

LMFPA News Bulletin

November | December 2021

Promotion of Microfinance Helpline

Since the launch of the Microfinance Helpline in August 2021, we received moderate responses from the public. Therefore LMFPA launched a media campaign with the financial support of Stromme Micro Credit in order to create more awareness on the Helpline. The first stage was Television crawlers on Derana TV and Vasantham TV in October 2021. Thereafter we conducted a poster campaign at the village level in the districts of Hambantota, Batticaloa, Anuradhapura, Polonnaruwa, Trincomalee, Jaffna and Kurunegala. More than 14,000 posters were distributed to GN offices, Samurdhi Banks, Economic Development offices and Divisional Secretariats.



We request our members support to create more awareness in this regard by displaying the said poster at your branches in the areas you operate. Please contact the LMFPA secretariat on 0713601270 and collect the desired number of posters for your organization and be part of this benevolent activity.

Data Collection with Department of Census & Statistics

The Department of Census and Statistics conducts its Survey of Services for the Financial Services sector every year and this year they collaborated with the LMFPA to analyze microfinance data, identify its short term and long term trends and its contribution to the economy. This is a great recognition not only for LMFPA but also its members and the entire microfinance industry. Several member MFIs responded positively to this request by sharing their information. If your organization still has not responded to this survey we humbly request you to show your support. Please contact Mr. Yasitha Munasinghe, Manager of LMFPA for more details.

Survey on Money Lending Institutions by Central Bank of Sri Lanka

With the view of creating the regulatory framework for micro credit, the Central Bank launched a survey on obtaining information of money lending institutions in Sri Lanka. The LMFPA was approached to assist the Central Bank to obtain certain information of member institutions that are not regulated. We shared the respective formats with our members and we sincerely thank those of you who showed their support by sharing information. If by any chance your organization has not yet shared any information we sincerely request you to do so. Please contact Mr. Yasitha Munasinghe, Manager of LMFPA for more details.

Data Collection for LMFPA's Microfinance Review 2021

As its yearly practice, LMFPA began its data profiling of members to compile the Microfinance Review publication for 2021 by September 2021. Unfortunately this year only 29 members have responded with their information so far stalling the data compilation and the publication of the Review. The LMFPA's Microfinance Review is the only publication in Sri Lanka that gives substantial information on the microfinance industry and its success throughout its history was due to the support of our members in sharing information. We therefore kindly request our members who still have not sent their information to do so at their earliest so that we can publish the Microfinance Review for the benefit of all the stakeholders in the industry.

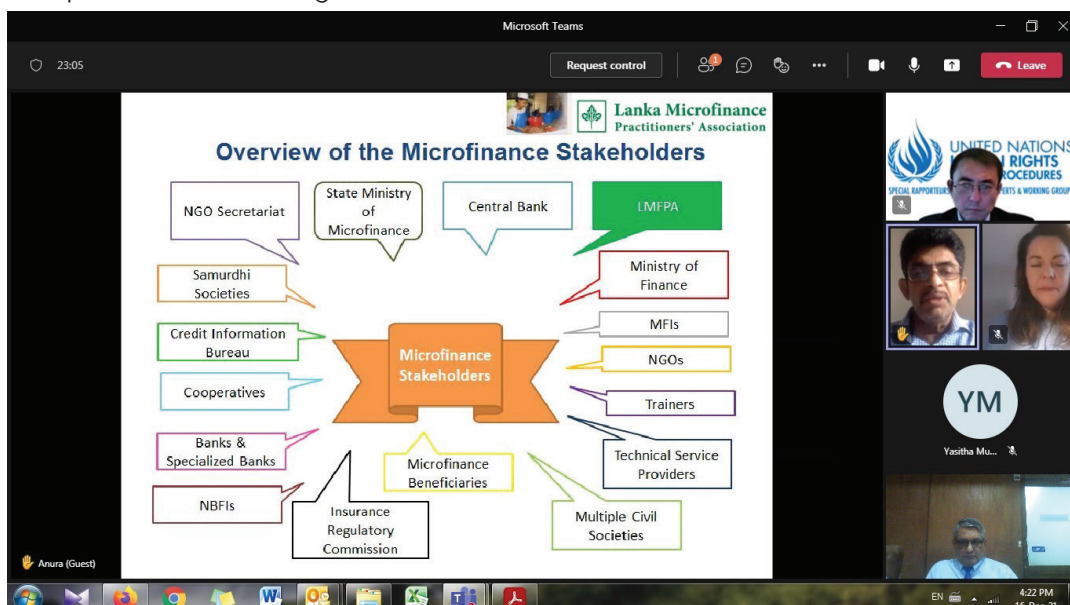
Discussion on SLBC "Athulpeththa" Programme



Through the initiation of the LMFPA manager, the association was able to get an opportunity on the radio Programme "Athulpeththa" which was broadcasted on the Sri Lanka Broadcasting Network on 4th December 2021. LMFPA President Mr. Priyantha Dematagoda was exclusively invited to this programme and was able to address many misconceptions of microfinance that were propagated by the media.

Addressing recent media reports on the visit made by UN Special Rapporteur

Following a visit to Sri Lanka by United Nations Special Rapporteur Mr. Tomoya Obokata, he recently issued an end of the mission statement which highlighted the microfinance industry as a "Contemporary form of Slavery" and that microfinance schemes disproportionately target women living in poverty in rural areas and often lead to high levels of indebtedness. In order to put many of these allegations and misunderstandings to rest, the LMFPA had the opportunity to meet with Mr. Tomoya Obokata virtually on 16th December 2021 and present its feedback on the UN End Mission Statement. Mr. Obokata listened intently and emphasized that the statements made in the End Mission statement were not directed at the association or its members, but rather on observations he made during his visit to Sri Lanka. Similar to the flipside of a coin, Mr. Obokata agreed that the feedback of LMFPA was valid and that due attention would be given when finalizing his final report on Human Rights in Sri Lanka.



Publishing of microfinance success stories

Many negative reports on microfinance are fabricated out of a handful of incidents caused by non-mainstream lending institutions and loan sharks. One of the best ways of responding to these allegations is the publicity of microfinance success stories. From time to time LMFPFA has published success stories of its members' clients on its website and newsletters. However it is time that we publish more and more such case studies to show the public the true essence of microfinance as an industry. Therefore we kindly request our members to share success stories especially of female clients so that we may publish them on the LMFPFA website on a regular basis. The case studies you share may be in either English Sinhala or Tamil. We would greatly appreciate it if you could share your case studies since 2018 together with some photographs and email them to info.lmfpa@microfinance.lk

Update on Government Loan Scheme in Anuradhapura

Following the email communication to our members that took part in the Government loan scheme for Anuradhapura delinquent clients, 3 LMFPFA members responded with an update on the loan applications and the summary is as follows:

TOTAL of 3 Members	Applied	In process	Approved	Rejected
No. of applications	408	227	4	5
Value of the Capital balances (LKR)	17,598,497.97	9,942,999.35	137,827.62	