

FROM NGOs TO FFIs IN MICROFINANCE SERVICES:
CONVERSION ROAD MAP AND ITS CHALLENGES

Comparative study of nine Eastern European MFIs

FINAL ACTIVITY REPORT

Within the reporting period (second half of 2004 and the first two months of 2005) three general types of activities have been undertaken:

- Remaining study visits and scheduled meetings focused on microfinance trends/events in Eastern Europe,
- Consultation with the mentors, as well as further consultation of relevant literature and the related publications/reports,
- Interpretation of the data and information collected, drafting of the research and policy paper.

Study visits (OB Montenegro, second meeting with Nachala, Bulgaria) and scheduled meetings (IPF seminars in Budapest, regular meetings of the OI Network Board and the Board of Moznosti, Macedonia,) went as planned.

Consultation with the mentors has been going with difficulties. Both group and individual mentors were very busy. Individual mentor (Stevco Jakimovski, minister in the Government of Macedonia, has been resifted from the post in the Ministry of Economy to the same position in the Ministry of Labor and Social Affairs.

Interpretation of the data and information collected went as planned.

Summarizing the activities undertaken in the second half of 2004 and the two months of 2005 it is to be said that most of them were done according to the plan and the budget submitted and approved. There were no major changes of the plan and the budget.

In regard to the minor changes of the planned activities, the budget was just slightly affected: the expenses related to three positions in the planned budget were slightly lower than planned (positions 2, 5 and 10 in the attached Final Financial Report), while the expenses related to three other positions (7, 9 and 12) were slightly higher. There was one unplanned expense additionally included in the budget: transfer fees (position 13).

However, the approved Budget (including the budget additionally approved in January 2005) has been completely balanced.

In regard to the late submission of the final reports, it is to be said the late reception (first half of June 2005) of the comments/suggestions from the group mentor have been the major reason for the extended time needed. Certainly, some unrelated engagements also affected the

finalization of the research and policy papers, as same activities for June and July 2005 were already scheduled with third parties.

As for the remaining activities, the publication and presentation of the project/paper are planned for late summer/early autumn. It is planned to be published in both English (500 copies) and Macedonian (200 copies) language, on A-4 format (concrete explanation is included in the notes to the financial chart). Both research and the policy paper are to be included in the publication.

The publication is to be distributed among the concerned nine Eastern European MFIs, the other (non European) implementing partners of Opportunity International, as well as among the microfinance community in Eastern Europe: potential donors (governmental aid agencies, private foundations etc.), MFIs that intend to convert (NGOs, saving houses, credit unions, cooperatives, etc.) as well as regulators (central banks, governmental agencies authorized to regulate financial sector).

Direct mailing as well as conferences, seminars and other microfinance related meetings are to be used for such a distribution, including an OI Eastern European conference scheduled for September 6-8, 2005, instead of the planned Annual Conference of the Microfinance Institutions in C&EE and the NIS, held in May 2005.