

UMM Award Winners 2010

Congratulations to the UMM Award Winners 2010! Four outstanding final theses on microfinance have been selected by the UMM Selection Committee. They will be presented during microfinance conferences in 2011 and published with the publisher Ibidem.



Oliver Rogall

Oliver Rogall, University of Hohenheim

“Microfinance and Vulnerability to Poverty: Evidence from Rural Households in Cambodia“

Low income households are faced with various types of risks that increase their vulnerability to poverty. Angkor Mikroheranhvatho Kampuchea (AMK) Co. Ltd is a licensed microfinance institution operating in Cambodia with a mission to help large numbers of poor people to improve their livelihood options through the delivery of appropriate and viable microfinance services. The thesis analyses whether or not microfinance participation results in reducing poverty and vulnerability. A theoretical framework is developed to examine the mechanisms through which the effects of the AMK services on its clients influence the household's ability to manage risk. Besides static poverty estimates, an ex-ante vulnerability measure is used that seeks to quantify the welfare loss associated with poverty as well as different types of shocks such as covariant and idiosyncratic shocks. The measure is applied to socio-economic cross-sectional survey data from 2005/06 and validated with data from 2008.



Maria C. de Lorenzo

Maria Cristina de Lorenzo, University of Bologna

“Microfinance Investment Vehicles: An Empirical Analysis“

Maria Christina's research reports results of an empirical research conducted on a sample consisting of 10 Microfinance Investment Vehicles (MIVs). Measures of risk and return have been obtained using performance indicators that are commonly used to assess investment funds. Comparisons have been made with some global indexes representing the equity market, emerging market and the market of ethical investments. Finally, research points out some considerations concerning the social impact of MIVs.

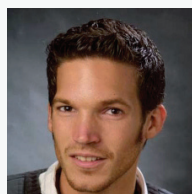


Sascha Huijsman

Sascha Huijsman, University of Groningen

“The Impact of the Global Economic and Financial Crisis on MFIs' performance“

Sascha's thesis provides a preliminary study of the impact of the current economic and financial crisis on microfinance institutions (MFIs). Results from her survey with 82 MFI managers worldwide show that as a consequence of the crisis MFIs face higher financing costs, less availability of funding, changed demand for loans and a deterioration of clients' repayment behavior. Using a panel of monthly financial data of 57 MFIs over the period January 2007-August 2009, Sascha investigated the impact of the current financial crisis by studying structural breaks in the times series of MFI performance indicators related to profitability, growth and portfolio quality. Results show that all performance indicators experience a significant negative shift, but that the timing of these shifts differs across the performance indicators. Profitability and growth are the first to experience a significant downward shift in the last quarter of 2008. Earliest signs of an adverse impact on clients' repayment behavior are also visible late 2008, but a structural break in actual loan losses does not occur until August 2009. MFIs in Eastern Europe & Russia are most affected whereas MFIs in South America show the highest resilience to the crisis. The extent of the impact depends on the funding structure of MFIs. MFIs attracting savings are significantly less affected.



Thilo Klein

Thilo Klein, University of Cambridge

“Why India's Urban Poor Choose to Go Private: Health Policy Simulations in Slums of Hyderabad“

Thilo conducted discrete choice experiments with Indian microfinance institution Spandana with 1,227 slum dwellers in Hyderabad. He researched the question why a large proportion of those living below the poverty line choose to pay for maternity care services in private hospitals. This is so, even though public services are essentially free of charge, and the private health sector is more expensive and generally employs less qualified professionals.

Thilo presented his experimental findings which suggest that an effective pro-poor policy should provide fairly priced “insurance cover” for medication related expenses. In his presentation, Thilo Klein positioned these findings in the academic debate: New theories of insurance demand suggest that lower income people should demand more health insurance than higher income people. His results show that low income respondents indeed have a higher willingness to pay for the insured provision of the uncertain component of medication compared to higher income people.

We would like to thank the following UMM Selection Committee members:

Prof. Dieter Seibel / University of Cologne, Oliver Gloede / Leibniz Universität Hannover, Prof. Barbara Fritz and Ursula Stiegler / Freie Universität Berlin, Marina de Angelis / University of Sapienza, Prof. Stephan Klasen and Dr. Ahmad Nawaz / University of Goettingen, Luciano Bonomo / University of Bergamo, Prof. Assadi Djamchid and Professor Ashta Arvind / ESC Dijon, Prof. Fernando Rodriguez / Universidad de Salamanca, Prof. Roberto Moro Visconti / Catholic University of Milano and practitioners of FIDES, PlaNIS, PlaNet Finance, Microenergy International and Allianz SE.

Microfinance Dialogues in Berlin

Berlin, December 10th 2010 – At the last Microfinance Dialogues, organized by PlaNet Finance Deutschland e.V., the foundation Up Micro Loans and Oikocredit Förderverein Nordost e.V., Lirena Cardenas, Peruvian microentrepreneur and one of the winners of the „International Microfinance Awards 2010“, and Liliana Ramirez, representative of a microfinance institution in Peru, gave insights into their daily business. 45 participants attended.



L. Cardenas

Lirena Cardenas

In the category “Environment“, the award was financed by GDF-SUEZ to Lirena Cardenas Chavez, for her business of ecological agriculture and reforestation, supported by the NGO, MFI Movimiento Manuela Ramos-Unidad.

Liliana Ramirez

Working as a project manager since 1992 at “Manuela Ramos“ she is focussing on microfinance and environment.



left: L. Ramirez, L. Cardenas, K. Kirchstein



Audience

European Microfinance Week 2010

Luxemburg, 30th November - 1st December – Three UMM Award and Scholarship Winners presented their research during a session of the European Microfinance Week which gathered 382 participants from 285 organisations. Olga Biosca, Pim Engels and Thilo Klein introduced their research on the topics “Mission Drift in Microfinance” and “Non-financial services”. The session was opened by Dr Célestin MURENGEZI, European Commission / EuropeAid Co-Operation Office and moderated by Francois Durollet, Managing Director of PlaNet Finance.

The following topics were discussed:

- Pim Engels, Tilburg University: “The influence of institutional and country risk indicators on the trade-off between the financial and social performance of microfinance institutions“
- Olga Biosca, University of Sheffield: “Microfinance non-financial services: A Key for poverty alleviation? Lessons from Mexico“
- Thilo Klein, University of Cambridge: “Why India’s urban poor choose to go private: health policy simulations in slums of Hyderabad“



Important Dates

UMM Workshops

- **June 17th/18th, 2011:** University of Groningen
- **July 11th/12th, 2011:** Frankfurt School of Finance & Management

Application Deadlines for the UMM Scholarship Programme

- **February 15th, 2011** (Bachelor, Master)
- **April 15th, 2011** (Bachelor, Master)
- **June 15th, 2011** (PhD)
- **October 15th, 2011** (Bachelor, Master)

Application Deadline for UMM Awards Programme

- **July 15th, 2011**

Contact

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Application forms for the UMM Scholarships and Awards Programme are available on our website.

Please send your application to:
umm@planetfinance.org

UMM Partnerships

We thank the companies, which supported UMM in 2010:

