

SPTF and Social Investor Working Group Update

Tuesday October 3, 2017

**Presented by SIWG co-chairs:
Christophe Bochatay and Jurgen Hammer
and
Leticia Emme, SPTF**



Agenda

- **Presentation on SPTF membership fees**
- **Update on new workstreams for SIWG**
- **News on 2018 Annual Meeting**
- **Update on elections for new co-chair**
- **Q&A with participants**

Highlights of the 2018-2020 SPTF Strategic Direction



- Board met in March to discuss and finalize the 2018-2020 **strategic plan**
- **SPTF committed** to continue working towards an inclusive, responsible, and equitable financial sector that provides value to low-income clients and those excluded
- **Priorities:**
 - *Social Investor Working Group*
 - Universal Standards and implementation resources
 - Management and expansion of the RMF (Responsible Microfinance Facility)
 - Outcomes working group (and pilots)
 - Coordination of the work of key initiatives from the RIF (Responsible Inclusive Finance) working group
- **Funding** landscape has changed:
 - Donors are moving to new topics
 - Expectation that SPTF has multiple sources of revenue (vs. 100% donor dependent)
 - **SPTF must demonstrate members value our work (monetary contribution)**

➔ SPTF will introduce **annual membership fees as of January 2018**

SPTF Membership Model: Member Types

- **Organizational Member:**
Provides general support by contributing an annual fee
- **Collaborating Partner:**
Provides direct financial support to specific activities

In addition, there is a non-paying category:

- **Subscriber:**
Does not provide financial support to the work of the SPTF
Just stays up-to-date with news, working groups, and accesses publicly available resources

SPTF Membership Model: Member Benefits

- **Fees vary by stakeholder group**
- **Paid membership benefits include:**
 - **Industry recognition**
 - Ability to elect and be elected to **SPTF board**
 - **Priority to attend SPTF meetings**
 - **Discount on fees to attend SPTF meetings**
 - Ability to **contribute to content, propose sessions/topics for meetings**

Membership Benefit	Organizational Members & Collaborating Partners	Subscribers
Industry recognition as part of a network of leaders and movers in responsible inclusive finance (exposure on SPTF website, Annual Meeting, and other materials)	✓	n.a.
Ability to elect and be elected to the SPTF board of directors	✓	n.a.
Invitation to attend SPTF meetings	✓	If available space after registration of org. members and collaborating partners
Discount for two members of the organization that attend SPTF meetings (Annual Meeting, SIWG meeting)	✓	n.a.
Invitation to special events (e.g. members-only meeting/workshops, networking space at Annual Meeting, SIWG meeting)	✓	n.a.
Ability to contribute to content , propose sessions/topics for meetings	✓	n.a.
Ability to announce events/news and/or share information in SPTF newsletter	✓	n.a.
Access to SPTF webinars	✓	✓ (some webinars require a fee)
Ability to participate of SPTF working groups	✓	✓
Access to news and communications of SPTF, newsletters, webinar announcements, etc.	✓	✓
Access to all public goods (e.g., Universal Standards, Implementation Guide, Outcomes guidelines, etc.)	✓	✓

SPTF Membership Model: Annual Fees

- Annual Fee Structure - **Organizational members**

Stakeholder category	Tier	Early Bird rate (by Feb 28)	Annual Fee (after March 1 st)
Investors	Tier 1 - USD +500M AUM	\$7,000	\$7,700
	Tier 2 - USD 100-500 AUM	\$5,000	\$5,500
	Tier 3 - USD 0-100M AUM	\$3,000	\$3,300

- Fee amounts will be fixed for at least the period 2018-2020
- Payments to be done online on SPTF website (similar to Annual Meeting registration), via check, or wire

SPTF Membership Model: Annual Fees by Stakeholder Group and Size

Stakeholder category	Tier	Early Bird Annual Fee (paying by Feb 28)	Regular Annual Fee - (paying March 1 or after)
Investors	Tier 1 - USD +500M	\$ 7,000	\$ 7,700
	Tier 2 - USD 100-500 AUM	\$ 5,000	\$ 5,500
	Tier 3 - USD 0-100M AUM	\$ 3,000	\$ 3,300
Funders	Single Tier	\$ 3,000	\$ 3,300
Support orgs/international networks (eg CRS, OI)	Tier 1 - USD +20M operating budget	\$ 3,300	\$ 3,600
	Tier 2 - USD 3-20M operating budget	\$ 2,800	\$ 3,100
	Tier 3 - USD <3M operating budget	\$ 1,600	\$ 1,800

Stakeholder category	Tier	Early Bird Annual Fee (paying by Feb 28)	Regular Annual Fee - (paying March 1 or after)
FSP	Tier 1 - USD +30M loan portfolio	\$ 700	\$ 770
	Tier 2 - USD 5-30M loan portfolio	\$ 500	\$ 550
	Tier 3 - < USD 5M loan	\$ 300	\$ 330
Networks - regional and national	Regional - single tier	\$ 500	\$ 550
	National - single tier	\$ 300	\$ 350
Info, Capacity Building, Standard Setters, Raters, Assessors	Tier 1 - USD +2M operating budget	\$ 3,000	\$ 3,300
	Tier 2 - USD 500k-2M operating budget	\$ 2,000	\$ 2,200
	Tier 3 - < USD 500K operating budget	\$ 1,000	\$ 1,100

Fee amounts will be fixed at least during 2018-2020

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Assessing S&E performance of SME finance - Measurement Solutions Map

Objective: understand “state of practice” of S&E evaluation for FSPs financing **SMEs**-- the applicability of Universal Standards to SMEs, assess tools used by MIVs and DFIs to assess S&E performance of SMEs and applicability of SPI4, identify existing gaps, and provide recommendations for further guidance needed

Activities completed:

- Kick off meeting with investors in Mexico in June 2017: roundtable on expectations, priorities, concerns and preferences.

Activities in progress:

- Literature review: analysis of studies previously conducted and tools publicly available
- DFI tools review: analysis of metrics and approaches used by a sample of DFIs (IFC, EIB, FMO)
- Analysis of Social Ratings of SME finance institutions
- Mining of MicroFinanza Rating database of surveys of SME clients to profile some typical characteristics and understand the variety of their differences, with a sample approach

In-person discussions: panels at African Microfinance Week (October), EMW (November), and SPTF Annual Meeting (February)

 *Investor input will be key to refine the paper as it is developed and in future stages to identify (and later test) indicators needed to cover gap in existing tools*

SPTF-CDC Fintech Webinar Series



- SPTF is working with CDC Group to hold a webinar series for investors about fintech investments and client protection risks
- Objective: highlight the SPM related risks that investors should be looking for when investing in fintech and point out what they can do on an ongoing basis to make sure the fintech investees behave responsibly towards clients
- **Series kick off: Friday October 6** at 9.00 am EST / 3pm CET with first introductory webinar at by Smart Campaign and FMO
- Topics being considered for other webinars include:
 - Risks related to services that involve multiple partners in the value chain
 - Issues related to digital technology
 - Issues related to dealing with agents
 - Risks related to bundling of new products and services
 - Vulnerability of the most excluded and underserved
 - Credit scoring and repayment capacity analysis
- ***What other topics would you like us to cover?***

ALINUS uptake



Use of SPI4 today

September 2017

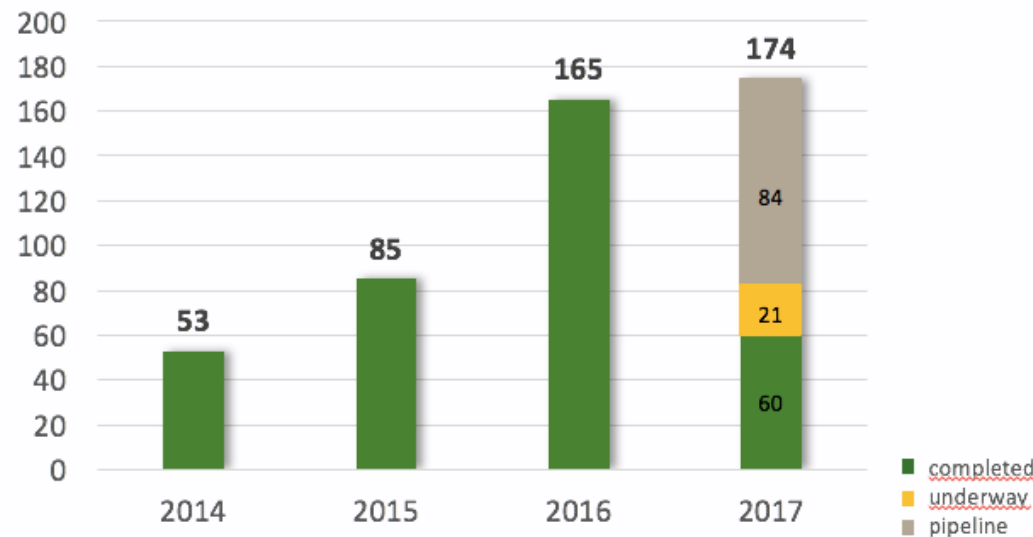
- 382 SPI4 audits completed (240 IMFs)
- 30% filled the green index
- 21 underway and 84 pipeline
- From 88 different countries
- 293 questionnaires in SPI4 database
- 71% are accompanied self-assessments
- +800 people trained in SPI4 (CERISE & SPTF)
- 88 qualified auditors 
- 12 investment funds using 

<http://www.cerise-spi4.org/#/benchmarking/>



Growing use of SPI4

Number of SPI4 audits completed



Aligning with other initiatives in impact investing

1. Coordinating with WEF, GIIN, IMP, and others to accelerate IMM: SPTF is leading an action group focused on “engaging all affected stakeholders” in impact investments/interventions
 - Developing 2 work products: guidance on engaging all affected stakeholders, and checklist/rubric to assess extent to which current practice aligns with suggested guidance
 - A few SIWG members have taken part of discussions
 - We’d like to include as much guidance and examples from investors in FI as possible – ***let us know if you’d like to participate of this group***
2. Possibly coordinating with GIIN to develop FI vertical as part of their Navigating Impact project – more news coming soon

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2018 SPTF Annual Meeting Update

- SPTF is joining forces with CGAP, Leapfrog, and IFMR for a joint meeting
- Will take place during the **week of February 19th in Chennai, India**
- As always, we will hold an investor meeting during this week – topics will include updates on ALINUS, SME finance, fintech, and stakeholders at the center
 - *What other topics would you like us to cover?*
- Second investor-only meeting of 2018 likely in May/June in Luxembourg– more details to be shared soon
- To enjoy discount and priority registration for meetings make sure you update your membership and pay your membership fee before the meeting date

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Co-chair elections

- Ongoing election process to select the next investor representative at the SPTF board
- We thank our incredibly qualified and committed candidates: Anna, Caterina, Sarah, and Ramkumar
- If you are an organizational member and haven't voted yet, please send in your vote ASAP
- Final results should be ready in the next few days!



Discussion with participants

- Questions about new membership model?
- Suggestions for fintech webinar series?
- Ideas for topics to be covered during SIWG meeting in India?
- ...

