

**Microfinance Centre**

**Members’ Client Protection Roadmap**

**Memorandum of Understanding**

**Our vision**

The Microfinance Centre is a regional network uniting organizations who strive to be industry leaders in good practice microfinance, serving as an important example for the rest of the sector, both regionally and globally. We commit ourselves to promoting and implementing the Client Protection Principles (CPPs), which are the minimum standards that clients should expect when doing business with a microfinance institution.

**Member responsibilities**

By committing to be a part of the MFC Client Protection Roadmap, members agree to:

**Financial service providers:**

* Endorse the CPPs , conduct a CPP self-assessment **by September 2014** (if you’ve not completed a CP assessment within the last two years), and commit to implement the resulting action plan within the next 5 years
* Develop and share their action plan with the MFC **by October 2014**
* Take the first steps to address their client protection gaps (described in the action plan) **throughout 2015**
* Be complaint with CP standards **by 2018**

**Investors:**

* Endorse the **Principles for Investors in Inclusive Finance (PIIF), conduct a self-assessment by September 2014 and implement their action plan from 2015 onwards**
* Explore possible non-financial (e.g. presentation to investees’ Boards) and financial (co-financing) support to investees towards their gradual adoption of CPPs **from 2014 onward**
* Develop and share their action plan with the MFC **by October 2014**
* Deliver non-financial and/or financial support to investees to support CPP adoption **from 2015 onwards.**

**Networks, technical assistance providers and support organizations:**

* Endorse the CPPs and identify their role in promoting the CPPs in the sector **in 2014 and onwards**
* Develop and share their action plan with the MFC **by October 2014**
* Provide non-financial and financial support to help mainstream the CPP in the European and Central Asian region **by 2018** (e.g. assist in assessments, provide technical support, translate tools into local languages).

**The role of MFC**

The Microfinance Centre is committed to supporting its members to fully mainstream the Client Protection Principles by 2018. As part of this, the MFC will:

* Organize annual workshops (in conjunction with the annual conference), bringing members together to review progress and pending challenges for members and the network to reach full CPP compliance by 2018
* Develop an action plan for 2015-2018 implementation taking into account the current compliance of the members and their needs to support members in implementation
* Monitor members’ action plan implementation progress in order to provide encouragement, guidance and technical support to overcome barriers
* Support members in fundraising to match co-financing available for CP assessments, technical assistance and CPP certification
* Promote good practice through publishing case studies, facilitating e-learning events, and holding workshops the annual conference from 2015
* Offer members discounted consulting services to help them increase CPP compliance (including assessment, training and technical assistance in CPP implementation, the Universal Standards for Social Performance Management and the European Code of Conduct).

**Signatories**

We, the undersigned, commit to promoting and fully implementing the Client Protection Principles as outlined above.

On behalf of the Member: On behalf of the MFC:

(Signature)

Name: Grzegorz Galusek

Title: Executive Director

Organisation The Microfinance Centre