

## Social Rating

## D-MIRO Foundation

## Ecuador



The institution shows a high level of social return thanks to a combination of good *Social Results* and high *Social Commitment*.

**Social Performance** **Good**

**Social Commitment** **High**

Date of visit	Nov 07
Previous rating	n/a
Date of previous rating	n/a
Social ratings realized	0

### Primary Performance Indicators

<i>Social Profile of Ecuador</i>	<b>Dec-07</b>
Poverty Index	43.0%*
Extreme Poverty Index	16.1%*
Poverty Index in Urban Areas	39.9%*
Cost of Basic Basket of Goods	\$489
Unemployment Rate in Urban Areas	7.6%
<i>D-MIRO Indicators</i>	
Number of Clients	23,364
% Clients Urban and Suburban	100%
% Female Clients	65%
Average Size of New Loan	\$405
Client Retention	66%

### Summary Description

The Foundation for Microenterprise Development D-MIRO – Mission Alliance Ecuador, serves the social needs of the Guayaquil population by providing financial services to the poor.. The institution offers five microcredit products aimed at the lowest microcredit niche in urban areas. D-MIRO does not offer non-financial services.

### Rating Rationale

Good social results and performance serving the needs of the lowest urban microcredit niche. Currently deepening its operations and expanding its limited range of products, with the hopes of satisfying the specific needs of its clientele. Market penetration is moderate within the Guayaquil area.

D-MIRO has maintained good levels of social efficiency, resulting from relatively low cost per client and an adequate operating expense ratio. Even though the microfinance services have proven to be profitable and sustainable, the recent decrease in operating margin could limit institutional growth in the medium term.

D-MIRO has an adequate level of Institutional Responsibility. The Christian fundamentals which guide D-MIRO's assure healthy practices for its employees, clients and the community.

Its solid and well-managed operations are accompanied by a high level of social commitment. The previous general manager maintained excellent communication with all employees, generating a strong sense of commitment and identity with the institution.

The commitment is further strengthened by a selection process that seeks applicants who show a strong affinity with the principles and values of the institution.

In this sense, strong institutional identification mitigates the risk of drifting from the mission, resulting in high social commitment.

## Highlights

### *Social Performance*

- Serves the poorest urban microcredit niche, and continues to further penetrate into the sector.
- Significant expansion in its geographic coverage
- Institution is focused on operations that optimize client service.

### *Social Commitment*

- Personnel identified with the Institution
- Institutional mission is well-entrenched and well-known at all levels.
- Strategic plan developed around social mission
- Incentive system with a social focus