

Luxembourg, the 20th of November 2008

Public Private Partnership to Support Microfinance Ratings: The Microfinance Rating and Assessment Initiative (Formerly called GRASS)

The Microfinance Rating and Assessment Initiative (formerly called GRASS) is a program designed to support and encourage the use of financial and social ratings. It was launched by ADA in collaboration with the Government of Luxembourg, the Microfinance Initiative Liechtenstein, the Swiss Cooperation, ResponsAbility and Oxfam Novib. The Rating Initiative collaborates with the Social Performance Task Force in all aspects concerning social ratings.

The Rating Initiative targets the Microfinance Institutions (MFI) in underserved financial rating markets and further seeks to strengthen the role of social ratings in all regions.

The program will run for a four year period and will:

1. **Directly co-fund a minimum of 280 first or second financial and/or social ratings**, of which at least 50% should take place in Africa. For financial ratings, MFIs from all regions are eligible to apply except those based in Latin America who can apply for co-funding through IADB's (Inter-American Development Bank) rating project. For social ratings, MFIs from all regions are eligible to apply.
2. **Encourage at least 700 new MFIs to enter the rating market (financial or social)** through awareness-raising activities and dissemination of information.
3. **Produce annual rating market studies** tracking the development of the rating sector.

In light of its extensive experience gained from managing the Multi-Donor Rating Fund over a 4 year period where it allocated more than 250 rating grants, ADA is the administrator of the Rating Initiative. The budget of the facility is around € 3.4 million for the full 4 years.

How to apply?

The Rating Initiative was officially launched on the 19th of September 2008 and any MFI with at least 2 years of operation with minimum total assets of €150,000, can apply to the Initiative for financial or social rating. For further information or to request application documents, please contact ADA preferably by mail or by phone:

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