

THE FINANCIAL INCLUSION ADVOCACY CENTRE

"Pacesetters in Microfinance Trainings"

ADVANCED RISK MANAGEMENT AND INTERNAL CONTROLS FOR MICROFINANCE & DIGITAL FINANCIAL SERVICES

A 5 days Interactive Course on Risk Management for Microfinance Managers

October 15-19th, 2018

London, UK



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THE FINANCIAL INCLUSION ADVOCACY CENTRE

The Financial Inclusion Advocacy Centre is an international action-oriented microfinance think-tank geared toward an exhaustive financial inclusion. The Financial Inclusion Advocacy Centre's mission is to build the institutional strength and outreach of the microfinance sector, by providing a full range of high-quality, best-practice technical inputs and support to all industry stakeholders, in a sustainable and demand-driven manner. As an independent support centre, FIAC is committed to promoting innovations, transparency, and improved outreach to the poor and ever-improving performance in the microfinance industry the world over.

Course Objective:

Most microfinance and financial inclusion providers aim to fulfill a dual mission: the provision of financial services to poor people and financial sustainability. Though there are increasing numbers of large Financial Service Providers (FSP) who claim to be robust and successful, they as well as the majority of programs recognise that they often operate without proper systems to reduce the growing number of risks in the Financial Sector. The course aims to identify the risks faced by Financial Service Providers and the policies and procedures (including internal audit) that need to be applied to mitigate the risks that pose the greatest threat to its solvency and objectives.

Course Outline:

Session 1: Defining Risk and Principles and Evolution of Microfinance and Financial Inclusion. The introductory session takes a historical perspective and examines the various approaches taken by commercial banks, non-governmental organisations, credit unions, governments and microfinance institutions. It defines the concept of microfinance and financial inclusion, the paradigm shift and the evolution to sustainable entities that serve the poor and low-income sectors with risk-bearing credit products without collateral.

Session 2: Credit Policies, Procedures, Processing and Risks. Credit Risks arises at various stages - from product design, interest rates, marketing, applications, underwriting, recording, disbursement, collecting repayments, accounting, monitoring, evaluation leading to refinement of products, plans and policies. The session considers the range of credit risks and the importance of having sound internal control systems.

Session 3: Expanding Range of Products and Consideration of Risks relating thereto. In order to be client-centric, the FSPs began to expand the product range which inevitably posed additional risks. The session highlights the evolution of varied products, their rationale and identifies and assesses potential risks entailed in those products.

Session 4: Importance of Ratios and KPIs for Risk Assessment. Almost from the inception of microfinance it was recognised that portfolio quality was absolutely important and that the FSP should regularly measure portfolio at risk (PAR). CGAP (the World Bank affiliate) developed the Mix Market Platform for posting not only PAR but also numerous ratios and data. The session debates and discusses the relevance of such data for general and specific risk analysis.

Session 5: Governmental Rules and Regulation relating to Risks. Each country aims to regulate the Financial Service Providers so that there is least risk for depositors and the market. At the same time there is growing recognition that Governments should create an enabling environment for financial inclusion at all levels. This session examines the governmental considerations and approaches for regulations relating specifically to Risks.

Session 6: Risk Management Systems. With prevalence of numerous risks it became necessary to develop processes for managing risk by establishing activities that help MFI managers to identify vulnerabilities; to design and implement controls, and to monitor the effectiveness of those controls. The session considers various risks and suggests manners in which they could tabulate, measure and manage the risks.

Session 7: Effective Management, Governance and Internal Risks. Effective management is critical for a MFI to achieve long-term financial success and its social mission. MFIs must manage change and make difficult decisions with clarity and consistency of vision and mission. Governance is the system of people and processes through which an organization maintains its focus and ensures institutional success. It includes the checks and balances needed to have an effective management team which can uphold the MFIs goals and mission and at the same time deal with risks. The session considers the structure, terms and conditions required for effective management and good governance.

Session 8: Wider Consideration of Risks. With institutionalisation and addition of special products such as Housing, Leasing, SME etc. FSPs are confronted with newer risks— both external and internal. The session considers processes for detection, assessment, measurement and mitigation of such risks.

Session 9: Trends and Overview. Technological advances including Digital Financial Services (DFS) are rapidly expanding the outreach of MFIs and other FSPs. However applications, connectivity and alliances also pose new types of risks. This session debates on Information Technology trends and assesses and analyses assorted risks that arise in the linkages including DFS.

Target Audience

Microfinance and Microcredit Practitioners, Regulatory Officers, Potential Social Investors, Senior Managers in MFIs, Senior Managers in NGO's, Senior Managers in Socially Responsible Investment Firms, Independent Practitioners, Consulting Firms, Central Bank Officials, Donor Agencies, Change Management Consulting Organizations, Private Equity Firms, Academicians.

Fees & Expenses

- The tuition fee for this course is \$3000.00 per delegate inclusive of accommodation with Satellite, Internet Connectivity, Feeding, Course Material and Airport pick-up, Certificate of Participation and Networking Opportunities.
- To attend, full payment need to be received by September 30,2018.
- Book early in order not to be disappointed.

Course Tutors



**Mr. Godfrey Lord Crentsil MSC;
MPM; BA; DipEd**

- Microfinance expert with over 15 years' experience in microfinance development and supervision. Trained in most African and European countries as well as the MENA region.



**Mr Sadrudin Akbarali
FCA; CTA**

- Formerly Senior Programme Manager for Aga Khan Agency for Microfinance with over 30 years' experience in developing, supervising and advising enterprise development, microfinance and other financial institutions

Venue

London, UK

Registration

Please fill the attached registration form and send to info@financialinclusionadvocacy.org

Deadlines

- All registration forms should be submitted by the September 30,2018, late applications will be considered subject to availability.
- Delegates that need an entry visa into the United Kingdom are advised to allow about 3 -4 weeks processing time by the authorities.

Cancellation Policy

You may make a substitution, without charge, at any time before the start of the course but all cancellations must be confirmed in writing. Cancellations received more than four weeks prior to the start of the course are not subject to any penalty. Cancellation received after that time incurs the following penalties: two to four weeks 50% of the course fee; less than two weeks 100% of the course fee. If written notification is not received and you do not attend, the full course fee will be retained as a cancellation charge.



Registration Form

ADVANCED RISK MANAGEMENT AND INTERNAL CONTROLS FOR MICROFINANCE & DIGITAL FINANCIAL SERVICES

London. UK. October 15-19th, 2018

TITLE:	
FIRST NAME:	
LAST NAME:	
ORGANISATION:	
ADDRESS:	
TELEPHONE	
EMAIL ADDRESS:	
ACADEMIC QUALIFICATION	
EMPLOYMENT STATUS FOR THE LAST FIVE YEARS	
CAREER OBJECTIVE AFTER COMPLETION OF COURSE	
DATE OF ARRIVAL	
PAYMENT MUST BE MADE BY BANK TRANSFERS. BANK DETAILS ARE PROVIDED AFTER SUCCESSFUL REGISTRATION AND INVOICE ISSUED	