

## **Introduction**

According to the request made by CBSL, the Department of Census and Statistics has undertaken to carry out a Census of Micro-Finance Institution (MFIS) engage in micro finance activities. This include MFIS registered for micro finance activities as the main function, Government and Non-Government Organizations (NGOs) who engage in micro finance activities as the main or secondary activity. This is a full enumeration and because there was no such list of micro finance institution is available it was necessary to carry out a listing operation separately.

Because of the non-availability of one full list of micro finance institutions, it is necessary to make arrangements to find a feasible list. To make a full list of MFIS possible list of MFIS was collected from different available sources. After doing necessary sorting this frame was used as a guide to update and prepare the final list for the census.

## **Objective**

- 1) To prepare a Directory of Micro Finance Institutions and institutions which engage in Micro Finance activities within the country. They can be Government/Semi government or Non-governmental organization.
- 2) To identify the geographical distribution and the type of financial activities of these institution.
- 3) To gather information of Assets and liabilities of the institution.

These institutions have been identified as the organizations that involve directly or indirectly in the development of the country. Similarly they must be registered institution that gives financial aid to uplift, the lower income group households and small and medium scale business enterprices.

It is not expected to prepare a new list of unregistered financial institution but it is requested to collect information of those institutions too.

Non governmental organization is an organization that carries out social services and financial activities to raise the living standards and the quality of life of the people. Similarly it is an institute that involves directly and indirectly to the development efforts of the country. These institutions are registered in a separate unit at the Ministry of Social Services, where as it can be seen that they are registered in other institution too.

### **Scope**

**There are three types of financial institution.**

- 1) Formal – This includes commercial banks and financial institution which comes under the supervision of Central Bank of Sri Lanka. But these are excluded from the Micro Finance Census.
- 2) Semi-Formal - This includes Non-governmental organization and co-operative unions, that do not come under the supervision of the Central Bank of Sri Lanka which include in the Census;.
- 3) Informal – Includes pawing centers. Places for lending money, and small scale financial institution with advisory services etc. These institutions are also included in the census.

### **Census Frame**

A complete census frame of Micro Finance Institutions covering the whole country was not available at present. Therefore a census frame was prepared by collecting information from the available sources and updating it, not overlapping any institution.

This list consists of three main sources as given below.

- 1) List of institutions which carryout direct financial activities.

- a. National Development Trust Fund (NDTF)
  - b. German Technology Co-operation (GTZ)
  - c. Institutions like Sanasa, Samurdhi and Sarvodaya Societies.
- 2) List of Non-governmental organization
- a. Selected non governmental organization which carry out financial activities.
  - b. Non governmental organization registered under the secretariats office at Batataramulla.
  - c. Consortium of Humanitarian Agencies (CHA)
- 3) Census of Trade and Industry 2003. A list of Micro Finance Institution were extracted from the Census. All these lists were consolidated to prepare the final census frame for MFIs. Every effort made to avoid double counting of the Micro Finance Institution. Because all these lists are outdated it should be update relevant to 2005. For this purpose lists have prepared, at DSD level as much as possible. Some institution were at district level. They were unable to sort out by DSD level. So these lists at district level has been sent to the districts and they were sort by district staff to get the final lists by DSD level.

## **Methodology**

Final lists of Micro Finance Institutions listed as above for the districts by DSD level was prepared.

Designed the schedules (Sinhala, Tamil and English) relevant to the objectives given by CBSL.

Instruction manuals for the field officers, who engaged in the Census of Micro Finance Institutions also prepared in Sinhala, Tamil and English medium. Distributed the schedules, frame of MFIs and summary sheets by DS division. Summary sheets were prepared according to the request by the CBSL. Summary

sheets were prepared to release preliminary data as soon as possible the field work is over.

After finished the census the completed schedules was collected through the District Secretariats Office.

### **Designing of listing Questionnaires**

A separate questionnaire was designed to get the information of MFIs at the field level along with the listing operation at Divisional Secretariat Divisions (DSDs). Final listing operation and the detailed information collection from MFIs was done together. This schedule/questionnaire also includes following information.

#### **Listing information**

- i. Name of the institution'
- ii. Address
- iii. GN Division
- iv. MC/UC/PS
- v. Ward/Village/Estate
- vi. Details of the Contact person
- vii. Type of the Financial Activity/Activities

Type of the financial activities was further specified as loans, Deposits, Insurance, Pawning, Leasing, and other financial services. This schedule was pre-tested in Colombo (DS Divisions of Thibirigasyaya, Moratuwa, and Homagama). Kandy, Matale and Gampaha districts. From the pretesting of this questionnaire, it was found that other financial services include donations for deaths, Births and Marriages, Hospitalization disabled persons, Scholarships and Lotteries etc.

### **Designing the Questionnaire for collection descriptive information**

The data collection questionnaire was prepared according to the request of CBSL.

Questionnaire was designed to collect information of its Geographical location, General information of the institution, contact numbers, whether the institution is registered with any authority and if so the registered number and the date of registration and where it is registered, type of ownership, the type of activities under taken, area of operation if applicable and from where they get the necessary funds, assets and liabilities belonging to the institution, whether they get the necessary funds, assets and liabilities belonging to the institution, whether they have auditors and the number employed by sex.

After the questionnaire was finalized pre-tested was done in Colombo, Gampaha and few other districts.

### **Field organization for data collection**

Field staff at District/DSD level will carry out the census operation and heads of districts statistical branches were coordinated and supervised the work. Additional coordinators have been assigned from the head office to coordinate this work. Arrangements will be made to provide vehicles to facilitate the fieldwork for the purpose of transport of officers, distribution and collection of questionnaires etc.

### **Training and Supervision**

A one-day central training was carried out before the actual commencement of data collection. During this training the subjects that were covered were in the following areas.

- Conducted the Training Classes for the field officers of all districts for the purpose of conducting census of MFIs.
- Introduction of the data collection forms
- Methodology in data collection and filling of the data collection form
- The logistics and supervision
- The lessons learned from the previous census were also discussed extensively.

During the census period conducted the supervision meetings by districts and gave the solutions for the problems of field offices.

**Field organization & Data Collection.**

After the training classes field enumeration was started in 2006 February. The Micro Finance Census was conducted in 17 districts except Northern province and Eastern province. But this was not a full enumeration because some NGOS and societies engaged in micro finance activities were not registered anywhere and most of the NGOS which started for Tsunami construction works or any other activity has not registered and they were wind off after those activities. Such micro finance institution was not included in the census. Similarly small scale institution held in houses also not included.