CERTIFICATION: Tips for Investors

Join a Growing Group of Leading Responsible Investors
Numerous investors, including FMO, IFC, Incofin, Triple Jump, NMI, Oikocredit, SIDBI, and OPIC have encouraged their partners to become certified, whether by offering preferential rates, sponsoring certification missions, or offering new funding streams. In a survey conducted by the Smart Campaign in December 2016, 44% of certified financial institutions indicated that they were able to capitalize on their certified status to attract additional investor interest. 20% gained access to new funding streams, while 12% secured preferential rates from investors.

Reduce Risk & Increase Peace of Mind
Over 75% of Smart Certified institutions received formal or informal commendation from their supervisory authority. Your investment in a Smart Certified financial institution is subject to less political risk. Investing in a Smart Certified institution offers you peace of mind that your partner is living up to its mission and values and has client protection embedded into its DNA.

Increase Long-Term Dividends
Smart Certified institutions prioritize client protection long after they’ve received their certificate. 95% of certified institutions said that they evaluate new policies according to whether or not they comply with the Client Protection Principles.

Stand Apart
In a rapidly evolving sector featuring unreliable and short-lived institutions, Smart Certified institutions stand out as sustainable, serious, and committed organizations. They have undergone an extensive audit by a third-party certifier and recruited a committed management dedicated to treating clients fairly.

Smart Certification represents the only truly global seal of an organization’s commitment to protecting economically vulnerable clients. Financial service providers around the world are held to the same set of exacting standards.

You can also contribute to the adoption of more responsible practices by supporting the development of tools and the evolution of standards to cover new business models and financial products.

Investors are supporting a wide range of institutions offering financial services to vulnerable people. The range and complexity of the products offered is increasing, from credit, savings, insurance, and payments to a wider range of digital products. In this evolving marketplace, investors are more attuned than ever before to ensuring that financial services do no harm to vulnerable consumers.

Help create a safer and more sustainable world for investors, financial service providers, and clients alike. Take action by endorsing the Client Protection Principles, supporting your investees’ path to certification, financially incentivizing client protection, and investing in Smart Certified institutions.

FOR MORE INFORMATION, visit www.smartcampaign.org or email comments@smartcampaign.org.