

VisionFund

World Vision

## REFLECTIONS

VisionFund Mali  
lessons learned,  
managing in a fragile,  
conflict context



# Summary

As the number of conflicts and disasters continue to rise around the world, VisionFund offices have been affected, creating challenges for staff, clients and microfinance institution (MFI) operations. Learning from our past will set us on a course to better respond in the future.

VisionFund is focused on serving the most vulnerable, and Mali is amongst the most fragile countries where we work. VisionFund Mali is serving more than 26,000 clients with savings, loans and insurance products through its network of 24 branches. 92% of clients are working in agriculture including livestock breeding and fattening and to a lesser extent, cropping. From 2018 onwards, VisionFund Mali experienced an unprecedented crisis in the central area of the country. Reviewing how the leadership team, together with World Vision, responded, and continues to respond, to the crisis can provide insight for other MFIs.

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For more information on our work in fragile context, visit [VisionFund.org](https://www.visionfund.org)

# Background

The multidimensional crisis began in central Mali in 2012 and by February 2018 it had worsened substantially. Ten branches of VisionFund Mali (operating as Réseau de Micro-Institution de Croissance de Revenus - RMCR) in the region were affected. To protect staff safety during the heavy conflict times, staff were redeployed to the south. Efforts were made to collect loans, and where this was not possible loans were forgiven and written off.

In the conflict regions, Government offices closed, hospital staff were forced to leave, clients left, World Vision left, and finally, when staff security was at risk, VisionFund Mali also closed branches.

Things became difficult when in early 2018, the government of Mali banned motorcycles and pick-up traffic between villages in certain areas. Motorcycles are the loan officer's main transportation to work with clients, so VisionFund Mali started mitigation measures to protect staff, clients, and the business.

VisionFund Mali was obliged to comply with the government mandate banning motorcycle use, so loan officers used public transport, that only operated once a week, or they walked up to three km to meet clients. Others met clients at market day.

The armed forces were targeting and confiscating 4WD cars making it difficult for the head office staff to use their vehicles to make the long drive to the area. Also, for the same reason, the branches couldn't use their car, and with branches located 35km from the nearest bank, staff had to use public transport to move cash.

# Adaptation

To mitigate the risk of loss and adapt to the context, the VisionFund Mali leadership took the following steps:

- » All loan requests and evaluations made in the presence of all members
- » No loan size increases on loan renewals,
- » Loan officers followed up after disbursements by telephone,
- » Loan officers met with customers on public market days to maintain contact, using local transport,
- » Sometimes, loan officers went to customers' homes by cart or on foot for distances of up to three kilometers.

As the situation continued to deteriorate, the VisionFund Mali decided to renew at only 50% of the client's former loan amount in common agreement with customers since they were aware of the stakes for them and for VisionFund Mali. The number of clients also continued to be reduced as the situation de-stabilised.

# Testimonial

## “ VisionFund Mali Client

“My name is Mary\*, and I have been a VisionFund Mali client long before the crisis. Our main activity is sheep breeding and our business was flourishing.

We continued to work with VisionFund Mali even during the crisis, but because of insecurity in the area, we could not go to the various markets to sell our animals.

VisionFund Mali reduced loans by 50%, which caused our activities to slow and profits to fall, but we thought it was reasonable due to the development of the crisis. The economy of the area has been seriously affected; it has been an emotional blow to us.

VisionFund Mali gave us hope by staying with our community and continuing to serve it. As the saying goes: “it’s at a difficult moment that we recognize true friends” and we knew this to be true of VisionFund Mali. We thank all those from near and far who have provided us with advice to help us overcome the crisis. God bless VisionFund Mali and us customers too.”

\*Names have been changed to protect identities.

# World Vision Collaboration

On the security front, VisionFund Mali collaborated with World Vision to set up and train security focal points. In addition to the focal points, all loan officers also received SAINT training (Security Training in National Theaters). A communication tree plan was put into place with security focal points in the branches. There was a head office skype group, chat via What's App, and daily prayer.

This collaboration allowed teams to be evacuated when the situation was tense, to have information on incidents in real time, and to make the appropriate decisions on a case-by-case basis according to their severity.

As an example, through the communications tree, branch offices were closed several times based on the information received, often staff were evacuated or kept a low profile while onsite voluntarily. Closures occurred when it was impossible to continue serving in an area to preserve the lives of staff and their families and the property of the institution. As a result, the closures were gradual.

# Testimonial

## “ VisionFund Mali Branch Manager

Paul\* was the Sourou branch manager when the crisis began in 2016. The branch was attacked twice in one year by armed individuals in broad daylight. Over time, this situation turned into an inter-community conflict between two ethnic groups.

“I am of fair complexion similar to one ethnic group, but I have a first name similar to a second ethnic group. When the first ethnic group organized themselves into a self-defense group, they began to hunt all the people from the second group in the area, and they even started to assassinate them.

One Saturday in 2017, three armed individuals appeared outside my front door. One man greeted me in the language of the first ethnic group and I answered him in this language. Our language includes several dialects, so he changed to my dialect to be sure that I am of this ethnic group, and he asked me if there were any foreigners in my house. I told him no but that he could check if he wanted. I realized later they thought I was of the second ethnic group that was being hunted, and that their visit was no accident and was terrified that those men could have ended my life.

When the incident was reported, World Vision and VisionFund Mali got involved at the highest level and relocated me and all agents of the second ethnic group away from the zone.

This is my sad story that I call ‘the story of the commander who was forced to review his position and strategy in the middle of a fight to be able to continue helping his people to serve the poor in difficult times.’”

\*Names have been changed to protect identities.

# Learnings

- » Maintain trust of partners and lenders
- » Keep Central Bank informed with the stabilization plan, including PAR plan
- » Redeploy field staff as needed to manage the situation
- » Gradual closure of branches
- » Use telephone calls to recover loans, after branch closures
- » Staff care: senior staff member visited staff monthly
- » Segregate the affected branch performance from the rest of the portfolio
- » Trust of the local community enabled the safety of loan officers
- » World Vision helped with multiple evacuations of staff and their families and the security and communication plans
- » Follow World Vision security protocols



# Testimonial

## “ VisionFund Mali agent

“I am Peter\*, VisionFund Mali agent and I want to tell my story about what I went through during the security crisis while I was working at the Madougou branch. This crisis was an ordeal for me, I lost relatives, friends, and clients from October 2013 – January 2019.

At first, I thought the conflict wouldn't last long, but unfortunately it spread throughout the area and turned into an inter-communal crisis. One evening, while chatting with friends, we heard screams and noises all over the village. We saw flames where armed individuals had set houses on fire. Later that night, the same individuals came back to burn down the whole neighborhood.

As a result, the VisionFund and World Vision leadership evacuated us and our families to Koro. What really stood out to me that day was seeing our neighbors cry as we suddenly left them. We resumed operations after a few months, but then the attacks started again, and the situation got worse.

One day, the members of the militant group surrounded the village and started shooting. The bullets were going everywhere, the village was under fire. There were several injuries and deaths. This was the first time I'd been in a situation like this, and I was really upset and couldn't sleep for days.

A few months later, we returned to our branch only to find that World Vision and other NGOs had left the area. The village chief was surprised to see me in the village, and he was concerned that I was endangering my life by being there.

What is important to me, God has preserved me from all these dangers by protecting me from all these attacks and ambushes thanks to Him I am still alive.”

\*Names have been changed to protect identities.

# Branch Closures

As the story of the Branch Manager shows, VisionFund Mali was still operating when other organisations had left. However, after two years of deteriorating conflict, it became necessary to pull staff out and from 2019 to 2021 six out of the 29 branches in VisionFund Mali were closed and another two opened in a safer zone.

The decision to close the branches was due in part to the occupation by the militants, making life challenging for the community. Except for the health services all other government administrative services and NGOs had left the areas, some schools were closed, and others burned.

In some areas, the entire branch area was in the process of falling into the hands of the militants; management decided to close the branch for the safeguarding of the staff and their property until further notice.

Often the militants called upon the local authorities to tell all technical services and NGOs to leave the area. VisionFund Mali complied with these orders and found that in one location, the militants subsequently attacked the branch office, burned it and took away some equipment.

The decisions taken by VisionFund Mali management have made it possible to reduce the losses of the institution's assets, and above all to safeguard the lives of the agents and their property.

# Branch Closures

The Madougou branch was the last branch to be closed in the area. This closure took place four years after the worsening of the security situation, in 2021. Insecurity was growing and travel to customers became increasingly risky. The management decided to close the branch to safeguard the staff and their property until further notice.

The key to managing the branch closures was to be constantly aware of the security situation on the ground and know when the right time was to leave. In parallel, VisionFund Mali also expanded operations in other locations - as branches closed, new branches were opened out of the conflict zone, so that staff could be re-located, and the portfolio stabilized. As a result of this careful management, VisionFund Mali's portfolio has remained stable, and operations continue to be sustainable. VisionFund Mali continues to serve the most vulnerable people.

# Testimonial

## “ VisionFund Mali client

“My name is Teresa\*, I have been a member of the Yakene group for more than 11 years. Before the crisis, our group repaid correctly and without any difficulty. (The branch in Teresa’s area is the only one that remained open in the crisis area).

As a result of the crisis, we were informed that VisionFund Mali was reducing our loan amounts. We understood afterwards that it was the right decision as the security situation continued to deteriorate in the area.

Just a month before the loan repayment deadline, armed individuals came and took away all our cattle. We found it difficult to repay because all our activities were at a standstill.

We are very grateful to VisionFund Mali for its cooperation during this time of crisis, because by law, VisionFund Mali could sue us or even see us imprisoned for not paying back the loan when due. But for the protection of our dignity, they always favored an amicable settlement. We are grateful.

May God bless the VisionFund Mali in its activities and we the clients also AMEN!”

\*Names have been changed to protect identities.