

February 2009
 Social Rating

D-MIRO FOUNDATION

Ecuador



Social Results **Good**

Social Commitment **High**

Date of visit	Dec-08
Previous Social Rating	n.a.
Date of Previous Social Rating	Dec-07
Social Rating completed	2 nd

Principal Performance Indicators

Social Profile of Ecuador **Dec-08**

Poverty Index	38.3%
Extreme Poverty Index	15.5%
Unemployment Rate in Urban Areas	7.3%

D-MIRO Indicators **Dec-08**

Number of Clients	35,163
% of Urban and Suburban Clients	100%
% of Female Clients	67%
Average Size of New Loan	\$434
Client Retention	56%
Cost per Client	\$135
Interest and Commissions	30.8%

¹See Annex

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 six 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. Agencies operate in urban and suburban zones in depressed areas. Deepening of the target niche is accompanied by a diversification in loan products that include pilot plans designed for marginalized sectors that could elevate the desired social impact.

The difficult financial situation in the last period has limited the transfer of efficiencies to clients; the cost of credit is maintained at the highest level permitted by law.

The level of institutional responsibility toward employees and clients is good. There is a lack however of policies or activities that benefits the surrounding communities.

D-MIRO's social commitment is excellent. Origins in Christianity favor the continuing commitment to the institutional mission, which is solid throughout the organization, and minimizes the risk of mission drift. The fluid communication between Management and the rest of the areas strengthens staff identification with the institution's values and mission.

It is a positive that Management monitors the well being of its employees and clients. The incorporation of social variables within the staff selection process and incentive schemes solidifies its objective to have a social impact through microcredits

Highlights


Social Results

- Serves the poorest urban microcredit niche, and continues to further penetrate into the sector
- Lower operating margins require a greater social efficiency
- Notable institutional responsibility toward clients and employees

Social Commitment

- Personnel identified with the Institution
- Good transmission of Institutional mission
- Strategic plan developed around social mission
- Incentive scheme with a social focus

ANNEX

MicroRate Grading Scale for Social Reports	
Social Rating	<p>Measures the social return of an investment in an MFI through the evaluation of Social Results and Social Commitment.</p> <p style="text-align: center;">  </p>
Social Results	<p>The MFI is judged on its social results, the poverty focus of its target Microfinance niche, the cost and efficiency of its services, its social responsibility, and fulfillment of its social mission.</p> <p style="text-align: center;"><i>Excellent – Good – Fair – Poor</i></p>
Social Commitment	<p>Measures the social focus and level of commitment of an institution and assesses the probability of a MFI deviating from its social mission in the future.</p> <p style="text-align: center;"><i>Excellent – Good – Fair – Poor</i></p>

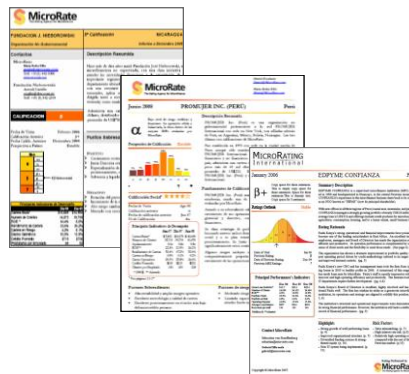
Interested in the full report?

The full Social Rating includes detailed information on the following:

- Social Results
- Depth and Diversity of Services
- Efficiency, Cost to the Customer and Sustainability
- Institutional Responsibility
- Social Commitment

This social report is available for purchase. If you are interested in purchasing a report, please contact MicroRate at 1-703-243-5340 or email info@microrate.com.

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