

Crystal, Georgia

SOCIAL RATING

^s A-

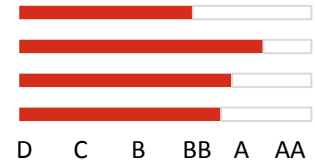
Good social performance management and client protection systems. Social mission likely to be achieved.

Social Performance Management

Client protection, responsibility

Outreach

Quality of the services



Social Rating Committee: May-19 Previous SR: B+, Jul-14

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SOCIAL RATING RATIONALE

SOCIAL PERFORMANCE MANAGEMENT SYSTEM

Crystal's governance shows commitment to the institution's triple bottom line. Social strategy is well formalized with annually approved social targets, however, the definition of the social goals related to the target population and the expected outcome leaves room for improvement. Institution is yet to fully utilize available social performance data to track progress towards the achievement of social goals. Alignment of HR systems to the mission could be enhanced.

CLIENT PROTECTION AND SOCIAL RESPONSIBILITY

Social responsibility towards staff is good due to well-balanced gender composition of staff, low staff turnover, competitive remuneration and systematic trainings offered to employees. Client protection principles are properly implemented despite some gaps in formalization of unacceptable collection practices and eligibility criteria for restructuring. The context risk is medium with adequate infrastructure to prevent over-indebtedness.

OUTREACH

Crystal is the largest MFO in Georgia, having national coverage and serving more clients than the national and regional peers. High concentration of operation in rural areas suggests adequate outreach to the poor and financially excluded, however, given specific focus on poverty in the mission, tracking outreach to the poor and change in their lives could be further enhanced.

QUALITY OF THE SERVICES

Institution currently offers credit, money transfer, foreign exchange, e-wallet and non-financial services. Features of products offered are suitable to the needs of the target clients. Client drop-out ratio calculated using MFR formula may be overestimated due to rapid growth in number of clients.

Institutional data

	Mar-19
Active borrowers	99,025
Active savers	-
Gross portfolio, USD	96,946,966
Total active savings, USD	-
Branches	63
Total staff	1,034

Social indicators

	Mar-19
Rural coverage, loans	64%
Female clients	57%
Female staff	61%
Female staff in management	39%
Average disbursed loan amount, USD	823
Clients at third loan cycle	6%
Loans in > third cycle	19%
Average loan balance / GNI pc	26%
Individual methodology, clients	49.2%
Client drop-out ratio	74%
PAR30	3.1%
Staff turn-over ratio	16%
Average annual percentage rate (APR)	27%
Average transparency index	91
Growth in active borrowers	44%

See annex 2 and 4 for more details.

Legal form	NBFI
	MFO
Inception	1998
Area	Rural
Credit methodology	Indiv.
Financial services	Credit, insurance, payment
Non fin. services	Training, technical assistance, ...
Coverage	National

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Social Rating Scale

Grade	Definition
^S AA	Excellent social performance management and client protection systems. High likelihood of achieving the social mission.
^S A	Good social performance management and client protection systems. Social mission likely to be achieved.
^S BB	Adequate social performance management and client protection systems. Satisfactory alignment to the social mission.
^S B	Moderate social performance management and client protection systems. Partial alignment to the social mission
^S C	Weak social performance management and client protection systems. Medium risk of mission drift
^S D	Poor social performance management and client protection systems. Risk of mission drift.

The modifiers “+” and “-” which can be added to the rating grade indicate small relative differences within each rating category.

More information: www.mf-rating.com

The information used in the social rating has been partly provided by the evaluated institution and partly collected during the meetings with the head executives, the staff and the clients of the institution. The analysis is based on internal MIS data and other official sources. MFR cannot guarantee the reliability and integrity of the information, as it does not conduct auditing exercises, and therefore does not bear responsibility for any mistake or omission coming from the use of such information. The social rating has to be considered as an external and independent opinion and it has not to be considered as a recommendation to realize investments in a specific institution.