

Press Release

Tunis, July 2nd, 2010

MicroRate has awarded enda-ia with a rating of 'Alpha' for their financial performances and « Excellent » for their social performances

MicroRate, an international rating agency that specializes in evaluating microfinance institutions, has awarded a rating of 'alpha', with stable prospects, to enda inter-arabe, a microfinance organisation in Tunisia. This rating, one of the highest possible, is awarded to microfinance institutions that are able to show good financial, operational and strategic conditions, as well as microfinance best practices. MicroRate also found enda's social performances to be 'excellent' and awarded them 4 ½ out of 5 stars.

MicroRate, the international credit risk rating agency, has finalized their rating report for the microfinance institution (MFI) enda inter-arabe. With the 'alpha' rating ('alpha++' is the highest possible rating), enda has received one of the highest ratings given by the agency to the more than 450 MFIs evaluated in Latin America, Europe, Asia and Africa. The results of the May 2010 evaluation also show that enda has consistently improved each year since their first rating in 2005.

Optimizing enda's activities

Founded in 1990, the non-governmental organisation (NGO), enda inter-arabe, started their work in the environmental domain. Eleven years later, the NGO decided to consecrate their efforts towards supporting micro-entrepreneurs, especially women, by granting microcredit. Their aim is to offer financial services to populations that do not have access to the formal banking sector. enda has been undergoing assessments from rating agencies since 2005 as a means of evaluating their social and financial activities in order to assure that they remain transparent and are continuously improving their services.

With 130 000 active clients, a total of 358 million Tunisian dinars loaned, and 630 000 loans granted since 1995 (figures from May 2010), enda asked MicroRate to conduct the MFI's fourth rating so that they could get an objective evaluation of enda's activities in order to make any necessary improvements.

Financial and social performances

MicroRate uses a methodology specific to the microfinance domain to measure the performances of each MFI. The rating that enda received, which is considered to be excellent by the rating agency, is mainly based on three areas: the diversity of products offered, the strength of enda inter-arabe's structure, and the stability of their portfolio. The agency explained that the high rating is also due to enda's efforts towards good management practices, securing diverse funding and keeping interest rates relatively low (in comparison to other MFIs rated by the agency).

MicroRate also classified enda inter-arabe's social results as excellent. The agency based this analysis on the work that enda has done towards protecting their clients and improving the services offered to them. Other factors that were taken into account include : good financial management which enables enda to develop social activities for their clients and for their employees, efforts towards decentralisation, development of new products that effectively reach microcredit's target populations and a culture of social outreach that is well ingrained in the organization.

The summaries of the two reports are available on enda inter-arabe's website (www.endarabe.org.tn).

Press contact :

Souhyr JENANE

enda inter-arabe

Route de Bizerte Km3-immeuble chérifa

Bloc A, Ettahrir 2042 Tunis, Tunisie

Tel : +216 71 22 25 22

souhyr.jenane@endarabe.org.tn

www.endarabe.org.tn