



News Release

The Microfinance Enhancement Facility (MEF) reaches USD 1 Billion in Loan Disbursements to Microfinance Institutions worldwide thanks to public and private subscriptions

Since its inception in February 2009, MEF has enhanced access to financial services for hundreds of thousands of micro-entrepreneurs running productive small businesses by funding well-established microfinance institutions. The Fund was established to provide short and medium-term financing to microfinance institutions facing difficulties in securing funding as a result of the global financial crisis and, in particular, the 2008/2009 liquidity crisis. MEF's objective is to ensure that microfinance stimulates sustainable development, creates jobs, and increases financial inclusion in emerging markets.

By the end of 2014, MEF had provided 180 loans to 87 MFIs in 36 developing countries. Those loans had then gone on to reach 457,976 borrowers with an average loan balance of USD 4,170. These 180 loans, in combination with the financing provided in the first half of 2015, have provided over USD 1 Billion in loans to microfinance institutions thanks to the MEF's combination of public funding and private investors.

The MEF is privately managed and is set up as a public-private partnership. Through its innovative capital structure whereby public investors assume a higher level of risk to spur private-sector investments, the MEF has as of 30 June 2015 USD 663 million in outstanding subscriptions with nearly USD 490 million from public investors and development finance institutions complemented by USD 150 million from private sources. This structure provides a broader and more robust funding platform for microfinance worldwide, enabling the MEF to contribute to the stabilisation of the microfinance sector globally.