MIX XBRL Overview

A Microfinance Use Case for XBRL

6/28/2009

MIX: A Microfinance Use Case for XBRL

- Who we are

- What we do

- How XBRL can help the microfinance industry

- How we use XBRL now

- How we want to use XBRL in the future

MIX: Who We Are

- Global source for data on the microfinance sector

- Addresses the lack of reliable, comparable and publicly available information on microfinance institutions and their services

- Two primary means for disseminating information:
  - MIX Market (beta.mixmarket.org)
  - MicroBanking Bulletin (MBB; themix.org)

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MIX: Who we are

- A little more background:
  - *Founded in 2002 as non-profit organization*

  - *Currently 15+ staff*

  - *Headquarters in Washington DC, hub offices in Lima, Peru; Dakar, Senegal; Gurgoan, India and Jakarta, Indonesia*

  - *Core funders:*

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BILL & MELINDA GATES *foundation*   CGAP   Citi Foundation citi   Deutsche Bank   IFAD   OMIDYAR NETWORK   OPEN SOCIETY INSTITUTE

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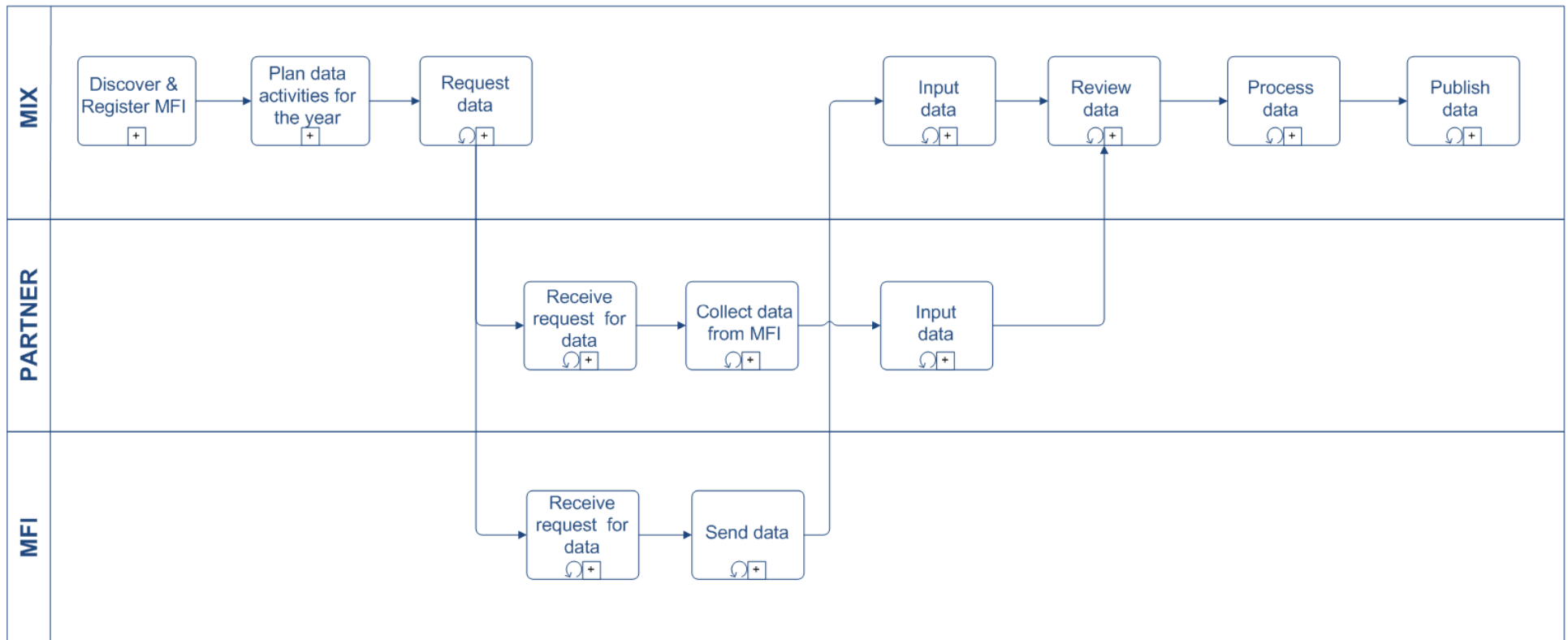# MIX: What is microfinance? (A primer)

- Financial services targeted to low-income populations in developing countries
  - Historically, primarily focused on credit
  - But also savings
  - And remittances, insurance, leasing, etc.

- Recent milestones
  - 2005 – UN International Year of Microcredit
  - 2006 – Md. Yunus and Grameen Bank win Nobel Peace Prize
  - 2007 – Compartamos IPO

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MIX: Where are MFIs?

- 1400+ microfinance institutions (MFIs) in over 100 countries
  - Plus linked profiles for investors, networks and service providers

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MIX: How do we do this?

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Discover & Register MFI	→	Plan data activities for the year	→	Request data

Input data	→	Review data	→	Process data	→	Publish data

PARTNER

Receive request for data	→	Collect data from MFI	→	Input data

MFI

Receive request for data	→	Send data

Legend:

Rolled-up business process

Rolled-up business process with activity looping

MIX: Business Process

- Carried out by team of ~10 analysts
  - Regional focus and expertise
  - Non-technical staff
  - Non-technical partners
  - Primarily annual data, but some quarterly

- What are the sources for this information?

MIX: The problem

- Create XBRL documents
  - Not *receive*

- Analyze XBRL content in aggregated framework

- Non-technical staff

- Distributed workforce
  - Core staff: Washington, DC; Lima, Peru; Dakar, Senegal
  - Partners: Cairo, Jakarta, Mumbai, San Salvador, Moscow, Baku, Manila, Kathmandu and so on

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MIX: Custom vs. off-the-shelf solution

- Strategic decision to license off-the-shelf solution
  - Before selecting the vendor
  - But a factor in our choice of vendor

- XBRL landscape evolving rapidly enough and uptake broad enough to warrant this
  - Market pressures will lead to even better solutions in 2 – 3 years, we want flexibility to move on
  - Still have to make the best choice now though

- Good for the vendor as well
  - Differentiates products, not just US GAAP

MIX: Vendor selection

- Review XBRL.org, XBRL Wiki vendor lists
  - 40 – 50 vendors
  - Review product listings for each

- Contact vendors or meet at XBRL conferences
  - 15 – 20 vendors with plausible sounding products

- Request demos from final vendors meeting basic requirements
 - 5 – 6 vendors / products left at this point

MIX: The solution

- License Rivet CrossTag to create XBRL packages
  - Able to use our taxonomy
  - Able to manage 2000 entities centrally, but distribute workload internationally
  - Format-agnostic (Excel, PDF, Word, cocktail napkin)

- License Rivet XBRL Loader
  - For document shredding to load to relational DB
  - Allows analysis on DB using our custom scripts

MIX: Architecture for current solution

- Data loading and mapping – IFRS based public taxonomy
  - Need to separate between IFRS-compliant statements and just matching accounts
- XBRL conversion – create XBRL documents
- Store documents on file server
- Shred documents into relational DB
  - Automated processing
- Data processing for calculation and presentation
  - Handled within mySQL DB
- Data publication
  - Dissemination through MIX Market website

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MIX: Current Implementation
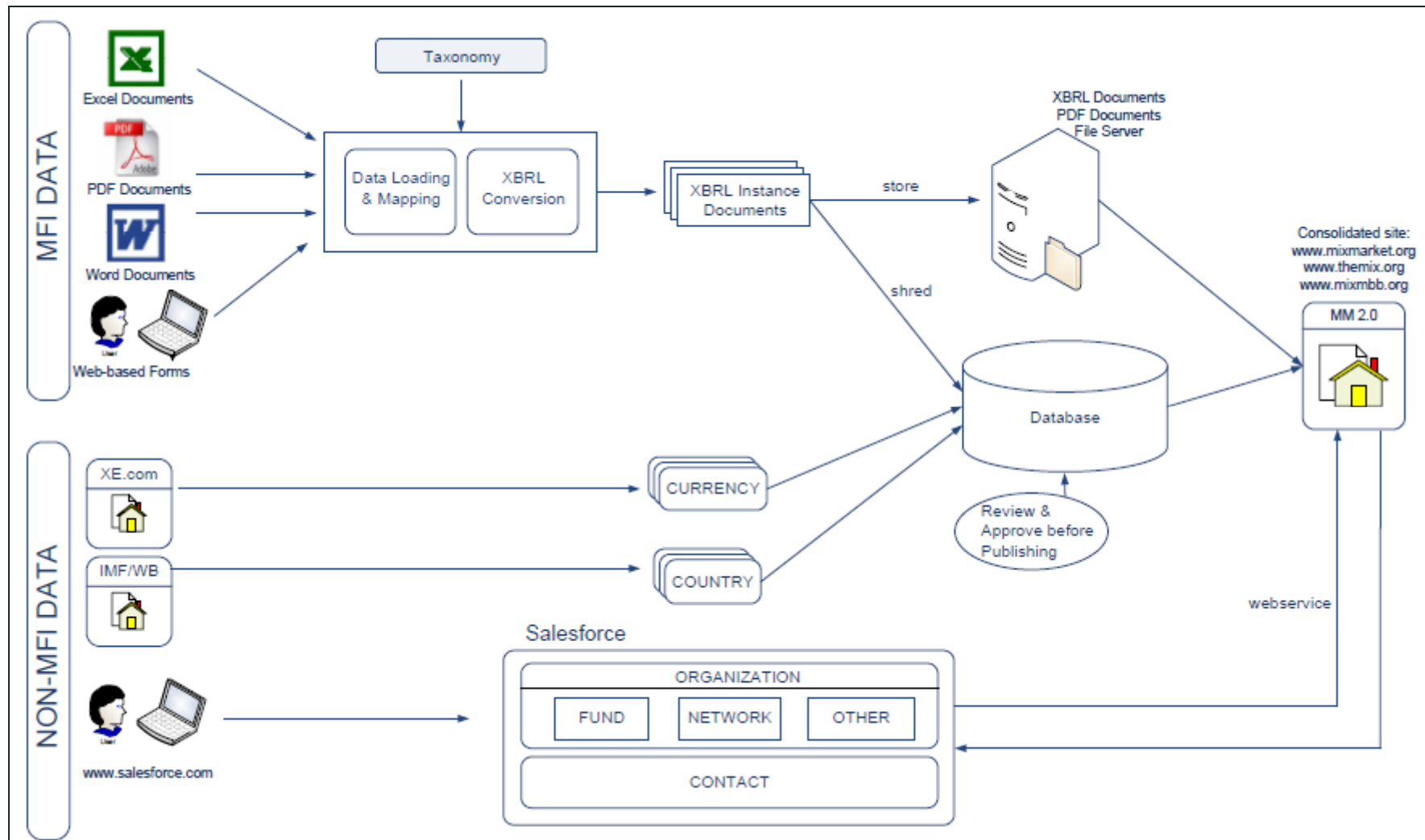
MIX: Rivet products
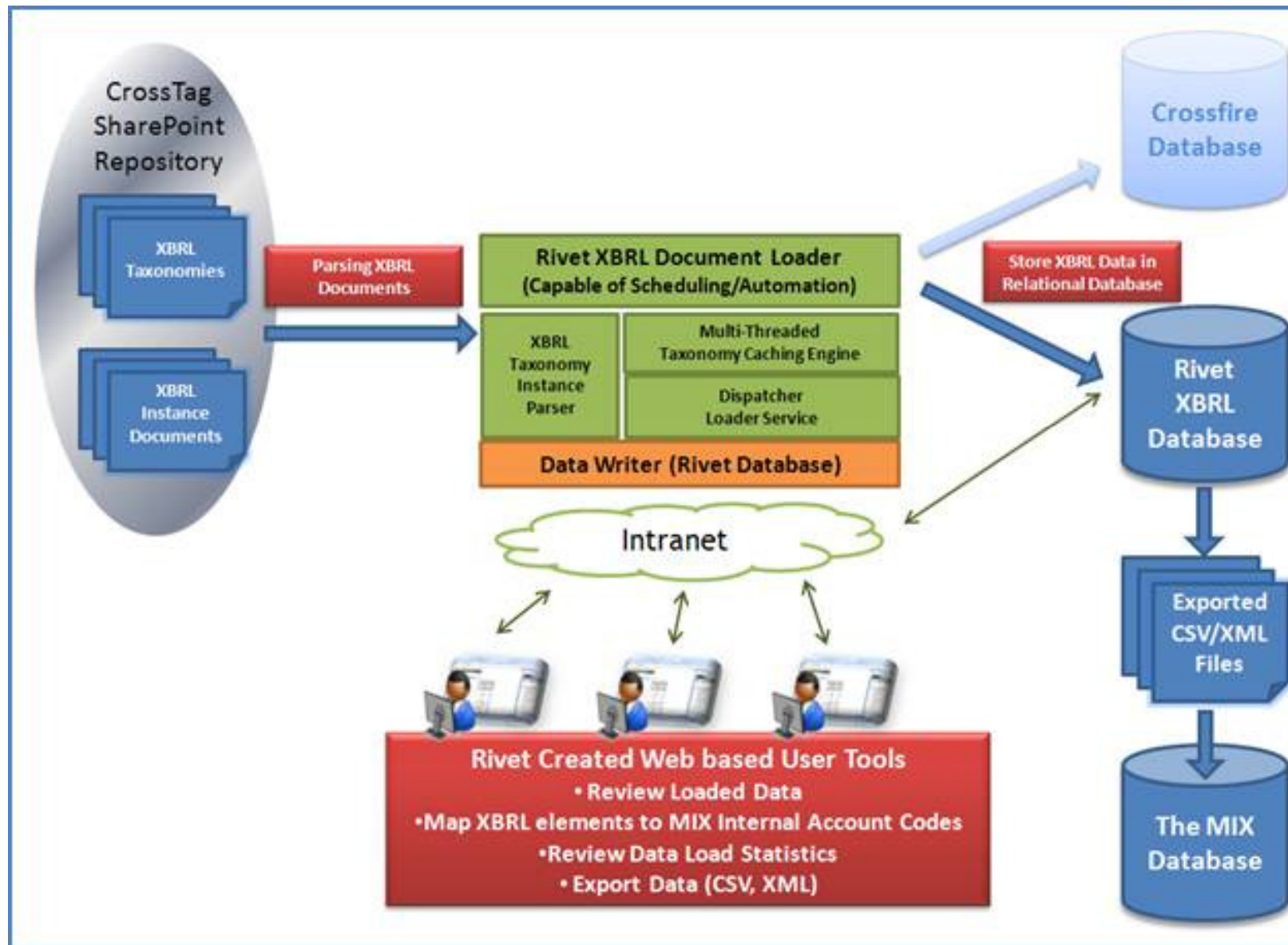
MIX: CrossTag implementation

- Analysts now enter data through CrossTag
  - Licensed in February, in production by April (with concurrent taxonomy development)
  - Basic user instructions

9. Validate the template
   a. To validate the template, click on the Validator button.
   b. You will receive error messages for any types of markups that are not valid or that are incomplete. Double click on the error message to go to the field or fields that are not marked up properly.

Invalid markups found			☑ Show Warnings
Control Name	**Col:Row**	**Error Type**	**Description**
[010100] Statement - General information	1:16	Incomplete	No unit type specified for: Number of employees
[010100] Statement - General information	1:16	Incomplete	No precision specified for: Number of employees

MIX: CrossTag implementation

- Handles multiple source formats; still manual, but faster overall; allows for data-driven model

MIX: Rivet XBRL Loader

- Automated processing of saved XBRL packages
- User-friendly interface (only for admins though)

MIX: Rivet XBRL Loader

- Documents shredded to CSV, loaded to our DB
- New filings go as new version for our website, for analyst approval / rejection

	A	C	O	P	AB	AC	AD	AE	AF	AK	AL
1	EntityID	PeriodTyp	FYStartDat	FYEndDate	CurrencyC	RowID	RowOrder	LineItemValue	Description	Context	ElementID
2	100303	ANN	1/1/2003	12/31/2003	USD	1	1	ACLEDA Bank P	Name of report	Duration_1_1_2	ifrs_NameOfReportingEntityOrOtherMeansOfIdentificat
3	100303	ANN	1/1/2003	12/31/2003	USD	2	2	Bank	Legal form of e	Duration_1_1_2	ifrs_LegalFormOfEntity
4	100303	ANN	1/1/2003	12/31/2003	USD	3	3	Cambodia	Country of inco	Duration_1_1_2	ifrs_CountryOfIncorporation
5	100303	ANN	1/1/2003	12/31/2003	USD	4	4	The Bank	Description of r	Duration_1_1_2	ifrs_DescriptionOfNatureOfEntitysOperationsAndPrincip
6	100303	ANN	1/1/2003	12/31/2003	USD	5	5	USD	Description of r	Duration_1_1_2	ifrs_DescriptionOfPresentationCurrency
7	100303	ANN	1/1/2003	12/31/2003	USD	6	6	1/1/1993	Date entity est	Duration_1_1_2	mix_DateEntityEstablished
8	100303	ANN	1/1/2003	12/31/2003	USD	7	7	12/1/2003	Date entity con	Duration_1_1_2	mix_DateEntityConvertedToCurrentLegalStatus
9	100303	ANN		12/31/2003	USD	8	8	1284	Number of emp	As_Of_12_31_20	mix_NumberOfEmployees
10	100303	ANN		12/31/2003	USD	9	9	97	Number of offi	As_Of_12_31_20	mix_NumberOfOffices
11	100303	ANN	1/1/2003	12/31/2003	USD	10	10	The financial	Statement of IF	Duration_1_1_2	ifrs_StatementOfIFRSCompliance
12	100303	ANN		12/31/2003	USD	11	11	1002760	Property, plant	As_Of_12_31_20	ifrs_PropertyPlantAndEquipment
13	100303	ANN		12/31/2003	USD	12	12	580323	Intangible asse	As_Of_12_31_20	ifrs_IntangibleAssetsOtherThanGoodwill
14	100303	ANN		12/31/2003	USD	13	13	39907534	Loan portfolio,	As_Of_12_31_20	mix_LoanPortfolio
15	100303	ANN		12/31/2003	USD	14	14	1476874	Trade and othe	As_Of_12_31_20	ifrs_TradeAndOtherReceivables
16	100303	ANN		12/31/2003	USD	15	15	5272980	Cash and cash e	As_Of_12_31_20	ifrs_CashAndCashEquivalents
17	100303	ANN		12/31/2003	USD	16	16	48240471	Total assets	As_Of_12_31_20	ifrs_Assets
18	100303	ANN		12/31/2003	USD	17	17	1772756	Total trade and	As_Of_12_31_20	ifrs_TradeAndOtherPayables
19	100303	ANN		12/31/2003	USD	18	18	163179	Provisions for e	As_Of_12_31_20	ifrs_ProvisionsForEmployeeBenefits
20	100303	ANN		12/31/2003	USD	19	19	137109	Other provision	As_Of_12_31_20	ifrs_OtherProvisions
21	100303	ANN		12/31/2003	USD	20	20	13160685	Deposits	As_Of_12_31_20	mix_Deposits
22	100303	ANN		12/31/2003	USD	20	20	11374532	Deposits	As_Of_12_31_20	mix_Deposits

MIX: Rivet XBRL Loader

- Website uses XBRL content, presentation
    - 60 – 70 standard indicators calculated on data
    - Reporting and benchmarks for participating MFIs

MIX: Results so far

- Unified data processing

- Unified data set: report facts once

- Centralized management, but distributed usage

- Better data, faster turnaround

- For the future

  - Improved low-bandwidth or offline access

  - Integration of analysis and data entry components

  - Restructure our DB for more direct XBRL loading

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