



**International
Finance Corporation**
World Bank Group



Microfinance in the MENA Region

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DOUBLE BOTTOM-LINE: DEVELOPMENT IMPACT AND FINANCIAL RETURNS

IFC Investment

Financial Return

Development Impact

Region	Number	Amount (US\$M)	Average ROE	Borrowers (000s)	Outstanding Loans (US\$M)	Average Loan per Borrower (US\$)
Africa	14	9	3.9%	192	78	408
Asia	21	96	15.8%	681	592	868
Europe	34	120	14.0%	417	1,849	4,435
LAC	19	93	20.3%	1,221	1,543	1,263
World	9	14	n/a	n/a	n/a	n/a
Total	104	352	14.2%	2,537	4,076	1,607

As at December 31, 2005

Status and Characteristics

- ⊕ Rapid Growth
- ⊕ Concentration
- ⊕ Legal forms
- ⊕ Product types

Status and Characteristics

- ⊕ Gender
- ⊕ Depth of outreach
- ⊕ Government Programs
- ⊕ MFI performance

Opportunities and Challenges

- ⊕ Large unmet demand
- ⊕ Political uncertainty/conflicts
- ⊕ Social/cultural barriers
- ⊕ Inadequate infrastructure/rural outreach
- ⊕ Legal and regulatory environment

Opportunities and Challenges

- ⊕ Capturing the market opportunity
 - ⊕ New entrants
 - ⊕ Bank downscaling
 - ⊕ NGO transformation