



# ESF and microfinance in Europe: best practices and perspectives for a stronger financial inclusion

**Giampietro Pizzo**, President of RITMI



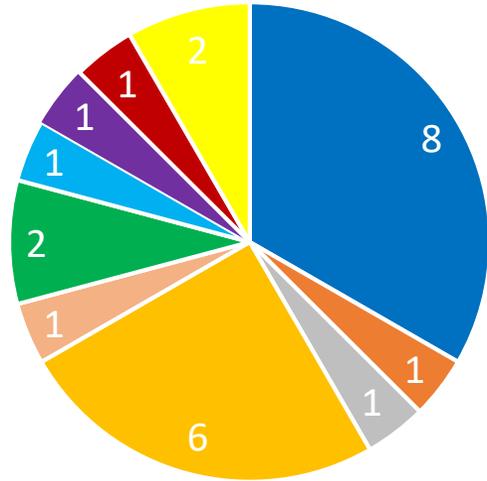
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# Who is



24 RITMI MEMBERS



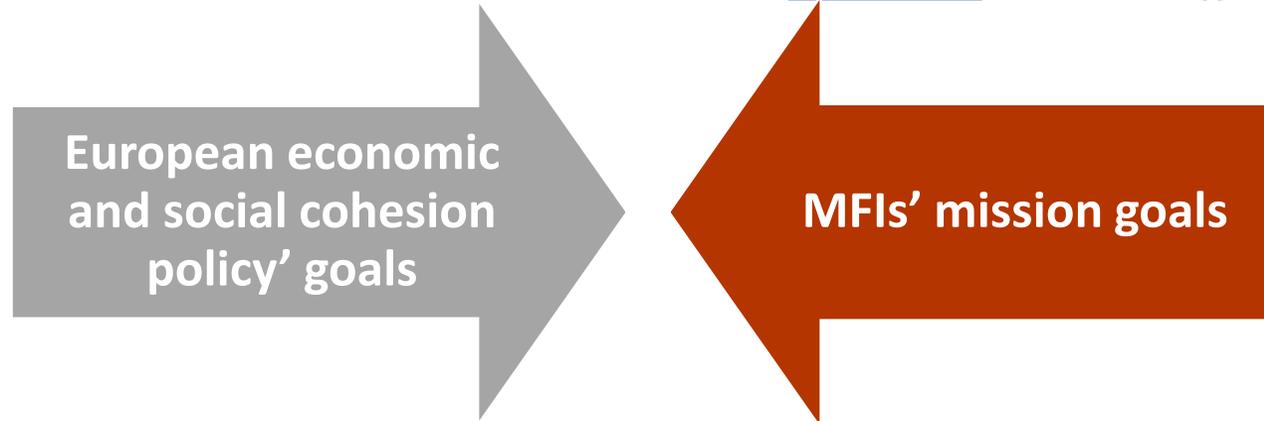
- Association
- Bank Foundation
- CONFIDI
- Foundation
- Cooperative
- ART. 111
- ART. 106
- Bank
- Mutual Self Managing Coop.
- Non-Financial Services



The network Rete Italiana della Microfinanza (RITMI) is a non-profit organization born in February 2008 linking different institutions (up to date 24 members) engaged in promoting in Italy the financial and social inclusion.



# ESF Objectives



## WHICH ARE THESE GOALS?



> Employment

> Social and Financial Inclusion

> Entrepreneurial Culture



Fighting against poverty and disparities



# Why sustaining Microfinance in Europe

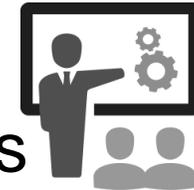


## ... AND WHICH THE MFIs NEEDS?

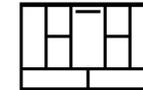


Funding

Operational costs to cover Non-Financial Services



Investments on new Products and Areas

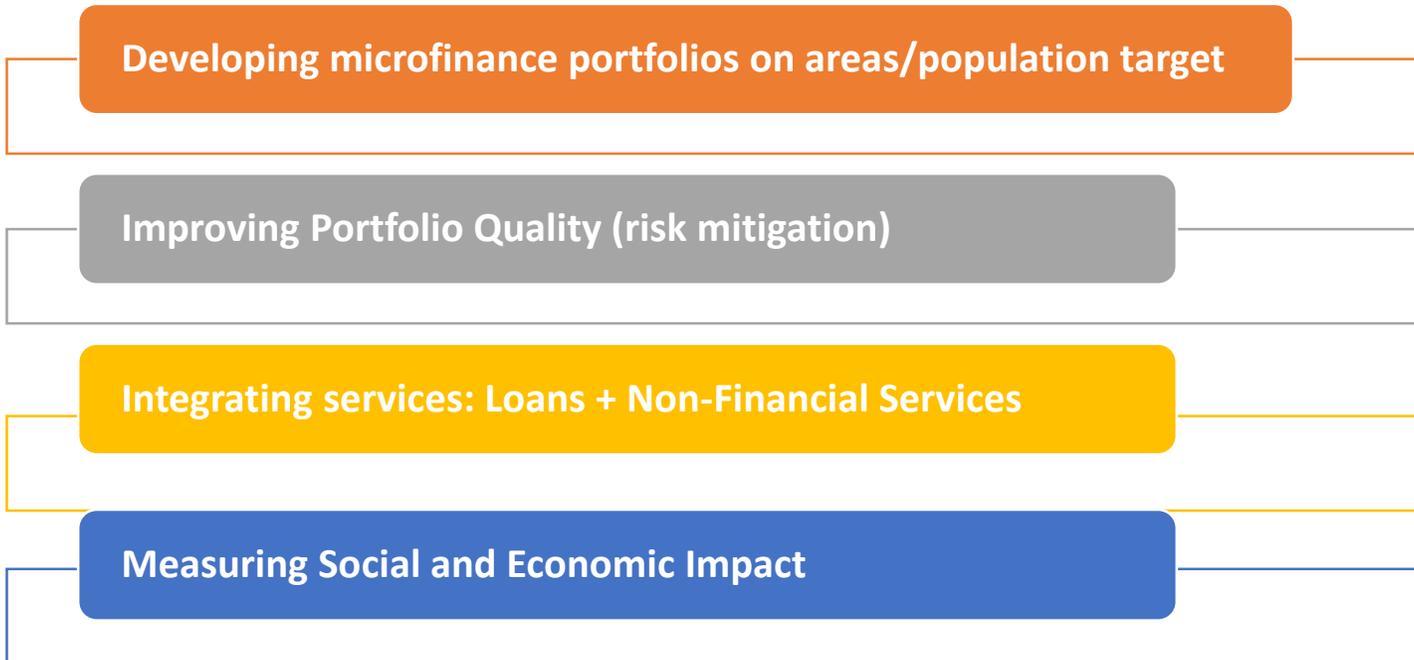


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## Specific Outcomes and Expected Results for Financial Inclusion:



# Expected measures from ESIF



- **Funding** (Equity, Senior Loans, Guarantee)
- **Subsidies for Non-Financial Services:**
  1. Financial Education
  2. Training
  3. Mentoring/Coaching
  4. BDS
- **Capacity Building and Technical Assistance to MFIs**
- **Institutional Building**
- **Social Performance and Impact Analysis**

**Developing market infrastructures**  
(credit bureau, legal framework, guarantee schemes, etc.)



# Potential Outputs



Increased # of Loans towards the population target
Growth of microenterprises and self-employed people's #
Better Quality Portfolio standards
Growth of permanent BDS ' #
Increased # of permanent Financial Education and Training activities
Adopted a new set of indicator for measuring social performance and impact



# Outcomes/impact



Increased # of people with a sustainable economic activities and employment, previously financially excluded

Reduction of financial exclusion rate, particularly in less-developed regions

Reduction of financial unemployment rate particularly in less-developed regions

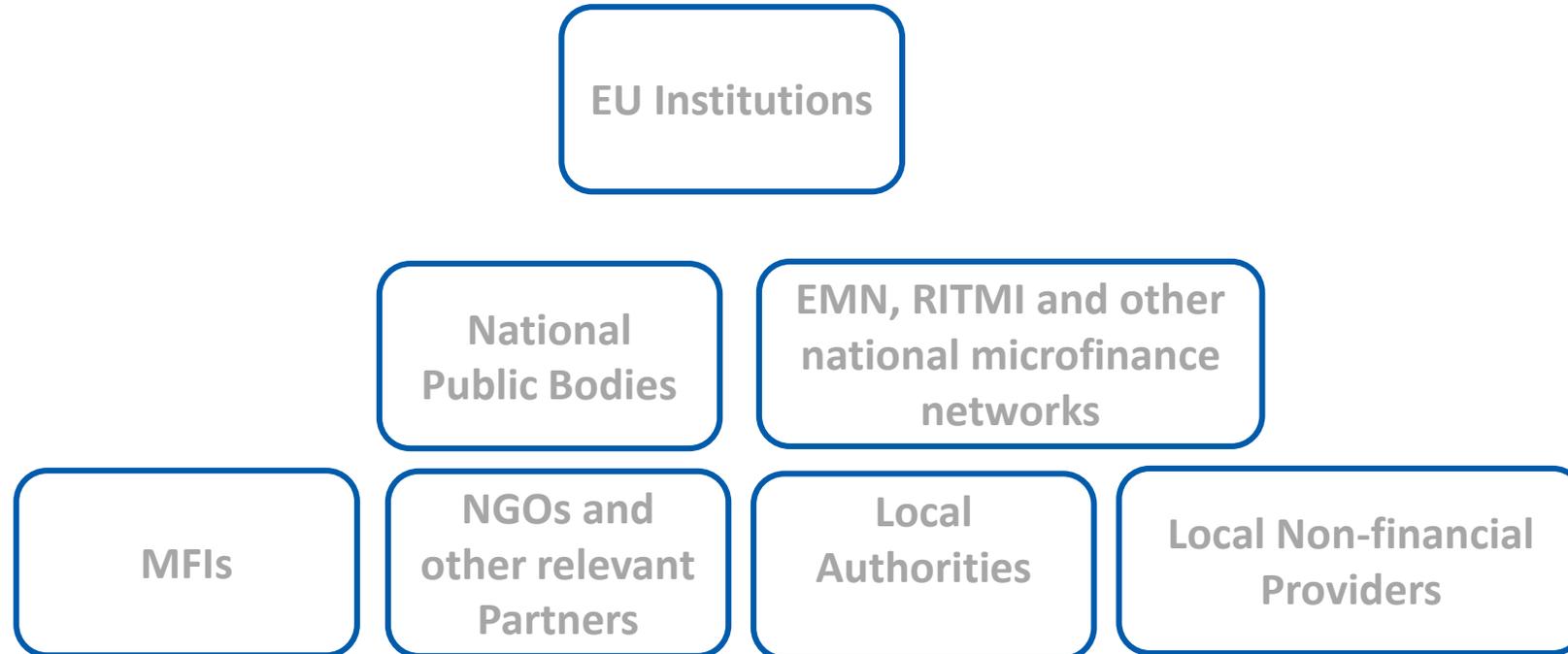
Increased # of MFIs achieving operational self-sufficiency

Increase # of permanent BDS and other Non-Financial Services providers active into local communities

Awareness of importance of microfinance and financial inclusion initiatives, linking with real economy and local development



# Stakeholders



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# Who does what?



European Funds and EU Institutions	Funding	Capacity Building and TA	Subsidies for Non-Financial Services	Market Infrastructures + Institutional Building
EASI	OK	OK		
Other DG Employment's initiatives			?	?
BEI/FEI	Ok			
ESF National Authorities		?		?
ESF Regional Authorities	?		?	



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# Towards an operational strategy



## RITMI proposal



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# Thank you for your attention



## CONTACTS

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financial instruments  
 revolving capacity building  
 added value **ERDF** funding agreement  
 governance **ESF** EU guidance  
 technical support seminars leverage financial intermediaries ex-ante assessment  
 co-financing **ESIF** microfinance case studies  
 investments **fi-compass** final recipients  
 business plan **Thank you** thematic objectives  
 advisory services guarantees banks loans **EaSI** equity  
 private investors life cycle combination of support  
**EAFRD** conferences factsheets  
 fund of funds **EMFF** investment strategy **CF**  
 managing authorities manuals