

**Responsible Inclusive Finance Working Group, Convening #9**  
**Hosted via WebEx**  
**May 23, 2014, 8:30 a.m. – 11 a.m.**

*Participants*

- Frank Ballard, Grameen Foundation
- Isabelle Barres, Smart Campaign
- JD Bergeron, Truelift
- Laurence Bottin, Planet Rating
- Laura Foose, SPTF
- Katie Hoffmann, SPTF
- Cécile Lapenu, CERISE
- Karin Malmberg, PIIF
- Micol Pistelli, MIX
- Alex Rizzi, Smart Campaign
- Tony Sheldon, SPTF
- Blaine Stephens, MIX

**I. Meeting Overview**

The ninth convening of the Responsible Inclusive Finance (RIF) Working Group focused on three main agenda items: (i) a review of the RIF participation in a plenary session at the SPTF Annual Meeting; (ii) a discussion on which data MIX is able to collect, display and store; and (iii) a review of the group's joint capacity building proposal. The RIF Working Group will convene again in July 2014. The recording can be found here: <https://sptf.webex.com/sptf/ldr.php?RCID=01af1111e72ef703413a9b6fd55364db>.

**II. Next Steps**

The RIF Working Group identified the following action items:

- The SPTF Board will review the 19 indicators that the MIX has proposed and provide comments. Similarly, CERISE will compile comments from the SPI4 beta testers and review its indicators. Both CERISE and the SPTF Board will compile their comments and disperse them to the broader RIF Group, which will add their own comments. The group will finalize its suggestions on its July call.
- Katie will incorporate edits for the joint funding note – including broader structural issues, such as how to fundraise to house the data, and the regional pilot program in Latin America.
- Members of RIF initiatives will meet the evening of Thursday, June 5 at the SPTF Annual Meeting in Dakar to discuss more coordinated messaging around sequencing RIF initiatives. Katie will send meeting location details early next week.

**III. Summary of Dialogue on Agenda Items**

**i. RIF participation in plenary session at SPTF Annual Meeting**

- The RIF Working Group will have approximately 20 minutes to present at a plenary session at the SPTF Annual Meeting, which will take place June 2 – 6 in Dakar, Senegal. The Group will use a question-and-answer format to provide an overview of its work to date.
- On the call, Katie Hoffmann gave a proposed outline for the presentation. According to the proposed outline, Katie will start with a quick overview of what RIF is, why it formed and who's involved. Then, members of the RIF will answer questions, each which will each have a 2-minute response. The presentation will be accompanied by a PowerPoint, which will include the questions and a few key words and phrases. The proposed questions and talking points:
  1. *How have RIF initiatives been coordinating on tools? (Cécile Lapenu)*
    - RIF initiatives coordinated to make the SPI4 a universal assessment tool that will help MFIs more easily assess their performance in all RIF issues.
    - Several RIF initiatives – including SPTF, Smart Campaign, Truelift and MFT –were involved in the Expert Panel of the SPI-4 and others provided feedback on RIF calls. The tool includes the Universal Standards, Client Protection Principles, Truelift and PPI.
    - CERISE also is working with MIX to be able to generate reports directly from SPI4 to MIX, which will reduce reporting burden on MFIs
  2. *How have RIF initiatives been coordinating on standards? (Isabelle Barres)*
    - All our standards and tools have become very intertwined – the Client Protection Principles are integrated into the USSPM; the Universal Standards, Client Protection Principles, Truelift and PPI are included the SPI4. It's positive that we're integrating our standards, as it will make it easier for MFIs to understand and implement them.
    - However, because they're so intertwined, it's important that we update them at the same time. This will help make complying with the standards easier.
    - Nothing is set in stone yet, but initiatives are discussing a timeline for this.
  3. *How have RIF initiatives been coordinating on messaging? (JD Bergeron)*
    - One of the group's main tasks has been to reduce confusion for MFIs about which tools or resources applied to them or where to start. To help clarify that, we created a roadmap for responsible inclusive finance. It details the resources available to MFIs and lays them out according to five steps — Learn, Assess, Plan, Implement, Demonstrate.
    - The group has gone on the road to deliver the joint presentation at several conferences over the past few months, including the Microcredit Summit in Manlia, European Microfinance Week in Luxembourg and the India Microfinance Summit. A copy of the roadmap, with links to relevant resources and tools, is on your USB flash drives.
    - Having a joint presentation also helps us be more efficient as initiatives. We don't all have to be present to get our point across. When I wasn't able to make it to the Philippines, other RIF members delivered the presentation. When Laura couldn't make it to India for the Summit, Alex Rizzi of the Smart Campaign and I was able to give the presentation.
  4. *What are the RIF initiatives plan for coordination going forward? (Kasia Pawlak)*
    - Now that we've created a roadmap that explains our tools, we're trying to get as many people on that pathway as possible. To do that, we're working to jointly build the capacity of our trainers, assessors and TA providers.

- Each of our initiatives receives more requests for trainings and workshops than we're able to meet. To better take advantage of those opportunities, we're planning to jointly build capacity at the level of national and regional networks. This will help make sure there is a larger pool of people at the local level who are trained across the spectrum of RIF initiatives – not just in resource or tool. This will help ensure there are trainers, TA providers and consultants in your region for whatever needs you have as you work to improve practice.
- 5. *How will RIF coordination benefit MFIs? (Anne Hastings)*
  - As mentioned in previous questions, our initiatives are coming together in efforts to make it easier to understand how to improve practice in responsible inclusive finance and to help each of you along that process. Through our coordination, we are:
    - Presenting a clearer messaging about where to start on your road to responsible inclusive finance and how each of our tools and resources fit together.
    - Streamlining resources and tools, such as the SPI-4, which will make it easier to assess performance across the RIF spectrum
    - Jointly building local capacity across RIF initiatives, which will make it easier to locate the right TA provider, assessor or consultant for your needs
    - Reducing reporting burden. Transparency and reporting is vital to the sector, but the proliferation of resources and tools has placed an increased reporting burden on MFIs. RIF initiatives are working to reduce this burden.
  - The CEOs of the MCWG have made a public commitment to improve work in SPM. The RIF work will help make it easier for them to fulfill that promise.
- After Katie presented the proposed outline, the group discussed and made suggestions:
  - Cécile suggested that the group switch Question 1 and Question 2 noting that it makes more sense to start with standards. She also suggested that the answer in Question 3 – *How are the RIF initiatives coordinating on messaging?* – should include key messages.
- The RIF handout, detailing the joint RIF framework of *Learn, Assess, Plan, Implement and Demonstrate* – will be included in the USB flash drives that all meeting participants will receive.

**ii. MIX feedback on RIF requests**

- On the RIF Working Group call on March 27, the group decided it should clarify language about what it would want out of a data platform for social performance indicators. While the group had been in discussions with MIX to collect and/or house data from the SPI-4, most members were confused about what MIX had agreed to and MIX was confused about what exactly the group wanted. To clarify this, the group compiled questions it had for MIX, as well as what it would ideally want from a SP Platform. Micol Pistelli sent written feedback and was on the call to discuss.
- Micol started by summarizing her feedback and clarifying MIX's plans:
  - In 2014, MIX will collect the CERISE SPI forms, which will be used as a tool for MIX's desk-review of indicators collected by both MIX and CERISE, as well as a reporting tool when the data collected through CERISE SPI4 are more recent than those collected by MIX (both for profile and results).

- In 2015,
  - Data collection: MIX will collect a subset of 19 new indicators and modify 9 of its existing indicators. The indicators were selected because they meet MIX criteria of being able to be benchmarked and desk-reviewed. MIX can integrate these new indicators into 2015 collection if funds become available with a six-month lead-time, which will be in October. After that, it may not be able to integrate the indicators in time for the 2015 data collection.
  - Data Display: MIX is committed to displaying the entire set of the current USSPM collected through CERISE SPI data in 2015 and to allowing users to perform benchmark analysis on them on its public platform. MIX is open to the possibility of displaying and building analysis functionalities for public use of the additional indicators collected by CERISE, but this will likely not happen in 2015 because MIX needs to:
    - *Assess market demand for indicators beyond the USSPM*: MIX will conduct market research to assess the demand and specific use cases from targeted users, as well as to evaluate possible business models to sustain the data beyond an initial build.
    - *Restructure the MIX Market platform*. Given the uses of the larger SPI data set, integrating that data into MIX Market to meet user business needs and outcomes would require additional restructuring. This could be done later in 2015.
  - Data analysis. MIX has proposed to give users the ability to analyze USSPM collected through CERISE SPI by visiting the MFI's page containing this data and running analysis based on peer grouping. Users will be able to analyze each indicator by the same peer groups used currently on MIX Market.
- Beyond 2015
  - MIX proposes using its premium services platform as the basis for maintaining this data set and analytical tools. For that, MIX will need to carry out market research to identify the demand and related workflows (market research, due diligence, reporting, etc) for the data to develop products and product packaging. MIX expects that, besides on-going maintenance costs that its site requires, the USSPM will be revisited in the next years (and certainly will be the indicators proposed by the other initiatives) and these will add on-going costs for updating the product suite.
- MIX suggests the RIF Working Group fundraise for MIX to:
  - Cover the costs of having MIX collect, display, create analysis functions for the 19 new indicators and to display and create analysis functions for the USSPM collected through the SPI on MIX Market for 2015.
  - Fund market research to assess the demand from the industry (beyond single initiatives) on the workflows and business cases for data and analytics.
  - Create functions that allow MFIs to upload key documents (Code of Ethics, manual, reports on client satisfaction, etc.) for data validation, with protected access.
- Micol noted that if MIX can establish demand through market research and build the products, then this group could also become subscribers to the service that MIX develops.
- If the group would like MIX to consider managing data beyond the USSPM, MIX recommends seeing results of market research *before* fundraising for premium subscriptions of these initiatives to have these data become part of the public domain. If initiatives want to see the

indicators collected through CERISE SPI (not part of the USSPM) be displayed and analyzed on MIX Market for their private use, they can subscribe to MIX premium and MIX will be able to accommodate their request. This data, however, would *not* be part of the public domain.

- Blaine Stephens noted that as the group centralizes reporting formats, it's important to make sure the MFI is still in control in terms of understanding what they're sending and whom they're sending it to. With MIX Express, MFIs can do that.
- Laura Foose asked for clarification on how the data would be used at the aggregated level. Is aggregated information going to be publicly available for analysis?
  - Micol said MIX wants to make the USSPM indicators available to the public and will restructure MIX Market to reflect that. For SPI4 indicators outside of USSPM, MIX wants a better understanding on whether there's a demand for additional indicators and, if so, what they would be used for. MIX does not want to undermine the uptake of the USSPM by pushing out too many indicators and overwhelming users before understanding their demand for these additional indicators.
  - Laura noted that the indicators for the SPI4 modules relate to outcomes – poverty, gender, rural and environment. The modules relate to Dimension 1, which analyzes the mission of an organization, and represent the latest collective thinking in the industry on each of those issues. That's not universal for all organizations, which is why they're distinct from the whole USSPM. Laura noted that she thinks there will be particular demand for some of those indicators, depending on what investors or funders are involved.
  - Micol noted that MIX already collects and publishes poverty data – PPI data or any other tool – if it is available.
  - Laura asked where the group should house a central database to analyze the correlation between project and management indicators against outcome indicators.
    - Blaine noted that this is a use case for the data – doing fundamental research to understand the relationship between the standards and the outcomes. That's a data dump. MIX wants to do research to see what the potential set of use cases are, and based off that, what types of investments MIX would propose to make.
- JD asked where the group would house data that will not be included in MIX. If MIX is going to be the data clearinghouse, the group should figure out ways to link to MFT's page about that MFI.
  - Isabelle Barres agreed, noting that Smart Campaign has more data points than what is currently on MIX. Even if it's not housed there, there could at least be a link so users can go to one place and either find the data there or a link to where they can find the data.
  - Cécile Lapenu noted that the key issue is where the data will be stored. It should be with a close link to MIX so that the MIX can have at least have the indicators they want to collect, and then the group can have the data stored in a place where it can be analyzed on an aggregate level. That way any user can start with the MIX and have all the information.
  - JD noted that the group has been talking about using a shared Salesforce instance, to which each initiative contributes data, and then there would be a public user interface where all of that can be brought together into one dashboard. That relieves the burden on the MIX.
    - Blaine agreed that this was a good idea and noted that MIX has a unique ID system for each MFI. RIF could use same ID system, which would help link the platforms.

- Laura said the group should develop a process for examining the 19 new indicators that MIX has proposed it will collect.
  - Micol said that MIX decided on the 19 indicators months ago, based on the fact that they can be benchmarked and desk reviewed, but she said that it is willing to reevaluate if modifications or adjustments changes the indicators. To be sure that it can do all the developments required to collect these additional indicators in March, MIX needs to have funds and the final indicators by October or November.
  - Alex Rizzi said that Smart Campaign has been reviewing CPP standards and indicators related to saving and insurance. It also expects to have additional suggestions in area of digital financial services but is not sure if those would be operationalized in terms of new indicators or standards. The Campaign was operating under the assumption that it had to have recommendations for revisions by end of year, so any revisions could be integrated before the freezing of SPI4 at the end of they year.
    - She noted that the work that the Smart Campaign group is doing on savings and insurance likely would not affect the 19 indicators MIX has proposed. Rather, it will likely affect the timeline for warehousing the whole SPI4.
  - Cécile noted that the SPI4 beta testers have indicated where CERISE can simplify some of the indicators. It may have a revised version of the SPI4, which could affect which indicators meet MIX's criteria of being benchmarkable and desk-reviewed.
- Cécile said the group should also look at results indicators and peer grouping, given the feedback CERISE has had from the users. Blaine noted that MIX could add peer groupings to the proposed market research.
- Alex and Laura asked for further clarification on where the larger dataset will be housed.
  - Micol said that MIX hasn't been thinking about housing the data. As of now, it is just going to display data for the 6 dimensions of the USSPM. Once it has market research on user demand for additional areas, and MIX can answer the demand, then it is open to display the entire set.
  - Blaine noted that there are some easy wins in what's already been done and that to aggregating the data is relatively simple. He said he would not let the market research piece hold up the simple data storage.
  - JD said that Salesforce would be a common receptacle for contact and relationship information. The main bulk of the data would not be stored in Salesforce but could be linked there.
- Laura said she's confused about how to fundraise for this, given that it's unclear where all the data will be stored and displayed.
  - Micol verified that the \$109,000 cited by MIX refers to usage and display, not storage.
  - Cécile said that she'd have to ask her IT team but that there is small cost associated with storing the SPI information.
- For next steps:
  - The SPTF board will review the 19 indicators and make suggestions, and CERISE will incorporate feedback from the beta testers. CERISE and SPTF will share this feedback with the group, and, based on this and the MIX criteria for indicators, the group will discuss if there should be any changes to the 19 indicators that MIX has proposed.
  - Katie Hoffmann will include the MIX feedback into the larger RIF proposal.

### iii. **Joint RIF Concept Note on Capacity Building**

- On the last RIF call, people balked at how large the joint capacity building note had become. The general consensus was that the proposal was overreaching in terms of activities, and people wanted to scale the proposal back, starting with one or two regions.
- Given that feedback, Katie Hoffmann scaled down the proposal to focus on the joint introductory trainings, keeping the concept of the RIF Officers and reducing the role of the database. Katie led the group through her revisions on the call:
  - In terms of activities, the concept note now focuses on creating joint introductory trainings, which will give an overview of all our initiatives and how they fit together. Before, the group had other activities listed, with delivery via the database and the RIF Officer.
  - The position of the RIF Officer has stayed the same. The RIF Officer will:
    - Represent the RIF Working Group at regional conferences and workshops
    - Deliver the joint introductory trainings. He or she will work with the RIF Working Group to develop a prioritized list of networks to which they will deliver the trainings. These trainings would be free.
    - Identify consultants for the database and verify those that are already listed.
    - Be a point-person for organizing trainings and assessments on demand in the region, working in conjunction with the respective RIF initiative.
      - If qualified and have time, the Officer can do it. If they do this, there will be a small fee, which will go toward funding his or her salary.
      - If not, they'll work with the requesting institution and the RIF initiative to meet the request (prioritizing local consultants when possible).
  - The TA database will have a reduced role.
    - Originally, the group had talked about delivering activities (such as training of trainers) via this portal. However, on the last call, people said we weren't necessarily at the stage of jointly delivering such trainings.
    - The proposal still includes TA database, but for now, its main function will center on getting as many TA providers on the database as possible. This will help the group quantify capacity across initiatives and regions. The group will build the database on a platform that has the capability of providing trainings, so it can do so in the future.
- Katie asked the group what it thought of these revised points.
  - Laura Foose noted that SPTF has been working with a consultant to talk about how to display the database information in a format that is easily accessed. As JD was saying, could use Salesforce for back-office analysis on the different consultants.
  - Cécile noted that little by little it should be more than introductory trainings, but that it is a good first step. For TA database, the group should make sure it's identifying classical TA providers who have trainings on RIF initiatives and that the group isn't only creating specialized SPM TA providers. Cécile, Emmanuelle Javoy and Anton Simanowitz will be meeting to discuss how to integrate SPM into traditional TA provider curricula.
- Katie then discussed the two pilot programs:

- Latin America pilot. The group has been talking with RFR in Ecuador about housing a RIF Officer at the network. It was proving difficult to directly contract an officer, given local laws. Instead, RFR has four SPM Officers, and it has proposed that the RIF Working Group pay to shift some administrative work away from these SPM Officers, which will free up time for them to do RIF work. They envision all four of these officers splitting one full-time position. They are all trained on USSPM, Client Protection Principles and Truelift, and having multiple officers will help reduce turnover risk.
- Sub-Saharan Africa Pilot. AFD is willing to fund a RIF Officer as part of a larger proposal from SPTF and the Smart Campaign. The Officer would work as a consultant and would complete the same duties outlined above.
- JD noted that the group wants to make sure it has enough options. If the group only goes with one possibility in a region, it might be shooting itself in the foot. He suggested having representatives from different networks in Latin America perform RIF work.
  - Laura agreed, suggesting a regional training of trainers and then making the representatives of networks at the training work as RIF contractors. That way, the group can see who takes the lead. JD agreed, noting that maybe the concept of the RIF Officer is something that should be earned.
- Katie asked for feedback on who should manage the RIF Officer. Cécile said it will be important to be in close contact with them, get feedback on the joint trainings and any assessments or work they may do with the MFIs.
- Katie also asked for feedback on how to develop the joint introductory trainings.
  - Isabelle said she would like to talk more about presenting a common message to MFIs on how to sequence RIF initiatives. Some initiatives are, in a sense, competing for MFIs' time, attention and resources. There's a tradeoff when the groups says Client Protection is most important and MFIs should focus on doing no harm before focusing on doing good. Another approach is that it's good to have a broad view on overall SPM performance and then to decide where to focus.
  - Until the group has this discussion, Isabelle noted, it still creates confusion for MFIs about where to start. Currently, the SPI4 assessment is comprehensive. If the approach that's agreed is to favor a broader approach first, then it may come as a tradeoff for going deeper into Client Protection. Isabelle said in that case, it would be good to come up with a first step, such as taking a broader view of SPM but at a higher level, at lower touch. Then, if an MFI shows weaknesses on client protection, the recommendations would be to focus first on the key client protection issues. It's important to make sure we can strengthen our message.
    - JD agreed, adding that it also would be helpful to discuss segmentation. For example, there are MFIs that already consider themselves on the Truelift path but they would also like to pursue client protection. Saying they should go back and start with client protection doesn't honor the work they've done with Truelift. If an MFI is new to the space, it should start with client protection. But if an MFI were focused on women, the answer would be different.
    - Isabelle agreed, noting that it's important to keep an MFI's agenda in mind so that whatever improvements it's making can be integrated into other focuses. From that perspective, it's good to have the broad view of what needs to be improved so that if one intervention can target two different aspects, it's done in a mindful way.

- Cécile also agrees that the group should formalize its message and that we should not have an SPI4 that cannibalizes time and resources for MFIs. We need to make sure that it is a broad, lighter touch for MFIs to have a good overview. The beta testers have been providing good feedback about how to simplify indicators. There are MFIs that are new and should focus on client protection. And then there are those that are in between, which have medium practices, which could focus on client protection and then something a bit past not harming the clients (quick wins). One entry point for defining priorities would be, “What are the minimums you must have?”
- Anne Hastings agreed that we need to have a clear message but said she can’t imagine that the group will meet agreement. She has been surprised that the social performance leads from the MCWG, do not have consensus around this at all; some think certification is the first step, while others think poverty is their strength so they should focus on outcomes. Others think that assessing and improving in client protection is vital but that CP Certification is not always necessary. Anne added that the idea of segmentation idea is a good one. She said it would be helpful to get the view of MFIs who have started working on this and get their opinion. We have to listen to practitioners.
  - Isabelle said she doesn’t want to make this supply driven, but for cases where MFIs haven’t started or want recommendations, the group should clarify messaging. Anne agreed: For MFIs that ask about the right way to do this, then we can agree on a common message. And it does depend on the focus on the MFI. If it’s poverty focused, it makes sense to go to Truelift.
- JD noted that, while a united message is important, we stand to lose if we give the wrong united message. We don’t want to prescribe anything if it’s not asked for, and we want to understand what people are identifying with right now. He suggested that if MFIs haven’t done anything in social performance management, they should start with client protection. If they’ve already invest in serving poor clients, then Truelift might be a good starting point, and it would be his job to reinforce the Client Protection aspects through our engagement.
- Laura said she thought this could frame client protection as an ethical imperative. Isabelle said she’s also coming at it from a consistency perspective so that the group has a united message. Initiatives say client protection is the most important but don’t always start with it.
- The group will decide it will meet in Dakar at the SPTF Annual Meeting. It will meet toward the end of the week, so people can bring any feedback they gather from side discussions at the annual meeting. By this time, CERISE also will have had its feedback session with the SPI4 beta testers, which can contribute to the conversation.

#### iv. **Oversight and future of the RIF Working Group**

The group had planned to set aside time to discuss the future of the RIF Working Group and how it’s structured. However, the group ran out of time on the call and opted to postpone this discussion until the call in July.