

The top half of the page features a large, abstract, textured background image. It has a mottled appearance with various shades of teal, blue, and dark purple, resembling a close-up of a mineral surface or a microscopic view of a material. The texture is irregular and organic.

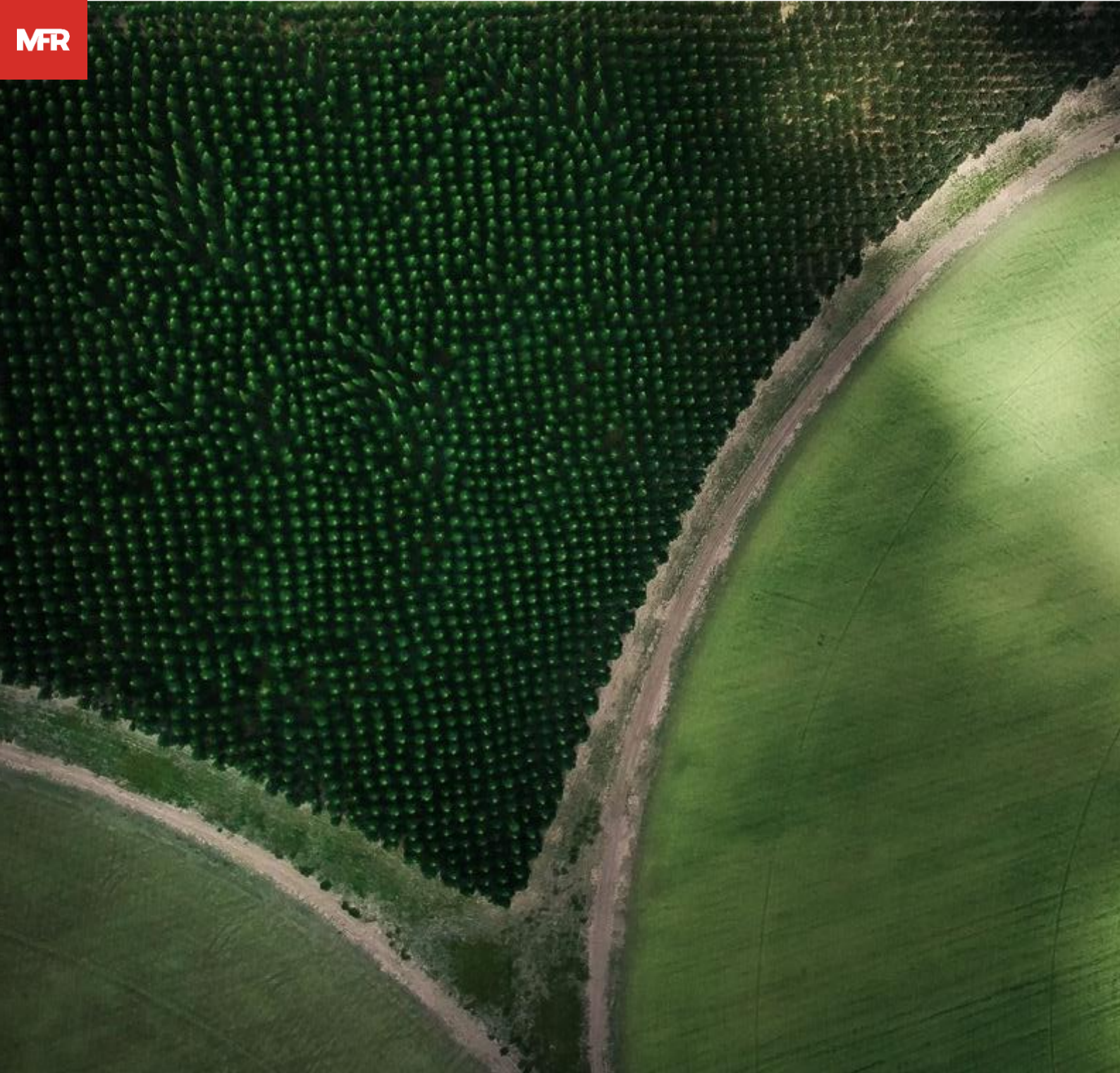
# Technical Proposal

DIGITAL FINANCIAL SERVICES (DFS) CLIENT PROTECTION  
CERTIFICATION



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# Company Profile

We are the leading global rating agency  
specialized in inclusive and sustainable finance

# Company Profile

**MFR** is a global rating agency with over 20 years of experience, providing **evaluations, information,** and **technical expertise** to promote best practices and drive responsible investments in the sustainable finance industry.

Our vision is to help **build a more transparent future** in which capital is combined with a **social and environmental purpose**, fostering the growth of a more inclusive and sustainable industry worldwide.

Headquartered in **Italy**, with offices in **Kyrgyzstan, Kenya, Ecuador, and Bolivia**, and a presence in **India, the United Kingdom, France, and Mexico**, MFR operates across **4 continents**, solidifying its position as a global strategic partner.

MFR's credibility is supported by our international accreditations, which enable us to promote trust and good practices in the industry.



**MFR has been accredited by:**

Cerise+SPTF

**To carry out:**

Client Protection Certification

Alinus Audits SPI5



**MFR has been accredited by:**

European Commission

**To carry out:**

Code of Good Conduct



**MFR has been accredited by:**

EIB-InvestEU

**To carry out:**

Evaluation Products under the

SIFTA program



**MFR has been accredited by:**

ICMA

**To carry out:**

Second Party Opinion of a Green, Social and Sustainability Bond Framework



**MFR has been accredited by:**

MFV/DFC

**To carry out:**

Rating of MSME funds, clean energy (PAYGO) funds, agricultural funds and housing funds



**MFR has been accredited by:**

GOGLA

**To carry out:**

Consumer Protection Assessment of off-grid solar energy companies.



**MFR has been accredited by:**

Truelift

**To carry out:**

Truelift Assessment



**MFR has been accredited by:**

Philippines local central bank

**To carry out:**

Risk Ratings of Microfinance Institutions.

Throughout our trajectory, we have forged strategic alliances with leading **private social investors, fund managers, development financial institutions, specialized hedge funds, and international organizations**, thereby strengthening our global impact.



**French Development Agency (AFD)**



**German Investment and Development Company (DEG)**



**Dutch Entrepreneurial Development Bank (FMO)**




**European Investment Bank**



**European Bank for Reconstruction and Development**



**Inter-American Development Bank**



**European Commission**



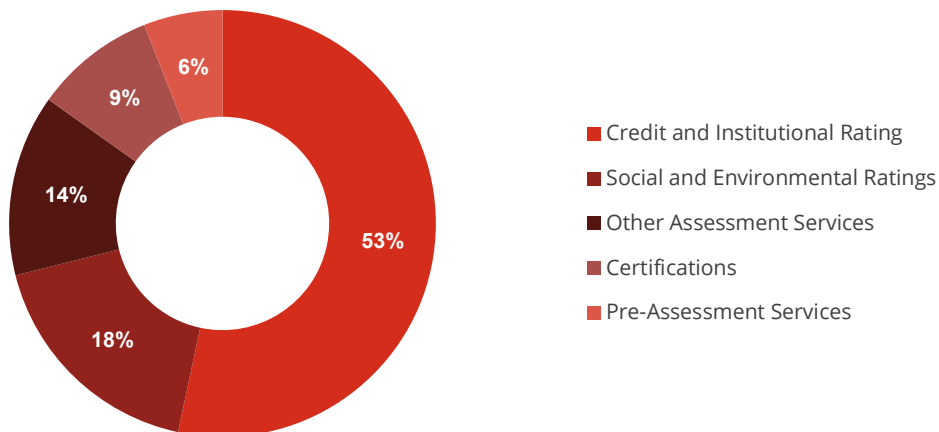
**Council for the development of Cambodia**



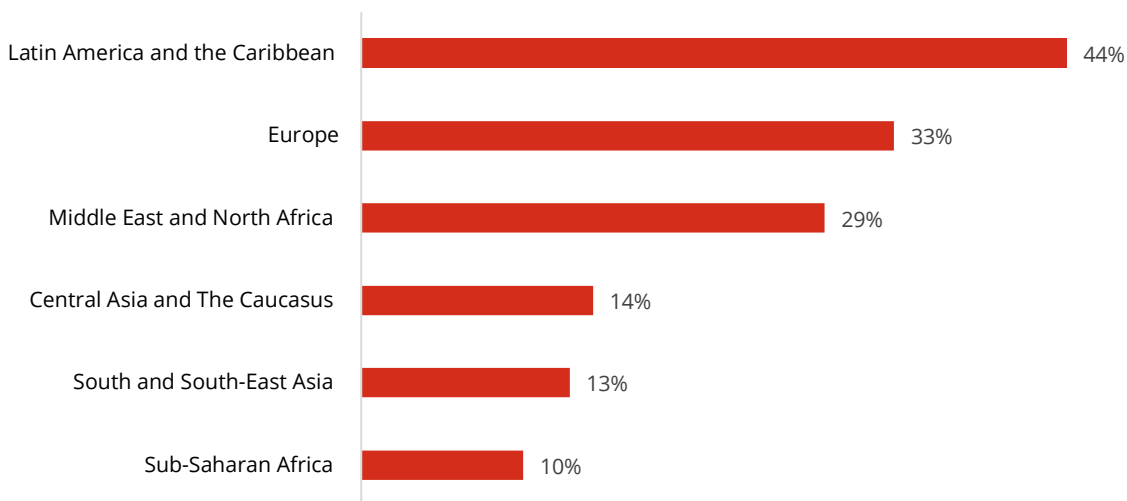
**Proparco**

To date, we have conducted over **4,300 evaluations** across **120 countries globally** and leads the **global market in Client Protection Certification**, covering over **70% of certified institutions** worldwide:

### Global service diversification



### Global outreach



\*Of the total global outreach, 44% is attributed to Latin America and the Caribbean, while 56% corresponds to other regions, based on the number of assignments completed.

The data presented in the graphs reflects the period from 2001 to 2024.

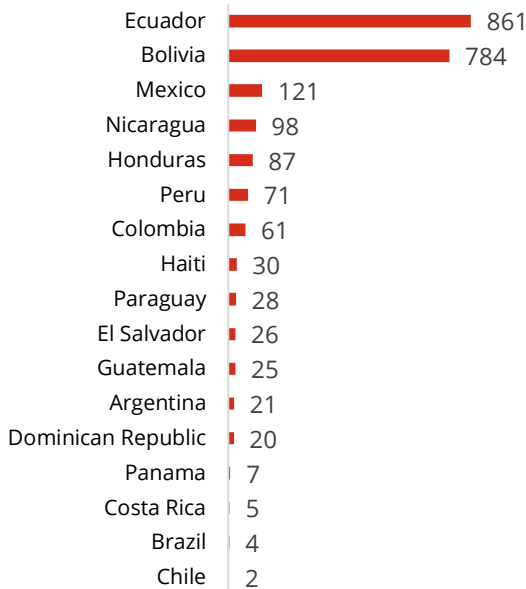
## Experience in Latin America & The Caribbean

At MFR, our mission is to generate independent opinions and data, while providing technical expertise that not only promotes international best practices but also serves as key tool for responsible investment decisions in the inclusive and sustainable finance industry across Latin America and the Caribbean.

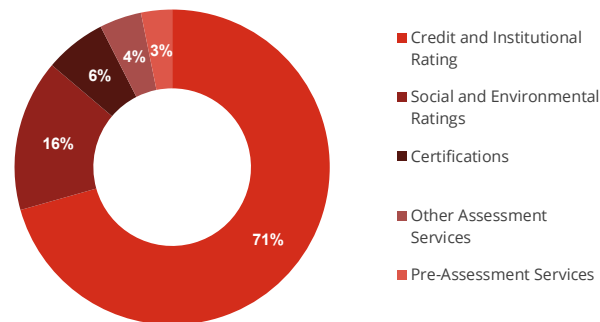
With over **2,000 evaluations conducted in 17 countries**, MFR has established itself as the leading rating agency specializing in inclusive and sustainable finance in Latin America and The Caribbean.

Our experienced teams, based in **Quito, La Paz, and Mexico City**, leveraging deep local insights to deliver tailored solutions that meet the diverse needs of financial institutions, regardless of size, legal structure, or stage of development.

LAC outreach



LAC service diversification



\*The data presented in the graphs reflects the period from 2001 to 2024.

In Ecuador and Bolivia, MFR stands out as **the first specialized rating agency authorized by regulatory bodies**, ensuring quality and rigor in our services:

- The **Superintendency of Banks (SB)**, the **Superintendency of Popular and Solidarity Economy (SEPS)**, and the **Superintendency of Companies, Securities, and Insurance** have authorized us to provide Credit Rating services.
- In Bolivia, the **Financial System Supervisory Authority (ASFI)** has authorized us to provide Credit Rating and Corporate Social Responsibility Performance services.

Our services are designed to **enhance the performance, reputation, and impact** of financial institutions in the region:

#### Latin America and The Caribbean

- [Institutional Rating](#)
- [Social and Environmental](#)
- [Client Protection Certification](#)
- [Impact Assessment](#)

#### Ecuador

- [Credit Rating of Financial Institutions](#)
- [Credit Rating of Instruments for the Stock Market](#)

#### Bolivia

- [Credit Rating of Financial Institutions](#)
- [Credit Rating of Securitization Processes](#)
- [Corporate Social Responsibility Performance Rating](#)



## Experience in South and South-East Asia

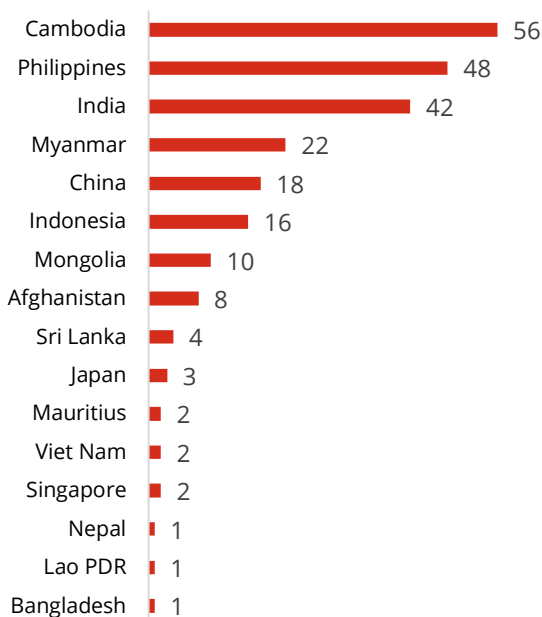
**MFR** is one of the leading microfinance rating agencies in the region. We are accredited by the **Bangko Sentral ng Philippines (BSP)** as a Microfinance Institutions Rating Agency (MIRA) and have a permanent staff based in India with extensive experience in the region.

We have worked with institutions with varying legal statuses, sizes, and stages of development tailoring our services to meet their specific needs.

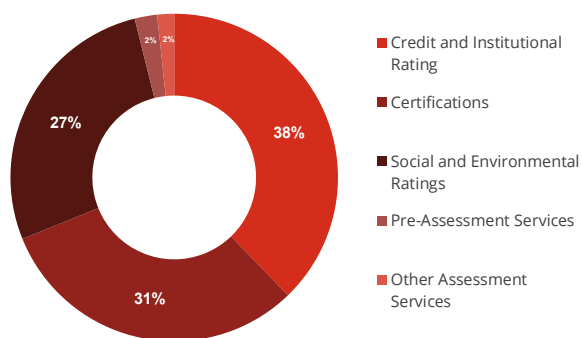
In the SSEA region, our most in-demand services are Client Protection Certification and Social and Environmental Ratings. **With over 200 completed assignments**, we have supported financial institutions in enhancing transparency, responsible practices, and long-term sustainability.



**SSEA outreach**



**SSEA service diversification**



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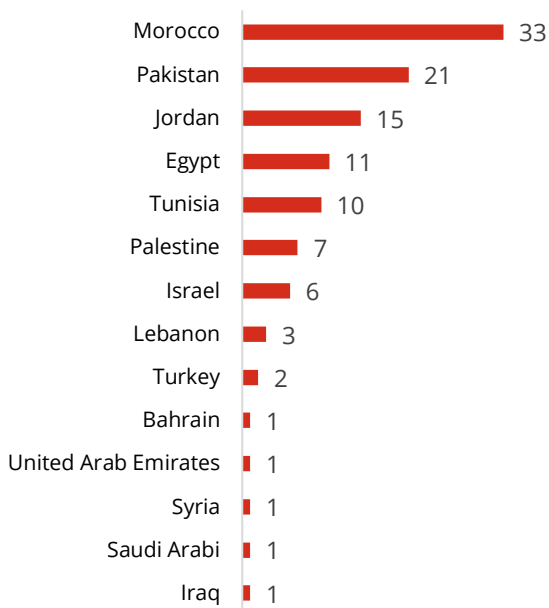
## Experience in MENA Region

**MFR** is the leading microfinance rating agency in the MENA region, with a presence dating back to 2005. Our team, based in Milan, Italy, brings extensive experience working with diverse financial institutions of varying legal statuses, sizes, and stages of development, tailoring our services to their specific needs.

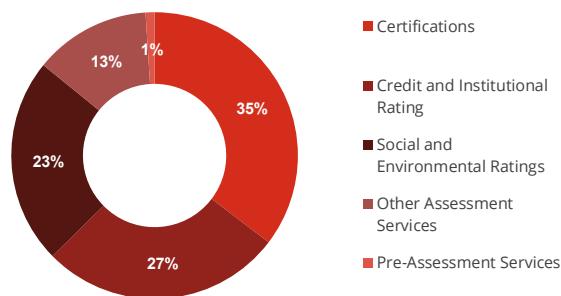
To date, **we have completed over 100 assignments in MENA**, supporting institutions in enhancing transparency, long-term sustainability, and responsible practices. Our most in-demand service in the region is Client Protection Certification and Social and Environmental Ratings.



**MENA outreach**



**MENA service diversification**



\*The data presented in the graphs reflects the period from 2001 to 2024.

## Experience in Sub-Saharan Africa

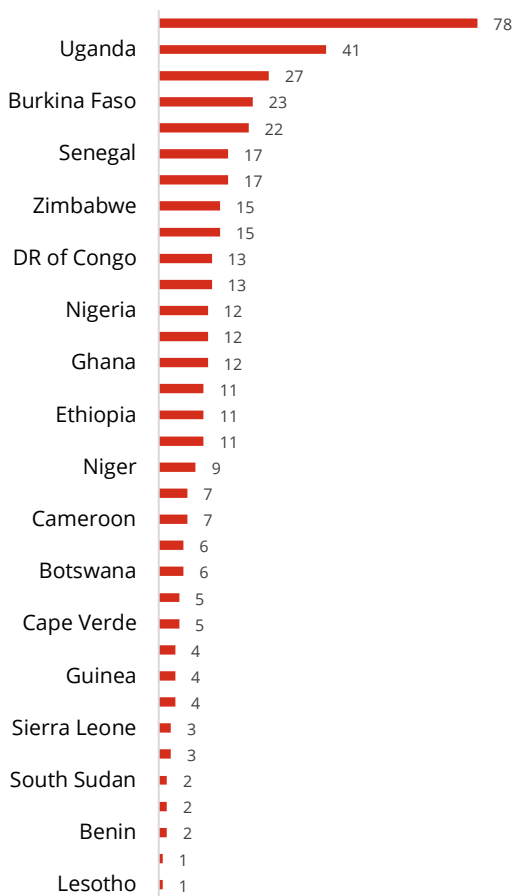
MFR is the leading microfinance rating agency in Sub-Saharan Africa. We have been operating in the region since 2005, with our regional office in Kenya coordinating operations across the continent since 2007.

We have worked with financial institutions of varying legal statuses, sizes, and stages of development, tailoring our services to meet their specific needs.

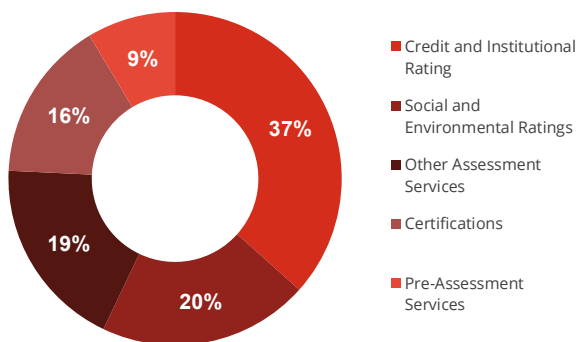
**MFR has completed over 400 assignments in Africa,** supporting institutions in enhancing transparency, long-term sustainability, and responsible finance practices. Our most in-demand services in the region are Social and Environmental Ratings and Client Protection Certification.



SSA outreach



SSA service diversification



\*The data presented in the graphs reflects the period from 2001 to 2024.

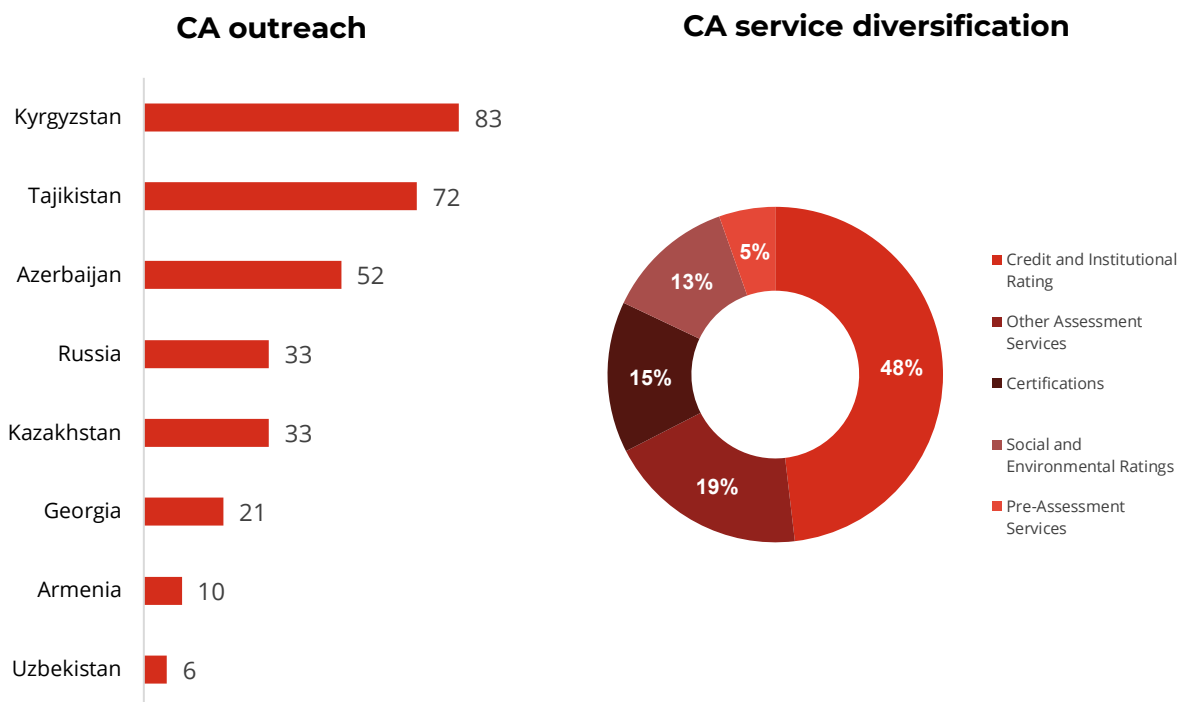
## Experience in Central Asia & the Caucasus

MFR is one of the leading microfinance rating agencies in the region. We have a permanent team based in Bishkek, Kyrgyz Republic, with extensive experience working across the region.



We have worked with financial institutions of varying legal statuses, sizes, and stages of development, tailoring our services to meet their specific needs.

MFR has conducted over 300 assignments in the region, supporting institutions in strengthening transparency, long-term sustainability, and responsible practices. Our most in-demand services include Due Diligence, Social and Environmental Ratings incorporating Client Surveys and Focus Group Discussions, and Client Protection Certification.



\*The data presented in the graphs reflects the period from 2001 to 2024.

## Experience in Europe

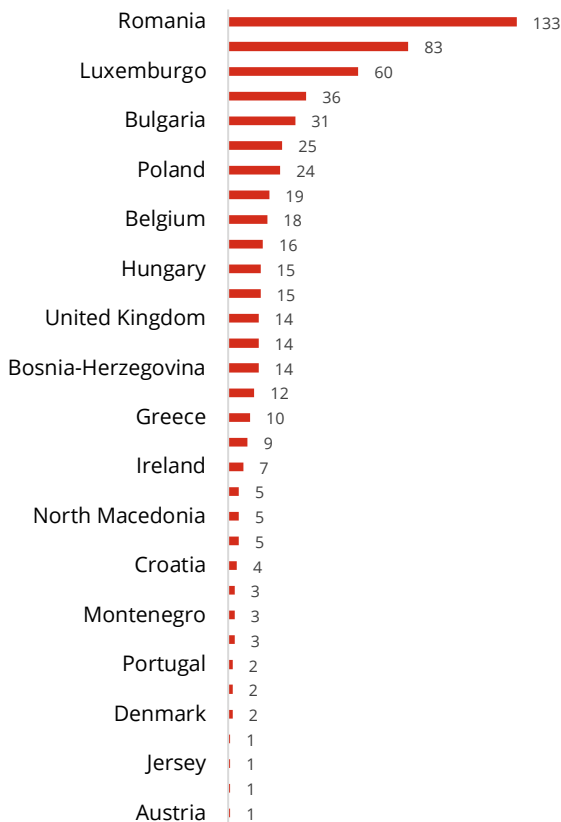
In the sustainable and inclusive finance industry, [MFR](#) is the leading rating agency in the region. Our headquarters is in Milan, Italy, where the majority of our permanent staff is based.

MFR's strength lies not only in its 20+ years of experience across Europe and neighbouring countries, but also in its expertise and agility in working with a diverse range of financial institutions and services catered for social enterprises, such as incubators and local enterprise agencies that focus on generating employment opportunities, etc.

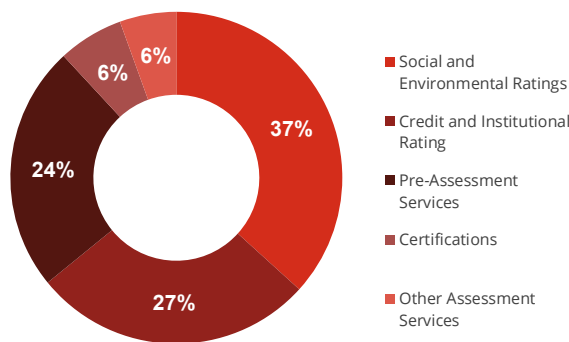


MFR has conducted **over 500 assessments in 33 countries**, supporting institutions in enhancing transparency, long-term sustainability, and responsible practices.

**EU outreach**



**EU service diversification**



\*The data presented in the graphs reflects the period from 2001 to 2024

## Experience Digital Finance Services (DFS)

As digital transformation and innovation redefine how financial services are designed, delivered, and scaled, digital financial services continue to expand access and efficiency across markets. As these models increasingly reach diverse and vulnerable client segments, strong client protection practices become essential to ensure that financial services *do no harm*. Client protection frameworks enable providers to balance innovation with accountability, safeguard client's rights, and manage social, operational, and reputational risks, while supporting sustainable and responsible growth.

At MFR, we bring extensive experience supporting Digital Financial Service (DFS) providers in assessing client protection practices, in line with international standards across South Asia, Southeast Asia, and Africa with direct implementation in countries such as India, Indonesia, the Philippines, Sri Lanka, Cambodia, Timor Leste, Uganda, Ghana, and Mongolia.

This experience spans a range of digital finance business models, including digital lending platforms, mobile-based financial services, and technology-enabled credit and payment solutions. These models reflect the rapid digitalization of financial services and the increasing use of technology to extend credit, payments, and financial access through digital channels within the sustainable finance industry.

Across these models, we have supported Digital Financial Service (DFS) providers at different stages of maturity, from fast-growing FinTechs to more established digital operations, adapting our Client Protection Assessments to each institution's scale, technology, and client profile.

### Pilot testing and development of DFS Standards

Building on its field experience, MFR actively contributed to the pilot testing and refinement of emerging Cerise+SPTF DFS Client Protection Standards, ensuring their practical applicability across diverse digital finance models.

As part of this process, MFR conducted in-depth pilot assessments of the Cerise+SPTF DFS Client Protection Standards in Cambodia, working with the largest commercial bank in the country and Digital Payments and Savings Platform via iPay. These pilots allowed MFR to test the standards in real-world digital ecosystems, capturing risks, operational nuances, and client protection challenges specific to DFS delivery models.

Beyond field implementation, MFR also provided technical advisory and consulting support to Cerise+SPTF, contributing to the synthesis and analysis of evidence gathered from 28–30 DFS pilots conducted globally. Drawing on this collective experience, MFR supported the consolidation of lessons learned and the drafting of the revised DFS Client Protection Standards, which were officially launched in June 2024.

Through this dual role, both as an implementer in the field and as a contributor to global standard-setting, MFR helps bridge the gap between regulatory principles and operational realities, strengthening client protection in digital finance at scale.

Experience in DFS	Year	Countries
<ul style="list-style-type: none"> <li>▪ <b>DFS Assessment</b> and gap analysis of a technology platform along with their agritech business partner for IDH.</li> <li>▪ <b>DFS Client Protection Certification</b> for Amarthia in Indonesia, Billease, Salmon in Philippine's, etc.</li> <li>▪ <b>SPI5 Social audit</b> for AFC, Sri Lanka, CrediSmart Colombia, InDrive Mexico, GlobalGo Peru, Fatakpay India, JET Finance Kazakstan.</li> </ul>	2025	<ul style="list-style-type: none"> <li>▪ India, Indonesia, Philippines, Sri Lanka, Timor Leste, Colombia, Mexico, Peru, Kazakstan.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Conducted <b>pilot testing of DFS Standards by Cerise-SPTF</b> for Agent Banking of Wing Bank, ACLEDA.</li> <li>▪ <b>DFS Client Protection assessment</b> of FTCash, NAMDEV India, FIDO credit Uganda, FIDO credit Ghana, LendMN Mongolia, Ecofy India.</li> <li>▪ Provided <b>consulting to Cerise-SPTF</b> to synthesize all the information collected from 28-30 DFS pilots globally and draft new DFS Standards which was launched in June 2024.</li> <li>▪ <b>SPI5 Social audit</b> for Digital MSME FinTech, Kinara, India, Oyo and Branch FinTech in India, Autocheck Nigeria, RapiCredit Colombia, Alvos Mexico.</li> <li>▪ Conducted <b>Social and Environmental Rating</b> for First Circle (Fintech, in Philippine's).</li> </ul>	2023 – 2024	<ul style="list-style-type: none"> <li>▪ Cambodia, India, Philippines, Indonesia, Mongolia, Uganda, Ghana, Colombia, Mexico,</li> </ul>



# Technical Proposal

We tailor our services to each context, ensuring they meet the specific needs of every client

# Technical Proposal

## Digital Financial Services (DFS) Client Protection Certification

The DFS Client Protection Certification is an independent, third-party evaluation to publicly recognize Digital Financial Services (DFS) providers that meet the DFS standards.

The DFS Certification is **highly valued by the responsible finance industry**, including many investors and donors. Establishing policies and procedures that ensure 'doing no harm to clients' is considered the minimum standard by most stakeholders in the sector.

After the exit of the Smart Campaign, the ownership of tools and resources have been given to Cerise and the Social Performance Task Force to ensure the client protection standards remain the common language in the financial inclusion industry.



**MFR is fully aligned with the Cerise+SPTF DFS Client Protection standards and methodology.** Additionally, **MFR has certified over 70% of the entities currently certified**, establishing itself as the primary certifier at a global level.

The DFS Client Protection Certification is the most rigorous third-party validation in the industry, issued exclusively by specialized organizations such as rating agencies. Independent assessors do not issue seals or certificates.




The certification reviews the DFS providers' policies, procedures, management systems, training and marketing practices against the eight areas of the client protection. The standards and indicators have recently been revised and are fully aligned with the latest version of the **Universal Standards for Social and Environmental Performance Management**.



The Certification includes a process of recognizing DFS providers based on their performance and advancement towards favorable client protection policies. For this reason, the certification will provide **three levels of recognition (Bronze, Silver and Gold)**, depending on the percentage of compliance with the indicators. The methodology will further incentivize DFS providers to engage on a client protection pathway and receive recognitions for their achievement as well as measuring their progress over time.

The final result is shown as a percentage of compliance relative to all indicators that are applicable to the organization. The certification has **3 years of validity** after the certificate issuance.

Based on the specific range in which this final outcome falls, the DFS provider may receive a designated level of recognition, namely **Bronze, Silver, or Gold**, as elaborated in the table provided below:

Recognition	Requirement 1	Requirement 2
 <b>Bronze</b>	Compliance with: 100% of <b>Entry indicators</b> (33)	Compliance with: <b>≥ 65%</b> of total indicators
 <b>Silver</b>	Compliance with: 100% of <b>Entry indicators</b> (33) 100% of <b>Progress indicators</b> (21)	Compliance with: <b>≥ 80%</b> of total indicators
 <b>Gold</b>	Compliance with: 100% of <b>Entry indicators</b> (33) 100% of <b>Progress indicators</b> (21) 100% of <b>Advanced indicators</b> (24)	Compliance with: <b>≥ 95%</b> of total indicators

## Adjustment phase

If the digital FSP is not compliant with some of the Entry indicators, the institution will be offered a **2-month adjustment phase** that allows it to work on those **entry indicators**, following the final report.

If the DFS provider does not reach full compliance on these Entry indicators at the end of adjustment phase, the indicators will be marked as non-compliant, and no certification will be awarded.

Principle	Standards
1. <b>Appropriate product, design and delivery channels</b>	<ul style="list-style-type: none"> <li>▪ The DFS provider uses data to identify patterns of financial behavior by client segment.</li> <li>▪ The DFS provider collects client feedback on their experiences using the digital FSP products and services.</li> <li>▪ The DFS provider uses insights from client data to design products, services, and delivery channels.</li> <li>▪ The DFS provider's products, services, and channels protect clients from harm.</li> </ul>
2. <b>Prevention of over indebtedness</b>	<ul style="list-style-type: none"> <li>▪ The DFS provider makes loan decisions based on client's repayment capacity.</li> <li>▪ The DFS provider monitors the market and responds to the heightened over-indebtedness risk.</li> <li>▪ The DFS provider's strategic and/or business plan establishes growth targets.</li> <li>▪ During times of high growth, the DFS provider monitors more frequently data related to responsible growth.</li> </ul>
3. <b>Transparency</b>	<ul style="list-style-type: none"> <li>▪ The DFS provider is transparent about products terms, conditions, and pricing.</li> <li>▪ The DFS provider communicates with clients at appropriate times and through appropriate channels.</li> </ul>
4. <b>Responsible pricing</b>	<ul style="list-style-type: none"> <li>▪ The DFS provider charges fair prices.</li> <li>▪ The DFS provider charges reasonable fees.</li> <li>▪ The DFS provider does not transfer unnecessary costs to clients.</li> </ul>
5. <b>Fair and respectful treatment of clients</b>	<ul style="list-style-type: none"> <li>▪ During the recruitment and hiring process, the DFS provider assesses each candidate's commitment to achieving the DFS provider's social goals and serving its target clients.</li> <li>▪ The DFS provider's code of conduct requires fair and respectful treatment of clients.</li> <li>▪ The DFS provider does not use aggressive sales techniques.</li> <li>▪ The DFS provider protects client's rights to respectful treatment during the loan collection process.</li> </ul>
6. <b>Privacy of client data</b>	<ul style="list-style-type: none"> <li>▪ The DFS provider maintains the security and confidentiality of client data.</li> <li>▪ The DFS provider informs clients about data privacy and data rights.</li> </ul>
7. <b>Mechanisms for complaint resolution</b>	<ul style="list-style-type: none"> <li>▪ The DFS provider has a complaints mechanism that is easily accessible to clients and adapted to their needs.</li> <li>▪ The DFS provider resolves complaints efficiently.</li> <li>▪ The DFS provider uses information from complaints to manage operations and improve product and service quality.</li> </ul>
8. <b>Governance &amp; HR</b>	<ul style="list-style-type: none"> <li>▪ The board makes strategic decisions based on social and financial data.</li> <li>▪ Management makes strategic and operational decisions based on social and financial data.</li> <li>▪ The DFS provider trains all employees on its social goals and on client protection.</li> <li>▪ The DFS provider evaluates and incentivizes employees based on social and financial criteria.</li> </ul>

## Timeline and Work Plan

The following work plan applies for the services presented in the current proposal.



\*Not including the possible adjustment phase in case the Digital FSP presents gaps among the entry-level indicators.

\*\* MFR's Certification Committee Unit (CCU), constituted by three senior members, reviews the final report, defines the final recognition level and issue the Certificate.

# Explore, connect and collaborate with MFR

## Connect with us on LinkedIn

At MFR, we take pride in being part of a global community that drives sustainability and financial inclusion. Through our LinkedIn page, we share key insights, emerging trends, and reflections on our experience collaborating with investors and industry leaders. Join our network and stay up to date on how we contribute to a future where capital combines with social and environmental purpose.

[Visit our LinkedIn Page](#)

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## Discover more on our website

Our website is the go-to resource for those seeking in-depth information about our services. Explore reports and discover our impact across more than 120 countries.

[Visit us here](#)

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## Contact information

If you need more information or assistance, reach out to our team. We are committed to supporting digital FSP in enhancing their performance, reputation, and impact.

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