however, these institutions do not have the scale nor the local expertise that is required for ongoing programmatic work at the country level. IFAD needs to identify, test and eventually strengthen its relationships with regional or local organizations with in-house technical expertise that it can tap at the field level. Regional organizations may include associations such as the Microfinance Centre in Central and Eastern Europe, and Sanabel in the Middle East and North Africa. Some countries have strong country-level associations which may be appropriate such as the Pakistan Microfinance Network. Other countries or regions have facilitators such as the Financial Sector Deepening Trusts in Kenya or Tanzania. IFAD can solicit ideas for potential partners by issuing expressions of interest and it may want to "test" commitment and expertise of potential partners by engaging directly on small initiatives. It is important to note that procurement for different types of organizations may require creativity from IFAD's side as few of these agencies would be able to provide technical support on a pro bono basis. Consultants represent another option to leverage technical input and may be easier to integrate into the existing IFAD procurement processes. In light of IFAD's daily rate limitations for consultants, IFAD is not currently able to attract a sufficient number of high caliber consultants in an increasingly competitive and highly specialized field as financial inclusion. IFAD may thus need to explore how it can improve the capacity

³The CGAP Funder Survey (2011) shows that of the 160 projects, 23 are standalone financial projects, 5 are components of larger financial sector projects, and the rest are components of non-financial sector projects. For the 27 projects approved in 2009 onwards, 3 are standalones, 19 components of non financial sector projects, and 5 are components of financial sector projects.

of its existing consultant base or explore ways to use institutional partnerships to access high caliber consultants.

- **Extend knowledge management to support excellence throughout the agency.** In the past several years, IFAD has created an agency-wide knowledge management system. IFAD field staff and consultants should be brought into this system using a variety of methods, such as list-serves, webinars, or on-site venues for training. KM should broaden scope to include important lessons that are emerging from IFAD evaluations and research. Where feasible, IFAD should also extend its knowledge management tools to its core implementing partners, PMUs at the government level.
- **Review and revise the project identification system to ensure rural finance components are identified by purpose and category.** IFAD's new QE system requires identification of thematic areas, including rural finance at an early stage, improving the design process and the current project identification system. Yet, a significant percentage of the rural finance portfolio, rural finance subcomponents in large non-financial sector projects may be missing, including information on budget allocations. IFAD could undertake a thorough review of all active projects that could be potentially related to rural finance by purpose and category to identify the entire portfolio, but also to better utilize the technical expertise of PTA and strategic partnerships. Such an exercise may be accomplished by a field staff survey conducted by the rural finance team, or hiring a consultant. This comprehensive snapshot of the portfolio could then serve as a basis to improve the coding system. For example, the portfolio snapshot will make it visible to whether certain thematic areas outside of rural finance, certain countries, or implementing agencies tend to support rural finance as part of larger non-financial sector initiatives. PTA could then work directly with them to ensure proper coding for future projects. As part of the exercise, IFAD can investigate the current project disbursement and budget allocation system, with the objective of capturing financial information as allocations are made.
- **Continue to strengthen performance monitoring efforts.** The partnership with MIX has greatly enhanced IFAD's monitoring efforts and this work can and should be strengthened to achieve the fullest potential benefits. First, IFAD should consider synchronizing the performance indicators across the various tools available to staff (RIMS, PPMS, and Decision Tools), ensuring a harmonized and comprehensive system is in place to monitor performance across the entire portfolio as part of the PTA's oversight process. Second, IFAD should re-evaluate the level of key performance indicators to ensure outcomes and outputs are adequately represented. Third, social performance indicators, which are now already tracked by MIX, should also be integrated into its partnership with IFAD. Fourth, reviewing a consolidated portfolio performance report at least annually can help IFAD see trends and identify problems well before they emerge at the evaluation stage. Typically, DFIs use such reviews as standard operational practices and many have quarterly reviews of portfolio performance allowing them to see trends across many variables such as regions, institutional partners or instruments. In order to have this consolidated picture, institutions must first have a solid project identification system and monitoring system whereby data is collected on a core set of indicators across all projects. Finally, agreements should be reviewed and revised at opportune times to include minimum performance standards, such as at the time of mid-term reviews and during supervision missions, particularly for older projects that have not yet incorporated performance standards.

- **Advance work on PBAs and integrate them into operations.** IFAD has already made a critical step to draft a template for performance-based agreements in collaboration with its Legal Department. This important effort should be reinforced with ongoing engagement with the Legal Department and partners on the ground to operationalize the use of these agreements – both at the IFAD loan level as well as working with government partners to incorporate performance based measures into subsidiary agreements. As part of this PBA process, IFAD should ensure that important features are integrated into agreements, such as minimum performance standards as well as inclusion of responsible finance and client protection indicators. Beyond the agreements themselves, IFAD needs to build in the systems to monitor performance of partners to meet targets and minimum thresholds identified in the agreements. IFAD will also need to work with field staff responsible for monitoring the agreements to oversee the partner relationship and to take action for non-compliance. At the centralized level, PTA should also maintain a system to allow it to track performance of PBAs across the institution and to step in as may be needed to reinforce technical oversight delivered by field staff and partners.
- **Conduct an analysis of IFAD’s strengths and weaknesses,** particularly as more funding for larger projects may figure in the future, and current staff capacity is stretched to manage the existing portfolio. A SWOT analysis across the agency will help IFAD better assess where it is already well positioned and able to take on additional programs and where it must continue to invest before embarking on new work. The analysis will also provide the basis on which additional staff capacity building efforts or staff reinforcement are needed as the institution continues to grow.
- **Establish a system for regular portfolio reviews.** IFAD has a strong evaluation department with a thoughtful and broad menu of evaluation approaches. While IFAD has historically been a leader on the portfolio review front, lapses in conducting regular rural finance portfolio reviews reduce the institution’s ability to maintain a strong awareness of its projects on the ground and to reflect lessons and learning in its strategy and new project design. IFAD should strongly consider a thematic review of rural finance portfolio in 2014, with a methodology based on CGAP’s 2012 portfolio review guidance⁴. Portfolio reviews are a hallmark of learning institutions, and provide valuable advice for future operations. Typically, portfolio reviews should be conducted every 4 to 5 years. Learning from portfolio reviews complement standard project mid-term and final reviews as they provide a broader picture of which types of projects achieve results and why. Based on the scope of the review, they may shed light on performance across different types of institutional partners, regions and funding instruments. Portfolio reviews also provide useful recommendations for improving project design and operations.
- **Continue to discourage small rural finance components in integrated projects. When there is appropriate justification for rural finance sub-components, ensure that they are identified and coded so that they receive technical support and contribute to organizational learning.** Ideally, IFAD would also ensure regular performance monitoring of all sub-components, so that sub-components and stand-alone rural finance projects alike contribute to organizational learning.

⁴<http://www.cgap.org/publications/portfolio-reviews-resource-guide-funders>

Methodology

SmartAid distills learning from over eleven years of aid effectiveness work undertaken by CGAP with its members. The indicators draw on the consensus *Good Practice Guidelines for Funders of Microfinance* and a body of knowledge developed through peer reviews, country reviews, and portfolio reviews. Aid effectiveness experts from the Center for Global Development and OECD’s Development Assistance Committee contributed crucial advice.

The nine indicators used in the SmartAid Index were selected and refined over the course of a pilot round in 2007, an external evaluation, consultation with experts and the first round of the Index in 2009. For the 2011 round, two of the indicators were further refined to remove redundancy, however, the indicators remain consistent in nature and scores are comparable across the 2009-2013 rounds. The scores of the 2007 pilot round are not comparable.

	Points	Range
	90–100 80–89	Very Good
	70–79 60–69	Good
	50–59 40–49	Partially Adequate
	30–39 20–29	Weak
	10–19 0–9	Inadequate

The nine indicators are worth between 10 and 15 points each, for a total maximum of 100 points (see table). Different weights are assigned to indicators, giving more prominence to those that make a greater difference in a funders’ work in microfinance. Accountability for results is a powerful element and accounts for 40 percent of the score. As the wise dictum goes, what cannot be measured cannot be managed.

The Index is based on self-reported documentation from participating funders, following instructions in the SmartAid Submission Guide. Scores are determined by a review board of four microfinance specialists with broad experience with a range of funders. Each review board member independently scores all funders against all indicators; final scores are agreed upon after discussion among reviewers. For each indicator, funders receive a score on a 0-5 scale (5 being the highest score). These scores are then multiplied by a factor of two or three to arrive at the 100 point scale. Medians as well as minimum and maximum scores shown in the graph in the Key Findings section represent the scores of all participants of the 2009-2013 SmartAid rounds. For agencies participating in more than one round, only their latest score is included in the medians.

Naturally, a margin of error is unavoidable in this type of exercise. Funders should not give undue attention to differences of one or two points. The most strong and meaningful messages lie in where a funder performs along the range of scores for each indicator as well as whether its overall performance lies in the “very good,” “good,” “partially adequate,” “weak,” or “inadequate,” range.

SmartAid Index Indicators

Strategic Clarity	1 Funder has a policy and strategy that addresses microfinance, is in line with good practice, and is based on its capabilities and constraints.	15 points
Staff Capacity	2 Funder has quality assurance systems in place to support microfinance projects and investments.	10 points
	3 Funder has the staff capacity required to deliver on its microfinance strategy.	15 points
Accountability for Results	4 Funder has a system in place that identifies all microfinance projects and components.	10 points
	5 Funder monitors and analyzes performance indicators for microfinance projects and investments.	10 points
	6 Funder incorporates performance-based elements in standard agreements with partners.	10 points
	7 Funder regularly reviews the performance of its microfinance portfolio.	10 points
Knowledge Management	8 Funder has systems and resources for active knowledge management for microfinance.	10 points
Appropriate Instruments	9 Funder has appropriate instrument(s) to support the development of local financial markets.	10 points
MAXIMUM SCORE		100 points

About CGAP

CGAP is an independent policy and research center dedicated to advancing financial access for the world's poor. It is supported by over 30 development agencies and private foundations who share a common mission to alleviate poverty. Housed at the World Bank, CGAP provides market intelligence, promotes standards, develops innovative solutions, and offers advisory services to governments, microfinance providers, donors, and investors.

Funders participating in SmartAid to date

Agencia Española de Cooperación Internacional para el Desarrollo (AECID), Agence Française de Développement (AFD), AFD/Proparco, African Development Bank (AfDB), Asian Development Bank (AsDB), Australian Agency for International Development (AusAID), Canadian International Development Agency (CIDA), European Commission (EC), European Investment Fund (EIF), European Investment Bank (EIB), FMO, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), International Fund for Agricultural Development (IFAD), KfW Entwicklungsbank (KfW), International Finance Corporation (IFC), International Labour Organization (ILO), Multilateral Investment Fund (MIF), Swedish International Development Cooperation Agency (Sida), Swiss Agency for Development and Cooperation (SDC), United Nations Capital Development Fund (UNCDF)

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