The Association of Ethiopian Microfinance Institutions (AEMFI), a national network of Ethiopian Microfinance institutions, in collaboration with Dedebit Credit and Saving S.C and Adeday Microfinance S.C. organized its 10th Biennial conference from Wednesday November 28 to Saturday December 1, 2018 in Mekelle, Ethiopia. Over 160 people from the inclusive finance arena; specifically, executive directors and board representatives of MFIs, MSE and SME promotion agencies, Banks, local and foreign universities, international organizations, entrepreneurship promotion organizations, technology companies, consultancy companies, financial cooperative experts and development partners from across the country and the continent attended the four-day event. There were also higher level officials from the National Bank of Ethiopia, Federal Small and Medium Enterprise Development Agency and Tigray Regional State Office.

Group picture: Delegates of the 10th biennial microfinance conference

For each biennial conference AEMFI selects different themes. The theme chosen for the 10th Biennial conference was “Accelerating Financial Inclusion with Innovative Financial Services for Sustainable Development”. Inclusive Finance is a wide concept that takes into consideration diverse types of financial products. It is about incorporating different categories of people into the financial pool. Inclusive Finance is an important method of bringing an all-inclusive and sustainable development by enhancing the availability of financial services. In line with this, the overall objective of the conference was framed to bring together different stakeholders including microfinance practitioners, policy makers, researchers, academicians, development partners and technical service providers to discuss the future expansion of inclusive finance to expand access to finance in Ethiopia by introducing new innovative approaches while ensuring the sustainability of the inclusive finance sector.

Ato Mulugeta Berhane, General Manager, DECSI

Ato Daniel Assefa, Head of Finance & Economic Cooperation Bureau, Tigray regional state
The welcome speech was made by Ato Mulugeta Berhane, General Manager of DECSI. The opening address of the 10th Biennial conference was made by Ato Daniel Assefa, head of Tigray Regional State, Finance and Economic Cooperation Bureau.

Following this, Ato Teshome Kebede, Executive Director of AEMFI/EIFTRI delivered an opening remark. In his speech Ato Teshome indicated that access to credit, savings, insurance, payment systems, money transfer services, etc helps poor households to manage liquidity shortages, develop a saving culture, finance the emergency needs of the household and mitigate risks and shocks. Ato Teshome stressed that real growth in income of poor households have happened almost no where without access to financial services. Access to finance will not only increase their income but also improve the living conditions of their family by improving access to education, health, etc. Above all, their dignity and self-confidence will be enhanced. Ato Teshome said to fulfill the above objects there is a need of financial inclusion of the population. Without a strong and sustainable financial institutions (especially MFIs), achieving financial inclusion is impossible. Ato Teshome also noted that financial inclusion does not only mean increasing the number of clients or increasing outreach but also about the quality of financial services delivered to clients.

In the first day and half day of the second day of the conference, MFIs presented about their institution’s performance, innovations, challenges and the way forward. Paper presenters of the conference were from the National Bank of Ethiopia, Microfinance Institutions, Addis Ababa University, Ambo University, Adegrat University, ICCO cooperation, World Bank, Consultancy companies, AEMFI and a staff from Sudan University. The presenters came up with various types of current issues linked to inclusive finance such as: MFI development and governance, financial literacy, rural financial service and financial products, interest free finance and Islamic finance, Micro and small enterprise (MSE), digital finance, technology expansion to MFIs and impact and capital return of MFIs. In addition to this, presentations about in-house projects were made by Craft silicon, Fern software, Neptune software and DECSI in the third days of the conference.

Moreover, the various presentation topics and delegates from different organizations enabled participants to share and exchange ideas from one another. Valuable comments and suggestions were provided in-house to the speakers and this are expected to sharpen the research papers further creating fruitful and knowledgeable combination of articles for the conference proceeding. This conference enabled the participants to deepen their knowledge of Inclusive Finance. The contribution of concepts and thoughts from different sectors will serve as an input to broaden the idea of Inclusive finance paving the way for development through inclusive finance. Taking into consideration the content of the theme
and the importance the event has for the growth of the microfinance industry, several partners sponsored this event. Among them are IFAD, Craft Silicon, Enterprise Partners (EP), Care Ethiopia, UKAID, ICCO cooperation, UNCDF, Fern Software, Skydive International, Irish League of Credit Union (ILCU) Foundation, Neptune software P.L.C and MOSS ICT P.L.C.

In the final day of the conference, participants of the conference visited clients of Dedebit Credit and Saving S.C clients who are engaged in nursery production. The client who is a mother of three shared her experience as client of DECSI and how she benefited from the loan she borrowed from Dedebit Credit and Saving S.C in the area. She explained that her living condition has improved after she took credit from DECSI. She has also created a job opportunity to more than 3 individuals whom she hired as permanent employees and those she hires occasionally on a daily basis. She has plans to borrow more money to expand her production of plants and flowers. In addition, the nursery producer is willing to advise others in the community to borrow from MFs and change their lives.

The Association of Ethiopian Microfinance Institutions (AEMFI) strongly believes in engaging all stakeholders of the inclusive finance agenda, to create a platform for dialogue to keep up with best practices and creating new ideas into the promotion of inclusive finance. AEMFI is one of the strong sustainable microfinance networks in the world. The association has been active in sharing its experiences to many networks and practitioners from various countries. It has been providing value adding capacity building support to MFIs, including financial cooperatives. On top of serving as the voice of the industry, it has been very active in implementing evidence-based advocacy and publishing the performance of MFIs on regular basis. The association has been directly involved in implementing government and donor support programs such as HABP, RUFIP, MSE development strategy etc. Currently, the association as part of its capacity building efforts is in the process of implementing shared core banking software for medium and small MFIs in Ethiopia. In this regards, the selection of software vendor is in progress and it is at verge of finalization. Furthermore, the association through its training and research institute (EITFRI) with the support from Enterprise partners has launched a certification program in partnership with the Frankfurt school of management for certification of Micro finance Technical service providers to solve the problem of skilled professional trainers in the industry.

The host for the next biennial microfinance conference is Amhara Credit and Saving Institution (ACSI).