

# Memorandum Of Understanding

December 19, 2001

This Memorandum of Understanding (MOU) serves as formal recognition of the intent of eight organizations to establish a Microfinance Association for the purpose of advancing the interests of the microfinance industry in support of sustainable and equitable economic growth in Azerbaijan. These organizations include, the Adventist Development and Relief Agency (ADRA) Azerbaijan, the Foundation for International Community Assistance (FINCA) Azerbaijan, Mercy Corps Azerbaijan, the Norwegian Refugee Council (NRC), the Norwegian Humanitarian Enterprise (NHE), Save the Children (SC), Oxfam, and World Vision Azerbaijan

In recognition of the unrealized potential of micro-finance in Azerbaijan related to lack of public understanding of micro-finance as well as the absence of a suitable legal framework governing micro-finance service delivery, and in recognition of our common interests as micro-finance providers and/or donor agencies in the improvement of best practice dissemination and implementation, in the promotion of transparency and accountability in micro-finance service delivery, and in the growth of sustainable micro-finance institutions, the above organizations agree to work together to build a lasting Microfinance Association.


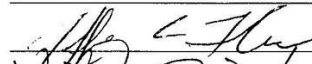
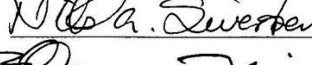
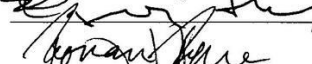
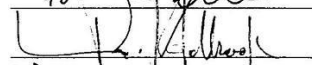
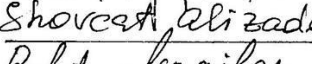


It is expected that the Microfinance Association will:

- Develop a common agenda and action plan to advance the interests of the microfinance community
- Serve as a common voice for the microfinance community.
- Pursue public and private funding for Association operations and sponsored activities.
- Serve as a focal point for collection and dissemination of microfinance best practice information.
- Document and publish Azerbaijan-specific microfinance information.
- Organize meetings and conferences for the advancement of microfinance in Azerbaijan.
- Conduct and promote other activities defined by the members.

In the intervening period, prior to the formal constitution and registration of the Microfinance Association, the signatories to this memorandum agree to work together in the following ways to advance the development of the Association and to promote the wider development of micro-finance in Azerbaijan:

- Send representatives with decision-making power to regular meetings of this informal network.
- Commit available human resources to joint projects, including the process of registering the Association and/or fund-raising for the Association.
- Commit reasonable levels of financial resources (e.g. membership dues) to the establishment and ongoing operations of the Association.

On behalf of our respective organizations we express our intent to combine our efforts to these activities and to the greater purpose of establishing a Microfinance Association in Azerbaijan.

Name	Organization	Date
	NHE	14.12.01
	FINCA	14/12/01
	NRC	17/12/01
	ADRA	17/12/2001
	ACDI/VOCA	18/12/2001
	Mercy Corps	18 Dec 2001
 Shorvati Alizadeh	Oxfam	18/12/01
 R. Alismailov	World Vision	18/12/01