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The Features of Microfinance Industry: A Comparison between Eastern and Western Europe

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This study emphasizes on the differences within the microfinance industry between Western and Eastern Europe along with problems and challenges. Though Microfinance industry emerged into the European market in late 1980s, it is still struggling with its own identity. There are several key issues that have been identified through this study such as perception of the business within the regions, government involvement, competitiveness, threats and challenges etc. The industry was analysed through data obtained from secondary and primary sources. Interviews were conducted to collect data. One of the major research findings is - Western Europe microfinance institutions (MFIs) which are mainly engaged in social development whereas financial development is the main agenda for Eastern European MFIs. Sustainability is still the biggest challenge for the industry, next to the good social performance. The participation of government, involvement of European Union (EU), competition and public acceptance are gradually increasing.

1. Introduction

Microcredit is referred to as a financial tool which is promoted by social and financial actors, including governments, to encourage self-employment as well as to start up or consolidate small enterprises to fight unemployment. As microcredit focuses on helping socially and financially-excluded people, its presence is becoming ever more prominent on the social and economic agenda of the European Commission. Several initiatives, such as JASMINE and JERMIE (Progress Microfinance Facility) have been launched by the European Investment Fund to promote and support the sector. However, since the economic and financial downturn in 2008, various microfinance institutions have been redesigned to adapt to the market and deal with the newest challenges facing it (Jayo, Rico, Lum, & Lacalle, 2008).

In the literature, numerous gaps have been identified which raise several questions. These questions include whether microfinance is being applied, the significance of government knowledge and its role in micro financing, the focus of the industry, the unstable conditions, the lack of legal recognition, and so on. The purpose of the study evolved to find the answers to these queries, and both primary and secondary theory-based research was conducted. The findings of the research have been discussed in the following under specific issues. While the discussion sheds some light on the questions, a few queries remain unanswered, which will hopefully lead to future academic research.

There are several distinctive differences between Western Europe and Eastern Europe with regards to operating microfinance. In Western European countries, microcredit schemes were designed as the Lisbon Agenda, which was created to support growth and social inclusion. However, Eastern European microfinance mainly began in 1990s after the economic transition

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from centrally-planned to market economies resulted in high unemployment. Here, the main purpose is to provide services to people who were/are unable to get served by formal financial institutions due to the collapse of the sector (Jayo, Gonzalvez, Conzett, 2010).

Major restrictions of this current research stem from a lack of time and the importance of primary research in finding answers to the research questions. This required conducting primary research within a restricted timeframe. Hence, only a limited number of responses for the interviews was obtained, which nevertheless was sufficient for the overall purpose (though not as high as initially planned). This heavy time expenditure on primary research left little time for other parts of the project. Hence, the lion’s share of the secondary analysis was mainly done on the Internet, which somewhat detrimentally impacted data accessibility, quality and accuracy.

The paper is structured in a logical way according to the progress of the study. Following the introduction, the second section presents the theoretical background of the study along with research questions, the study’s objectives and the overall methods applied. Section 3 provides the secondary research, which includes an overview of the industry as well as industry evaluation and analysis. Section 4 comprises primary research including qualitative analyses, while the results of the previous sections are analysed and discussed in the same section. Finally, Section 5 delineates some limitations encountered over the course of the study, and Section 6 presents conclusions.

1. The main goal of this study is to identify the main differences between the microfinance industry along with the sustainability of the sector in Western and Eastern Europe.
2. Another objective is to find out which sector MFIs should focus on (e.g., financial or social development).
3. Another important purpose of the study is to assess the government’s and other authorities’ involvement in MFIs.

2. Literature Review

This paper reviews microfinance institutions in Europe, the sustainability of the finance method there, and the differences between Eastern and Western Europe regarding microfinance initiation, accessibility, application and success. According to a study done by Evers, Lahn and Jung (2007), there has been a huge shift from labor-oriented work to service-oriented work in Europe over the past decade. With many factories moving to other continents, high unemployment has hit hard in Europe, an area which was traditionally involved in labour-intensive work (Evers, Lahn and Jung, 2007). As a result, 23million micro, small and medium-sized enterprises exist there, though the demand for new financing is not being fulfilled by the established banking sector. Investing in these kinds of business is still considered a risky business and banks are reluctant to give such loans.

To close the gap, microfinance provides loans to parties who are excluded from traditional banking services. The definition of microfinance differs in European context compared to the rest of the world. Microfinance is “the provision of financial services to low-income poor and very poor self-employed people”. These financial services, usually comprise savings and credit but can also include other financial services such as insurance and payment services. Microfinance as “the attempt to improve access to small deposits and small loans for poor households neglected by banks.”

2.1 Definition of Microfinance Institution

Authors and organizations define microfinance institutions in various ways. For instance, according to the Consultative Group to Assist Poor (CGAP), microfinance institutions (MFIs) can be defined as an organization which provides financial services to financially excluded people. Brenen Dewey stated that MFIs offer financial services to underserved and impoverished communities. Despite the slight differences, the definitions all have at their base that MFIs are intended to help the otherwise financially excluded.

Microfinance institutions have several key features, such as small transactions and collateral-free loans. They also target poor and/or female clients and offer market-level interest rates, etc. (Karlen & Golberg, 2007). It is debatable which of these characteristics, if any, are necessary conditions for a program to be considered ‘microfinance’.

The first microfinance operation started almost 30 years ago in South Asia. Today, there are numerous institutions, such as donor agencies, international non-government organizations, and so on. The most famous MFIs, established in the late 1970s, are Grameen Bank and the Bangladesh Rural Advancement Committee (BRAC).

2.2 Institutionist Vs Welfarist

There is a significant distinction between formal financial institutions and MFIs. The majority of MFIs are not “sustainable” if the issue is equated in microfinance literature and parlance with financial self-sufficiency (Brau & Woller, 2004). There are two schools of thought in determining the sustainability of MFIs: Institutionist and Welfarist. The microfinance industry is dominated by an Institutionist paradigm, which believes that an MFI should be able to cover all its costs, including operating and financial costs, with its revenues (Morduch 2000; Woller et al., 1999a). Ohio State University conducted research on the Rural Finance Program, where they discovered that the reasons for unsuccessful rural credit agencies formed by LDC countries are mainly lack of institutional viability (Gonzalez & Vega, 1994). This diagnoses led logically to two principal conclusions: (1) Institutional sustainability was the key to successful provision of financial services to the poor, and (2) financial self-sufficiency was a necessary condition for institutional sustainability.

On the other hand, Welfarists differ from Institutionists over the concept of the sustainability of MFIs. Welfarists have a social approach towards the concept of MFIs, arguing that MFIs are able to achieve sustainability without achieving financial self-sufficiency (Morduch, 2000; Woller et al., 1999a). They argue that donations serve as a form of equity and, as such, donors can be viewed as social investors. Unlike private investors who purchase equity in a publicly traded firm, social investors do not expect to earn monetary returns. Instead, these donor-investors realize a social or intrinsic return. Social investors can be compared to equity investors who invest in socially responsible funds, even if the expected risk-adjusted return of the socially responsible fund is below that of an index fund. These socially responsible fund investors are willing to accept a lower-than-expected financial return because they also receive the intrinsic return of not investing in firms that they find offensive. Microfinance social investors take this notion to the limit, generally earning zero financial returns and relying totally upon intrinsic returns. Welfarists tend to emphasize on poverty alleviation and social metrics (Ibid, 2000, 1999a).

The debate between Institutionists and Welfarists is referred to as a microfinance schism. The argument highlights the fact that if MFIs focus on self-sufficiency, then the funds may not reach those who need them the most – the very poor people. Full financial sustainability or financial self-sufficiency is defined as a ration of adjusted operating revenues to adjusted operating expenses, where the adjustments show whether the institution can cover its costs and whether the earnings exceed those costs (Balkenhol, 2007). If MFIs must be self-sufficient, then they can only work with people who are either slightly over or below the poverty line. On the other hand, if MFIs target the hardcore poor or reach the depths of outreach, financial sufficiency is debatable. So, should MFIs focus solely on the financially self-sufficient? This remains a question to be answered.

2.3 Microfinance in Europe

This debate persists in Europe and is one of the challenges surrounding the existence of the microfinance sector there. As mentioned earlier, the concept of microfinance is influenced by two elements: financial and social exclusion. Moreover, according to the literature, the reasons for social exclusion in Eastern and Western Europe are similar, but the magnitude is different. The distinction between the regions is mainly based on a geographical context. By definition (Oxford dictionary), Eastern Europe lies east of Germany and the Alps and west of the Ural Mountains, and includes countries like Hungary, Romania, Poland, Russia, Latvia, Bosnia-Herzegovina, the Czech Republic, Bulgaria and Ukraine. By cultural definition, the countries that are not included in the Eastern bloc but are allied with the United States in NATO (except Turkey) are designated as Western European countries, such as the UK, Spain, France, Italy, Germany, Ireland, Belgium, Norway, Sweden, Finland, Netherlands, etc.

The concept of microfinance is exclusive in nature in Europe compared to the rest of the world. As most of the countries in Europe are referred to as Welfare states, the need for microcredit and the vulnerability of excluded people are relatively low (Facet, Evers & Jung). According to the research, Europeans lack an entrepreneurial culture (Jayo, Rico, Lum, & Lacalle, 2008). To enhance such a culture, several countries are taking initiatives to encourage self-employment and discourage free-riders. Numerous initiatives, such as ICH AG in Germany, a loan scheme to university graduates for starting up their own business in Poland, lower VAT for private constructions in France and tax officers seconded to Street (UK) to see and interview clients struggling with the transition from the informal to the formal economy are all showing immense promise. One of the aims of these initiatives is to change attitudes among tax officials that people working in the informal economy are not 'benefit cheats and tax dodgers' but people who try to make enough money to get by (Facet, Evers & Jung). These new concepts or ways of thinking are changing the attitude towards microcredit.

MFIs in Western Europe are influenced by the Welfarist attitude in that they emphasise social welfare rather than simply fulfilling financial sufficiency (Evers, Jung & Lahn, 2007). However, Eastern Europe has a distinctly different perspective regarding microfinance, with its countries following Institutionist behaviour. Interestingly, Europe is the sole continent which pursues microfinance differently in different regions or countries. According to Kneiding and Kritikos (2007), the provision of microfinance in Western Europe is influenced by several environmental factors such as entrepreneurial culture, the financial system, the legal framework, the welfare system, and so on. Of the few studies available on MFIs in Western and Eastern Europe separately, most mainly focus on the sustainability and innovative lending practices for outreach and the impact over the borrowers (Morduch, 1999; Aghion & Morduch, 2000). While there are significant differences between the two forms of MFIs (such as legal framework, government contribution, business environment, etc.), the comparison is limited.

Several study gaps have been identified that raise numerous questions, as follows.

1. Should MFIs be fully financial self-sufficient or should they focus helping on excluded people and emphasize social development?
2. Is Europe applying MFIs and implementing microcredit ultimately? According to several research groups, a handful of countries such as France, Romania and Belgium are providing microfinance services like micro insurance and savings. As there are limited forms of non-government organisations (NGOs) in Europe, are government regulations obstructing the implementation of MFIs?
3. What are the major differences between Western and Eastern European microfinance sectors? The differences are somehow visible but the core differences of the organisations are yet to be determined.
4. How competitive is the market environment for the microfinance industry in Europe?

3. Methodology

The research for this study has been conducted through data obtained from primary and secondary sources. The secondary sources include books, journal articles, working papers, newspaper articles, etc., while primary sources include depth-interviews of personnel from several microfinance institutions within the European Union. Based on the external analysis of the industry, several major differences in MFIs between Eastern and Western Europe are identified. Then the primary analysis will prove the authenticity of the differences.

For the primary research, two sets of questionnaires have been prepared. The first one is for the personnel of the microfinance institutions and mainly focuses on the specific organisation and the country where the organisation is situated. The second questionnaire is prepared for organisations that are involved with the overall microfinance sector in Europe. Both questionnaires have a similar structure, which is open-ended or semi structured questions.

First, several microfinance institutions have been selected within European Union, in an attempt to cover both Western and Eastern Regions. The MFIs have been identified through direct knowledge, internet, documentation, and so on. From Eastern Europe, countries such as Romania, Hungary and Bosnia-Herzegovina have been included, and from Western Europe, countries such as UK, Spain, Ireland, Norway and Sweden have been analysed. Second, the legal frameworks of the organizations (i.e., non-government organization, limited corporations, savings banks, etc.) have been kept in mind to make the study more resourceful. Third, the variety of activities of the MFIs has also been considered. The interviews were mainly done over the telephone. For analysing the data, four steps were taken: data assembly, data reduction, data display and data verification. In this study, the data obtained from primary sources is assembled mainly from the notes taken during and after interviewing the respondent (Malhotra & Birks, 2000). Key facts were jotted down under various categories, namely general and credit information, self-sufficiency, market environment and competition, government involvement, and suggestions. These sub-sections were then used to create reasons for the differences between Eastern and Western Europe in the microfinance sector.

Interpretation from the data from secondary sources is shown in a written as well as graphical format. Through the analysis, several propositions have been identified which will be scrutinised in the primary analysis. The information retrieved directly from the interviews is displayed in the form of a table, for convenience purposes. Such a method is useful for immediate accessibility, so that analysts can see what is happening and move on to the next step of analysis which, in this case, is the creation of the above-mentioned reasons.

This final stage in the primary research sets out to achieve both broad as well specific research objectives.

4. Analysis, Discussion & Findings

There are several differences have been identified in microcredit sector in Eastern and Western Europe. From the primary and secondary data, several issues have been raised which are discussed below.

4.1 Focus on Financial or Social Development?

The primary data has been relayed in an Eastern / Western European context, where several similarities and differences have been identified. Both regions consider the credibility and sustainability of the proposed business while disbursing the loan and also look into the borrowers' credit history as essential criteria. On the other hand, the mentality of having to front collateral/security for the loan is different in these two regions. The Romanian respondent informed that governments in Eastern European countries have made collateral compulsory for all MFIs, but collateral can come in different formats, such as tangible assets, a guarantor, etc. However, collateral is not mandatory in Western Europe. Most of the countries, including the UK, Spain and Ireland, disburse their loans unsecured. As the emergence of microfinance in Western Europe emerged from Lisbon Agenda (Jayo, Rico, Lum, & Lacalle, 2008) the focus always has been on the well-being of the people. However, the emergence of microfinance in Eastern Europe caused due to the collapse of economy so the financial stability is preferred Most countries in Western Europe, including the UK, Spain, Ireland and France, do not mandate collateral whereas collateral is mandatory in Eastern European countries.

4.2 Financial Self-Sufficiency

Self-sufficiency is a major issue in the European microfinance industry. The primary research indicates that almost every MFI is struggling to become or remain self-sufficient. According to the MFI employees interviewed, organizations in Eastern Europe are self-sufficient whereas organizations in Western Europe are not. All the organizations acknowledge the significance and importance of being self-sufficient but still experience troubles either in becoming or remaining so.

Daniel Sorrosal (DS), believed that sustainability is still the biggest challenge for MFIs in Europe and agrees that Western Europe is more vulnerable in self-sufficiency compared to Eastern Europe. According to Ian Best, it is very tough to be self-sufficient if the organization is focused on social development. Best points out that there is a clear distinction between MFIs in Eastern and Western Regions, but within UK there are further distinctions that separate the concepts of microfinance. He agrees that the microfinance industry in UK is different from the rest of the Europe, as it is still considered under community development services. Up to now, the microfinance sector in the UK depends on charitable loans and donors and focuses on reaching the poor people. From the literature, it has been agreed that sustainability is still is the most challenging element for the MFIs in Europe. Two schools of thoughts, Institutionist and Welfairist were proposed to determine the sustainability of MFIs. Eastern Europe is dominated by Institutionist whereas Western Europe is leaner towards Welfairist. Eastern European MFIs cover their operational cost through their revenues but Western Europe needs social investors (e.g. donors, sponsors) for covering their cost. The result from the primary research is given below.

Figure 1: Summary from Western and Eastern Regions regarding self-sufficiency

Topics	Western Europe	Eastern Europe
Importance of self-sufficient	Very essential but still is a big challenge.	Very important. Mandatory in legal framework.
Self-sufficiency of organisation	Most of the organizations are not self-sufficient.	All of the organizations are self-sufficient.

Source: Own

From the table it is seen that Eastern Europe is more focused on their financial stability and development. The framework and market environment of microfinance also support the financial sufficiency which result that most of the organizations within the region are self-sufficient. However, Western Europe depends on their social investors and emphasize on social development made them not financially sufficient. Industry specialists like Jan Evers, Martin Jung and Stefanie Lahn (2007) stated that microfinance programmes in Western Europe are less likely to become profitable but make economic sense. The reason behind is that the average cost for someone supported by microfinance is often below the cost for one year of support in the traditional welfare system where costs thereby incurred are lost subsidies (Evers, Jung & Lahn, 2007).

4.3 Government Involvement

In addition, throughout the analysis, the importance of government involvement in MFIs has been broadly acknowledged. Moreover DS from EMN also mentioned in his interview that governments in Eastern Europe are more involved in the microfinance sector. According to him, the involvement of the government in this sector is gradually increasing. He believes that government should improve the legal framework and become more favourable towards MFIs, and that financial institutions like banks should get more involved and outreach towards people of all classes.

Figure 2: Summary from Western and Eastern Regions regarding Government Involvement

Topics	Western Europe	Eastern Europe
Extent of other parties involvement	Depends on the organization. Some of the organizations are intently related with Government.	Government and Central Bank are involved.
European Investment Fund Involvement	Usually involve with EIF.	Usually involve with EIF.

Source: Own Source: Own

For DS, the major three parties that should be more engaged in the industry are financial support, local authorities and government authorities. Best (from CDFA) also somewhat agrees with DS that UK government funding is essential but inadequate, and that the government should get more involved in ground-floor funding and revenue funding, which would not only be financially beneficial but also help to guide and mentor the creditors. Meanwhile government is also showing tremendous support to several countries (e.g. Spain, France, UK, Romania). Numerous new entrants are emerging in Spain and France in last few years. Government recognized microfinance as a profitable industry in Romania and UK government bear the cost and risk of the investments of the sector. Several initiatives by EIF (JASMINE & JERMIE) are being executed and the high growth rate of the sector in recent years indicates the encouragement and support shown by government.

Gill Musk of International Association for Community Development (IACD) in referring to Spain, suggested that the government should educate people about microfinance.

Governments in UK, Germany, Romania and Poland are implementing educative and challenging entrepreneurial training that will boost people to be self-employed. However, interviews from contradict with this opinion, as government involvement totally depends on the country.

4.4 Competition within the Regions

Though microfinance was introduced in Europe a few decades ago, competition is just now increasing. As in other aspects, there is a vast difference between Eastern and Western European market environments in the context of competition.

Primary research findings indicated that there is a very competitive market in Eastern European countries, especially in Romania, Bosnia-Herzegovina and Hungary. New entrants are entering the market every year. All of the organisations state that the competition there is very tough and there are numerous rivals in the industry. Ian Best from CDFA described the UK market as not being active enough for competition. He thinks that there is still a big gap in the market and more organisations should fill that gap.

Moreover, one of the findings from the secondary analysis was that MFIs are less likely to enter the Western market because of the hostile atmosphere of market. DS from EMN referred to the Western European market as consolidated and monopolized with regards to microfinance. These countries (France, Italy and Spain) have the highest number of MFIs in Europe. So there is an inconsistency in the competitiveness of the market between the findings of Eastern and Western Europe.

There is contradicting between the information gathered from the interviews and secondary sources. The number of new entrants is gradually increasing specially in Western Europe. 18 new entrants began lending between 2008 and 2009 (Jayo, Gonzalvez, Conzett, 2010). In the survey conducted by EMN in 2008-2009, 170 MFIs from 21 countries among 432 MFIs were included as respondents from Europe, the majority of the institutions are from Western Europe. Among those MFIs, 57% of the organisations disbursed less than 50 loans in 2009. However, 13% of the organisations disbursed more than 400 loans in the same years and these organisations are mainly located in Western Europe (France, Germany and Spain). The recent increase in the number of organisations in Western Europe may explain the maximum number of loan disbursed in 2009. Netherlands has the highest lending rate in 2009. Moreover existing players are growing and increasing the number of loans disbursed per year (Jayo, Gonzalvez, Conzett, 2010).

4.5 Emphasize of MFIs on Social Vs Financial Exclusion?

One of the research questions concerned which sector MFIs should focus on – financially excluded or social excluded people. From the findings, it appears that there is no direct answer to that. According to DS, microfinance should be a mixture of both, and it largely depends on the vision and mission of the organization. DS emphasized that all three categories (i.e., Banked, Unbanked[i] and Under-banked) should be included when disbursing the loans. From the above analysis, it has been identified that Eastern European countries are more focused on financial development while Western European countries started with social intentions and reaching poor people. This creates a balance in Europe as a whole but creates an imbalance within the individual countries. The MFIs in Western Europe are unstable and most of the time they are scrambling to find sources for their funding (Interviews). On the other hand, MFIs in Eastern European countries do not outreach to the excluded people and their interest rates are very high. Hence, those people who are most in need are not being serviced (Jayo, Gonzalvez & Conzett, 2010).

MFIs should focus on both of the sectors rather than one. Microcredit can play an essential tool for social and financial inclusion, as to help to prevent and redress all the areas of exclusion (i.e. poverty, unemployment etc). The organizations in Western Europe are more involved in social inclusion. Numerous organizations in this region provide training, mentoring, counseling and guidance to the borrowers. On the other hand, from the interviews of MFIs in Eastern Europe, no intensive monitoring or training activities have been found. So from this viewpoint, Western Europe is taking necessary steps in their monitoring process for social inclusion.

Eastern Europe concentrates on promoting microenterprise and SME with disbursing larger scale of credits while Western Europe focused on social and financial inclusion, for which smaller average loan are disbursed(Jayo, Gonzalvez & Conzett, 2010). For Eastern European MFIs, the average credit amount is €3000-€12000 while in Western European MFIs the average is €2000-€7000. The average of credit amount is higher in Eastern Europe which supports the previous statement.

5. Conclusion

Microfinance first came to eminence in 1970s as a way to alleviate poverty in developing nations, but it entered in Europe in late 1980s. This paper presents various angles of the industry including concentration of the sector vary on regions, government involvement, market environment and competitions and lastly choice between sustainability and outreaching the poor.

From the discussion, few issues came to light such as the significant distinction which has been identified is Western Europe focuses on social development whereas Eastern Europe focuses on financial development. Microfinance market in Western region is predominated by NGOs, microfinance associations along with non banking financial institutions because of the lack of regulation in the sector. However, in Eastern Europe, for profit organisations, credit unions are regulated and can provide micro credits but most lenders are geographically limited to their local or national area and only can distribute fewer than 50 loans per year. Government involvement is highly diverse within the regions. There is a potential growth for the industry and new entrants are encouraged to operate.

There has been a big market gap identified within the industry which enables more new organisations to fill up. More institutions are entering the market, making the competition tougher. Although the competition is increasing, few countries have not able to reduce the interest rate on loans. The government involvement is quite essential and gradually government should be more aware of microfinance and taken necessary steps to encourage it. There are some unresolved issues remaining like whether MFIs should emphasize on financial sufficiency or outreaching the poor or both. It is a widely debatable issue and yet not academic research has not done in this regard. The reason behind the high interest rate and steps to reduce them can be another upcoming issue. More regulatory flexibility, strong legal regularity environment, better access to public and private funds, financial education, better assistance to micro entrepreneurs in business development will help the microfinance sector to grow and reach sustainability.

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Appendix 1: Questions asked to individual organisations

Interview Guide

Section 1:

1. What do you look in borrowers or business while giving the loans?
2. What are the essential criteria for the borrowers?
3. How long it takes to disburse or approve a loan?
4. What is the minimum amount of loan value you disburse?
5. How significant is the collateral to approve a loan? Is it mandatory?
6. How do you monitor the process and afterwards?

Section 2:

1. How important do you think for an organization to be self-sufficient?
2. Do you consider your organization is self sufficient? If no, what steps are you taking to be self sufficient?

Section 3:

1. How is government or other third parties involved in the activities and decision making?
2. How important role is played by European Investment fund?

Section 4:

1. How favourable the market environment is for MFIs in your country? Is it too competitive?
2. What makes your organization different from your competitors?
3. What are the challenges and threats your organization or other MFIs is facing currently in your country?

Overall, do you have any suggestions or anything to add?

Appendix 2: Questions asked to EMN, CDFA and IACD

1. What are the main differences in MFIs between Eastern and Western Europe?
2. Is sustainability is still a challenge for MFIs in Europe?
3. Do you think MFIs should focus on reaching the very poor rather than becoming financially self sufficient?
4. Which section should MFIs focus on while lending loans socially excluded or financially excluded people?
5. Is it confusing that the concept of MFIs is completely different in Europe than rest of the world?
6. Is government or third parties play a significant role in Microfinance sector?
7. Should MFIs become non-government organizations?
8. Overall, do you have any suggestions or want to add anything?