

Knowledge Sharing: The Microfinance Center of Expertise

1 Knowledge-Sharing Platform within the EIB Group

The Microfinance Center of Expertise (MCE) is an agency-wide think tank gathering professionals from various departments at the European Investment Bank (EIB) as well as from the European Investment Fund (EIF) with different backgrounds, such as operations, risk management, legal affairs,

economics, corporate responsibility and technical assistance. Created in 2008, the MCE acts as the knowledge-sharing platform for exchanging and capitalizing on experiences, best practices and industry developments, both inside and outside Europe.

2 A Valuable Tool based on EIB's Experience

The MCE consolidates in one forum all of the EIB Group's knowledge and experience in microfinance. In light of an organizational set-up where microfinance activities are spread out across various departments, regions and subsidiary organizations, the platform enables collaboration and knowledge sharing within this complex organizational structure. Although microfinance represents a relatively small segment of EIB's overall investment portfolio, EIB has found that the MCE helps increase the internal visibility of microfinance activities with senior management and staff.

change lessons learned at the project level. It also serves as the focal point for coordinating Bank-wide microfinance issues: internal and external communication, trainings, SmartAid Index participation, facts and figures, etc. It inventories all EIB professionals who are either closely or occasionally involved in microfinance projects. In addition to microfinance projects, the MCE plays a role in coordinating and promoting impact financing and reporting within the EIB Group. In sum, the platform creates a "microfinance collaborative spirit" across the various departments of the Bank.

Operationally, the MCE provides a forum to discuss projects in the pipeline across the Bank and ex-

3 Challenges and Successes

The secretariat function of the MCE rotates among EIB and EIF, which can be a useful impetus for knowledge sharing, but the MCE does not have specifically designated staff. Building an attractive meeting agenda for participants from various backgrounds and levels of involvement in microfinance is a challenge. To overcome this challenge, a topic highlight or a case study, sometimes present-

ed by a guest speaker, is usually of great value.

The MCE offers the possibility to create sub-working groups to address specific issues, implement recommendations (e.g. to address SmartAid recommendations), or to participate in other internal working groups, such as on SMEs. The MCE has further improved the exchange of information and

therefore stimulated innovation and collaboration. However, in the absence of dedicated staff and

budget, active follow-up and implementation of ideas and recommendations remain challenging.

4 Results

The MCE has contributed to enhanced external and internal communication on microfinance activities. This has facilitated the production of key organizational tools such as the EIB Group annual report, dedicated webpages, presentations, and brochures. The MCE meets quarterly with specific

highlights each time or a guest speaker. Perhaps the largest immediate benefit of the MCE is the improved internal and external visibility and recognition of microfinance as one of EIB's major product lines.

5 Learning and Recommendations

While the benefits of the MCE have been clear, EIB could have further exploited this knowledge sharing platform by allocating core resources to increase the impact of the MCE's activities. This level of formalization would allow the platform to extend its scope to include making recommendations related to project design or other technical inputs which could be binding. Formalization would require the creation of a dedicated secretariat that can take care of logistical matters around meeting schedules and membership, but it could also provide important technical content on meeting agendas and meeting moderation. Furthermore, a formal secretariat would reduce the burden on current staff time and would strengthen the documentation and products produced within the MCE such as minutes, communication materials and portfolio reviews. It would also enable ongoing monitoring and follow-up of recommendations.

With regard to operational recommendations, EIB's experience suggests that the budget allocation for the platform should be sufficient to conduct bank-wide trainings and knowledge-sharing activities, or to host other events. Meetings should be held at least three to four times per year to maintain interest and momentum; the rotation among departments is worth continuing, as it increases ownership and learning across different units and subsidiaries of the EIB Group.

The MCE presents a great platform to be creative with topics covered and knowledge sharing tools used. EIB has experimented with different tools such as brown-bag lunches, case studies and external guests, all of which have provided interesting and different ways to engage staff on important topics to the EIB Group.

The CGAP SmartAid 2013 Report for EIB can be downloaded at:
http://www.eib.org/attachments/eib_smartaid_2011_report.pdf

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