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Nataliya Sokrovol'ska

PhD in Economics, Associate Professor of Department of Public, Corporate Finance and Finance intermediation, Yuriy Fedkovych Chernivtsi National University, Chernivtsi, Ukraine; e-mail: eccon.bjss22@gmail.com; ORCID: [0000-0001-8778-7317](https://orcid.org/0000-0001-8778-7317) (Corresponding author)

Oksana Prodius

D.Sc. in Economics, Associate Professor of Department of Management, Odesa Polytechnic National University, Odesa, Ukraine; ORCID: [0000-0002-0619-7567](https://orcid.org/0000-0002-0619-7567)

Olena Zhuk

PhD in Economics, Associate Professor of Department of Economics and Enterprise Finance, State University of Trade and Economics, Kyiv, Ukraine; ORCID: [0000-0002-9016-1232](https://orcid.org/0000-0002-9016-1232)

Galyna Yamnenko

PhD in Economics, Associate Professor of Department of Business Economics and Entrepreneurship, SHEI «Kyiv National Economic University named after Vadym Hetman», Kyiv, Ukraine; ORCID: [0000-0001-9927-3970](https://orcid.org/0000-0001-9927-3970)

Vita Fedyna

PhD in Economics, Associate Professor of Department of Finance, Accounting and Taxation, Private Higher Educational Establishment "European University", Kyiv, Ukraine; ORCID: [0000-0002-3916-5932](https://orcid.org/0000-0002-3916-5932)

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PUBLIC-PRIVATE PARTNERSHIP IN MICROFINANCE

ABSTRACT

The aim of the article was to determine the distinctive features of the design and implementation of public-private partnership in microfinancing. The study involved the following methods: synthesis was used to identify trends in the development of the microfinance market and analyze innovative approaches to managing microfinance programs; statistical analysis for regression analysis of factors influencing the effectiveness of the implementation of microfinance programs in financial and social aspects. The methodological background of the analysis is the Data Envelopment Analysis, which is linear programming used to determine the separate and joint impact of factors on the performance of microfinance organizations, as well as to quantitatively assess this influence. Prospects for future research include an extended study of exogenous and endogenous factors influencing microfinance programs in both Vietnam and the South-east Asian region.

Keywords: microfinance organization, social performance, financial performance, financial inclusion, financial technologies, microfinancing policy

JEL Classification: D00, D04, D16

INTRODUCTION

Microfinancing is a special category of financial services provided to low-income citizens, low-income populations, and micro-enterprises that have no or limited access to traditional financial services provided by commercial banks, insurance companies, and non-banking financial institutions. Microfinancing is primarily designed to improve access to financial services for vulnerable populations, women, and the poor from rural areas above all. This should promote an increase in the standard of living, a reduction in social tension, an improvement in access to public services, and an increase in the level of inclusiveness in society, particularly in terms of financial inclusion.

Microfinance organizations mainly focus on providing affordable lending in the form of small loans for the working capital of micro-enterprises, as well as on financing the start-up of a representative of vulnerable populations. At the current stage, microfinance organizations have extended their offer to an almost complete set of financial services, including liquidity management tools, savings, and insurance. Microfinancing is becoming a full-fledged market and forming its ecosystem in certain developing countries.

According to the World Bank [1], 1.7 billion adults worldwide are excluded from the formal financial system. This is caused, in particular, by the treatment of low-income and vulnerable populations as "economically inefficient" because of low income, insufficient financial literacy, and living in hard-to-reach regions. On the contrary, microfinance organizations try to solve the problem of financial inclusion by improving economic equality in society.

According to FINCA, a leading non-profit anti-poverty organization, microfinance promotes strengthening the economic and social capacity of citizens and communities in the most depressed regions, where there is a significant lack of stable paid jobs [2]. This contributes to reducing social tension and strengthening the self-sufficiency of communities and their individual members. According to FINCA and the Convergences

discussion and analytical platform, 140 million clients worldwide use microfinance products every year [3; 4]. FINCA [2] provides particular examples of the creation of social benefits through microfinance:

- micro-loans contribute to the start and growth of one's own business;
- savings enabled by microfinance organizations help households create a background for investing in real assets or in their human capital (higher secondary education, better living conditions);
- insurance through microfinance organizations helps to decrease the burden of treatment costs;
- money transfers through microfinance organizations contribute to the growth of mobility and economic capacity of households.

Public-private partnership is the key condition for the successful implementation of microfinancing programs. According to the OECD [5], a public-private partnership is a long-term agreement between the government and a private partner, whereby the private partner delivers and funds public services using a capital asset, sharing the associated risks. Public-private partnerships can be involved in the provision of public services both in the infrastructural sector (bridges, roads, water channels, etc.) and in the social sphere (health care, education, etc.). According to Deloitte [6], more than half of the world's countries use the public-private partnership mechanism in a particular form. The use of the public-private partnership mechanism in microfinancing programs is no exception.

It is worth noting that the idea of public-private partnership in the development and implementation of financing programs is not new. In the 1980s, a number of Asian banks launched an organized practice of providing micro-loans to poor citizens with the support of national governments. Vietnam is a vivid example of the implementation of public-private partnership in microfinancing. In 1995, they launched the Fund for the Poor in order to support vulnerable populations [7]. The fund was managed by a group of Vietnamese banks: Vietnam Bank for Agriculture and Rural Development (VBARD), and the Foreign Trade Bank of Vietnam (Vietcombank), in partnership with the State Bank of Vietnam, which is the regulator of the financial market. The fund was later transformed into a specialized financial institution, Bank for the Poor, which operated until the early 2000s and increased its capital more than 10 times to VND 7,083 billion [7]. During its operation, Bank for the Poor has provided financial assistance to more than 640,000 vulnerable representatives of Vietnamese households [7]. Bank for the Poor was a concession by its nature, operating as a VBARD-based public-private partnership. After 2002, the Vietnamese government decided to separate commercial loans and micro-loan programs in order to distinguish between business-oriented and policy-oriented operations. Since then, more than 3.5 million Vietnamese citizens have received financial assistance, with more than 11.5 million jobs created in the country [7].

This reflects a significant social benefit that public-private partnerships provide in microfinance. However, this mechanism is currently facing significant challenges against the background of digitalization and the development of financial technologies, as well as the need to improve the performance of microfinance organizations. This necessitates the study of the modern features of building and implementing public-private partnership in microfinancing programs.

LITERATURE REVIEW

There is a significant number of studies on the functioning of public-private partnerships in microfinancing. A number of researchers study the role of public-private partnership in microfinancing in supporting socio-economic development. Memon et al. [8] examine the availability of finance as a driver of balanced socio-economic development. Mohd Nafi et al. [9] examine public-private partnerships in microfinancing as the background of social innovation in Malaysia. Tien et al. [10] study the problem of achieving target financial results in the corporate sector of Vietnam in the context of the implementation of sustainable development programs. Kayani et al. [11] focus on the key role of meeting financial health targets of the corporate sector in the context of achieving the Sustainable Development Goals. Haldar [12] emphasizes making social entrepreneurship possible through public-private partnerships in microfinance. Franceschelli et al. [13] consider the issue of implementing complex specific areas of business and social activity in the context of support through public-private partnerships.

A separate block of studies deals with the problem of the effective functioning of the public-private partnership mechanism. Esposito and Dicorato [14] emphasize that there is a need to adapt the public-private partnership mechanism to long-term changes in the exogenous environment to ensure effective functioning. Brown [15] studies the issues of implementing the public-private partnership mechanism in a vase of a wide range of stakeholders. Yang et al. [16] study the case of China in terms of the issues of tax policy in the context of the effectiveness of the implementation of the public-private partnership mechanism. Steinfeld et al. [17] examine the issue of role allocation for the implementation of public-private partnership.

Some researchers deal with the effectiveness of microfinance organizations in terms of financial and social goals. Neba et al. [18] study the case of Cameroon for the peculiarities of the work of microfinance organizations in the context of the drivers of their effectiveness. Banna et al. [19] analyze the effectiveness of formal (regulated) and informal (unregulated) microfinance organizations from the perspective of their financial, operational, and social goals. Piot-Lepetit and Nzongang [20] explore the performance drivers of microfinance organizations in rural Africa. Chauhan [21] analyses the drivers of financial and social performance of microfinance organizations in India. Adusei [22] examines the impact of the size of a microfinance organization and the composition of its governing bodies on its performance. Bibi et al. [23] analyze the quality factors of the management system of microfinance organizations in terms of their performance. Ayayi and Wijesiri [24] study the duration of the operation of microfinance organizations as a factor in their performance. Churchill [25] considers the problem of balancing the performance of microfinance organizations, the level of regional presence, and the promotion of financial inclusion of citizens. Kang et al. [26] study the specifics of factors influencing the performance of microfinance organizations in the context of an environmental supply chain.

A separate pool of literature defines the concept of “microfinancing”. According to the Food and Agriculture Organization of the United Nations [27], microfinance is the provision of basic financial services to low-income households and their micro-enterprises. Microfinancing as a financial product consists of several financial instruments, namely savings, lending, leasing, insurance, and money transfers. In turn, according to Asian Development Bank [28], microfinance is a tool for providing financial services (deposits, loans, money transfers, insurance) to the poor from vulnerable populations, low-income households, and their micro-enterprises.

The United Nations Environment Programme [29] states that a microfinance institution is an organization that provides financial services targeting disadvantaged population groups. There is a wide range of microfinance organizations, and their common feature is the provision of financial services to poor people, which are usually avoided by financial institutions (banks). Banking with the Poor Network [30] notes that microfinance in developing countries is interpreted as a tool to facilitate access to financial services in rural areas because the majority of the poor population mainly lives and conducts its economic activities in rural areas in such national economies. This body of research helps define microfinance as a system of providing financial products and services to the poor, low-income families, and micro-enterprises to meet their spending and business investment needs.

METHODS

The main research stages are schematically outlined in Figure 1.

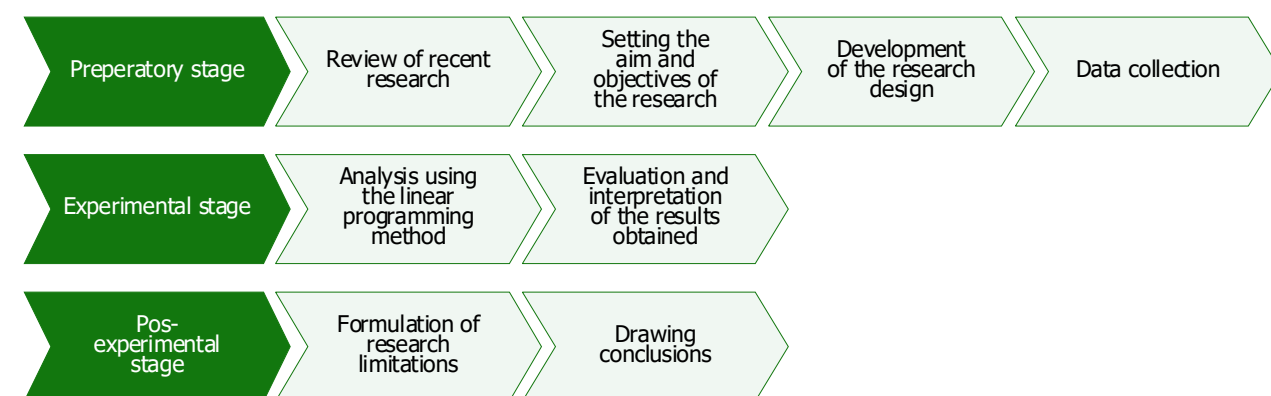


Figure 1. Visualised research design.

At the first – preparatory – stage, we surveyed relevant studies that deal with the impact of the features of a building and implementing the public-private partnership mechanism on the performance of microfinance organizations. A critical assessment of the results of previous studies became the basis for setting the aim and objectives of this study. The next component of the preparatory stage is the development of the research design and the collection of raw data for further processing and use.

The second stage of the research involved the analysis through the method of linear programming, as well as an interpretation of the results obtained.

The final stage of the research provided for outlining the methodological and implementation limitations of the conducted research and drawing conclusions.

The aim of the research involved the following research objectives:

- analyse the impact of public-private partnership on the effectiveness of microfinancing in Vietnam through the linear programming method;
- outline suggestions for improving the public-private partnership practices in microfinancing in order to increase the effectiveness of microfinance programs.

The sample consists of 9 leading Vietnamese microfinance organizations. This sample size is sufficient for the purposes of analyzing factors influencing the performance of microfinance organizations. The microfinance organizations from Vietnam were selected because of the high level of development of microfinance tools in this country and the high quality of data on Vietnamese microfinance organizations in open sources.

The study involved the following methods in order to study the problem of the impact of the public-private partnership mechanism on the effectiveness of microfinance programs: synthesis for identifying trends in the microfinancing market and the main drivers of changes; quantitative methods for the study of influencing factors on the financial and social performance of microfinance organizations and the features of their impact.

The methodological framework of the analysis is the linear programming method (Data Envelopment Analysis), as well as the analysis of descriptive statistics and correlation analysis of factors influencing the financial and social performance of microfinance organizations. The Data Envelopment Analysis is the most widely used quantitative tool for studying the performance of microfinance organizations because the decision-making process is similar between microfinance organizations (the so-called Decision-Making Units (DMUs)).

The results of the impact factors for the selected companies were studied using the analysis of official data on the performance of Vietnamese microfinance organizations in terms of their financial and social goals. The impact factors were analyzed for 2013-2018. Table 1 provides the description of the variables. The research involved the R, MIX Market (The World Bank Data Catalog), and MS Excel software packages for data analysis of the financial statements of the selected companies.

Table 1. Variables used in the economic and statistical analysis of the selected microfinance organizations.

Variable	Comments
Total liabilities	Amount of liabilities
Total number of staff	The number of employees of a microfinance organization
Operational costs	Operating costs of a microfinance organization
Gross loan portfolio	Gross loan portfolio of a microfinance organization
Poverty outreach	Number of clients from vulnerable populations served by a microfinance organization
Number of depositors	The number of citizens who have a deposit in a microfinance organization

RESULTS

The impact of the public-private partnership mechanism on the performance of microfinance organizations in Vietnam will be further considered. The two key issues – social and financial performance – were analyzed. The reason is that microfinance organizations, as economic agents, must achieve two key goals:

- improve the state of financial inclusion for vulnerable populations, which is reflected in the social performance of microfinance organizations;
- achieve an appropriate financial result (break-even level or target level of minimally adequate profitability) as an organization that must act in a responsible manner, with due regard for the needs of all stakeholders.

Table 2. Descriptive statistics for the sample. (Source: prepared by the author based on the organizations' data via MIX Market World Bank Data Catalog [31])

	Mean	Median	Min	Max	Std. Deviation
Total liabilities	4,380,725	716,419	111,717	62,897,529	12,656,310
Total number of employees	87	31	4	505	135
Operational costs	399,654	71,302	8,342	4,978,620	1,075,665
Gross loan portfolio	4,135,156	723,657	122,191	60,721,143	12,172,613
Poverty outreach measure	17,137	4,064	0	235,850	45,292
Number of depositors	23,905	6,699	0	270,339	54,944

It should be noted that the difference between the largest and smallest values is quite significant. This reveals significant differences in the work of microfinance organizations in Vietnam.

Table 3. Comparative rating in terms of financial and social performance for the selected microfinance organizations. (Source: prepared by the author based on the organizations' data via MIX Market World Bank Data Catalog [31])

	Comparative rating	
	Financial performance	Social performance
Binh Minh CDC	17	14
BTWU	19	12
CEP	1	1
Chi-Em	18	1
M7 Ninh Phuoc	12	1
TYM	17	13
Women Dev. Fund, Lao Cao	1	9
Women dev. Fund, Soc Trang	12	1
WU Son La	8	1

The results of the analysis of the financial and social performance of microfinance organizations are presented in Table 3. The analysis showed that the larger the loan portfolio and the number of staff, the higher the financial and social performance (CEP). At the same time, there are some cases in which a microfinance organization that is lagging behind in terms of financial performance achieves high results in terms of social performance (Chi-Em). This shows that the financial performance and social performance of a microfinance organization are not necessarily directly dependent. This can be explained by the specifics of microfinance organizations in Vietnam, namely the compensation of interest rates, support from state and local authorities, and the state of competition in the local or regional microfinance market.

Table 4. Results of correlation analysis for the selected microfinance organizations. (Source: prepared by the author based on the organizations' data via MIX Market World Bank Data Catalog [31])

	Financial performance	Social performance	Age	Staff productivity	Operational expenses	Cost per borrower
Financial performance	1					
Social performance	0.036	1				
Age	0.321	0.358	1			
Staff productivity	0.214	0.635	0.471	1		
Operational expenses	-0.547	-0.324	-0.146	-0.316	1	
Cost per borrower	0.016	-0.637	0.0748	-0.491	0.729	1

The correlation analysis (Table 4) showed several observations. First, there is a significant positive relationship between Staff productivity and Social performance, which can be interpreted in such a way that the better work of employees results in higher social performance in the organization's activities. Second, there is a significant positive relationship between the duration of the operation of a microfinance organization and the level of its financial and social performance. This means that the longer the organization operates in the microfinance market, the higher its financial and social performance. Third, there is a significant positive relationship between the Cost per borrower and Financial performance, and a significant inverse relationship with Social performance. Therefore, the high cost of servicing microcredit leads to the achievement of the organization's financial performance targets but does not allow it to fulfill its social function in the context of financial inclusion of vulnerable populations.

On this basis, a number of recommendations for the development of microfinance organizations in Vietnam will be provided with a view of the current changes in the financial services market in terms of FinTech development. Effective preparation for the introduction of FinTech requires microfinance organizations to strengthen their core activities and key business areas, in particular, through a better understanding of client needs (which is possible by target audience research), improving existing financial products, and launching new ones that meet the demand of the target audience (for example, mobile deposits, microinsurance, digitized personal managers). A separate focus of preparation for the introduction of FinTech should be improving the quality of financial products, as well as extending the availability of financial products for target population groups, and the availability of financial products in target market segments.

The development of human capital is another important prerequisite for the development of microfinance organizations in the context of the FinTech introduction. Professional development and training is one of the tools for developing the human capital of MFOs. In fact, the employees of microfinance organizations mainly provide social services, this is why their knowledge of financial products and their professional qualifications are not high enough. It is necessary to implement training programs that include both internal training and external training programs, both short-term and long-term, to solve the issue of human capital development in microfinance organizations. A key element of the training program is the development and implementation of the policy of attracting and retaining qualified personnel with a focus on the modern requirements of the financial market in the context of the FinTech introduction.

It is critically important to rebuild the organizational structure of microfinance organizations in the context of FinTech introduction, namely:

1. Introduce credit union managers to FinTech solutions. The reason is that the MFOs in Vietnam carry out credit activities mainly through credit unions. This determines the client's high trust in the head of the local credit union. Therefore, the microfinance organization needs to select managers of local credit unions who are qualified to work with technological solutions and popularize FinTech among clients, as well as adapt solutions for specific microfinance products, and train employees and users.
2. Introduce gradual adaptation to changes under the influence of FinTech. Gradual adaptation to changes is designed to realize several practical goals. First, it is the formation of appropriate customer behavior and user habits in terms of FinTech in microfinance products. Successful experience with simple digitalized financial products (e.g. money transfers through a mobile application, checking account balances, etc.) contributes to raising customer awareness and the formation of positive attitudes towards innovative approaches to microfinance. This promotes their willingness to use more complex digitized financial products.
3. Build stable market relations with business partners with the aim of creating a FinTech ecosystem. Effective operation of a microfinance organization in the course of digitalization in the medium and long run is possible only through embedding the products and solutions for the relevant target audience in the sustainable ecosystem. MFOs need to look for partners from related industries (agriculture, education, health care, etc.) that also implement digital solutions. This will contribute to the creation of complex solutions for the clients, which are integrated into their daily life and redirect their cash flows to the appropriate companies.

It is critically important to take into account the regulatory aspect of FinTech in microfinance. Vietnam has a fairly complete and high-quality legal and regulatory framework for financial technology. There is, however, a lack of legislative and regulatory rules governing the latest payment products, in particular, in the field of micro-financing. Accordingly, the government, the regulator, and state and local authorities must make efforts to regulate this issue. Table 5 presents a number of legislative and regulatory documents that govern the functioning of the latest payment products in the context of microfinancing.

Table 5. Regulatory documents governing the operation of the latest payment products in the context of microfinancing in Vietnam.
(Source: prepared by the author on basis of *LuatVietnam Center* [32])

Document name	Document No.	Explanation
Scheme on building and developing Vietnam's microfinance system up to 2020	Decision of the Prime Minister No. 2195/QĐ-TTg of 06 December 2011	The document is to lay the foundations for building a sustainable micro-finance system in Vietnam that supports the poor, as well as micro-enterprises, and fulfils the government's goals of improving citizens' access to social services and reducing poverty
Scheme on improving access to banking services for the economy	Decision of the Prime Minister No. 1726/QĐ-TTg of 05 September 2016	The document is to regulate the growth of the banking channel for the provision of services, the expansion of the line of banking products and services, the simplification of the experience of using banking products, and the improvement of access to banking products and services for citizens and companies
Scheme on development of non-cash payment in Vietnam in 2012-2020	Decision of the Prime Minister No. 2545/QĐ-TTg of 30 December 2016	The document is to clarify the procedure for implementing FinTech solutions in the context of the development of cashless payments through the banks, mobile operators, and payment companies; the document is also to improve the availability of financial products for the population
Scheme on supporting a national initiative ecosystem till 2025	Decision of the Prime Minister No. 844/QĐ-TTg of 12 May 2016	The document is designed to support the creation of favourable conditions for the development of the national financial ecosystem in terms of building adequate management mechanisms and the legislative framework for the development of FinTech
Circular guiding on opening and use of payment accounts	Circular of the State Bank of Vietnam No. 23/2014 / TT-NHNN of 19 August 2014	The document clarifies the opening of current accounts by regulated providers. The document provides the simplification of the procedure for working with a current account. The document is to facilitate citizens' access to other financial products, in addition to payments (deposits, loans, insurance, investments)
Circular guiding instructions on intermediary payment services	Circular of the State Bank of Vietnam No. 39/2014 / TT-NHNN of 12 November 2014	The document provides a legal framework for current account providers, which facilitates citizens' access to financial products and the creation of new payment channels; the document separately regulates the cooperation of current account providers and banks, which is especially relevant for the rural areas of Vietnam, where the access to the infrastructure of traditional financial institutions is difficult

So, the government, regulator, state and local authorities need to take consistent measures to harmonize legislative and regulatory documents and update them in accordance with modern technological changes in the microfinance market. Regulating the work of non-financial companies (mobile operators, retail chains, others) with microfinance products should be a separate focus. Regulation of the operation of formal and informal regulated and unregulated credit unions in the microfinance market requires special attention.

Below, suggestions for the development policy of public-private partnership in microfinancing in Vietnam are provided. The proposed policy is based on the combination of various sources of state funding and savings of the population within the country's banking system. The connection between the blocks of the proposed policy should be strengthened by compensating for the difference in interest rates. This will result in the decreased cost of microfinancing in the short and long term, and microfinance products will become more accessible to the target audience. This model can be described as hybrid microfinancing.

The proposed mechanism will be described in general details. Accumulated savings of households are sent through the banking sector to borrowers – households from target groups, and micro-enterprises – by a number of channels. Channel 1: direct credit line to target groups. Channel 2: sub-crediting of target groups in microfinance organizations. Channel 3: trade financing from agencies. Channel 4: non-refundable financial support from state and local budgets. All four channels are combined within a synergistic mechanism.

In addition to increasing the availability of microfinance products for citizens and micro-enterprises, the proposed policy will contribute to the normalization and regulation of the activities of microfinance organizations in Vietnam. This is required because a significant proportion of Vietnamese microfinance organizations operate as informal or semi-formal associations. This is why ensuring the rights of consumers of financial services, and compliance with the prescriptions of legislation and regulations is quite complicated at the current stage. Instead, microfinance organizations will be fully introduced into the legal field as a result of the implementation of the proposed public-private partnership policy. In particular, this will be achieved through the formation of appropriate infrastructure at the national and regional levels. In practice, this will be manifested in the establishment of a number of agencies:

- Micro-enterprises development agencies (national level);
- Credit guarantee agencies (regional level);
- Rating agency that evaluates the work of microfinance organizations in Vietnam;

- Interagency Group for Coordination of the Development of Vietnamese Microfinance Organizations.

The operation of the above-mentioned infrastructure must be supported by organizational measures on the part of state and local authorities. These measures should provide for the coordination of actions on the development of microfinancing at the national and regional level; facilitating the development of microfinance products; strengthening the analytical approach to the development of microfinancing in individual product, regional, and client segments; increasing the level of financial literacy among target groups. We emphasize that the proposed policy should fit into the general framework of national and international programs of socio-economic development, as well as correspond to the national strategy for the development of the financial market.

DISCUSSIONS

So, the peculiarities of the development and implementation of the public-private partnership mechanism in microfinancing were identified in the example of Vietnam. The results of the study of a sample of Vietnamese companies are confirmed by previously obtained results from both developed and developing countries. These findings will be presented in more detail below.

This study indicates that larger microfinance organizations typically have higher both financial and social performance. This is confirmed by the findings of Neba et al. [18], who studied the peculiarities of the work of microfinance organizations in the African country (Cameroon). This result is also supported by Piot-Lepetit and Nzongang [20], who examined the performance drivers of microfinance organizations in rural Africa. Confirmation of this result is also found in the work of Banna et al. [19], where the specifics of achieving the financial and social goals of a microfinance organization are considered depending on its legal form of organization – formal (regulated) or informal (unregulated). Chauhan's [21] study on achieving financial and social performance by microfinance organizations in India also confirm the results of this research. The results obtained are also confirmed by Churchill [25], who analyzed the features of balancing the effectiveness of the work of microfinance organizations, the features of their regional presence, and the promotion of financial inclusion of vulnerable populations.

But unlike the existing studies on this subject, the results of this research emphasize the absence of a direct relationship between the financial and social performance of the microfinance organization. The reason is the different operating conditions of microfinance organizations in different countries and individual regions of those countries, primarily in terms of support under the public-private partnership. In particular, the differences in the results of this study compared to previous studies can be explained by the specifics of the operation of microfinance organizations in Vietnam (compensation of interest rates, support from the national government and local authorities, competition in the local or regional microfinance market). Another disagreement of this study with the previous studies is a special focus on the issue of adapting the activities of microfinance organizations to the modern operating conditions of the financial market.

First of all, this is supposed to mean the rapid development of financial technologies, the strengthening of the financial market regulation by the state, the active growth of competition from traditional market players and new competitors – non-financial companies seeking to join the development of the microfinance market, changes in the behavior and needs of consumers of microfinance products. In this context, the specific focus of this study was the provision of recommendations for the development of microfinance organizations in Vietnam in view of the development of financial technologies. This study also distinguishes itself from the previous studies by the analysis of the legislative and regulatory framework for the use of financial technologies in Vietnam. A distinguishing feature of this study against the existing studies is also the provided suggestions for the development policy of public-private partnership in microfinance in Vietnam.

CONCLUSIONS

The problem of financial inclusion of vulnerable populations is becoming more and more important in the current conditions of increasing socio-economic turbulence. One of the key drivers of solving this problem is the effective development and implementation of public-private partnership in microfinancing programs. An analysis of data from a sample of Vietnamese microfinance companies found that larger microfinance organizations have higher financial and social performance. At the same time, not all organizations from the sample have a direct relationship between financial and social efficiency. At the same time, not all organizations from the sample have a direct relationship between financial and social performance. This is explained by the specifics of the operation of microfinance organizations in Vietnam (compensation of interest rates, support from the national government and local authorities, and the competition in the microfinance market in certain segments).

This study provides a number of recommendations for the development of microfinance organizations in Vietnam with due regard to the current changes in the financial services market in terms of FinTech development. These suggestions cover a set of measures aimed at improving the microfinance organization's ability to adapt to market changes. The proposed measures have the following directions: human capital, the development of organizational capabilities, and development of business partnerships. The legislative and regulatory framework governing the operation of FinTech in Vietnam was reviewed. Based on the analysis results, the importance of harmonizing the legislative and regulatory framework at various levels, as well as special attention to regulating the work of non-financial companies (mobile operators, retail chains, others) with microfinance products are emphasized.

The author's suggestions on the development policy of the microfinancing market in Vietnam were provided, which imply the accumulation of household savings in the banking sector of Vietnam and their redirection to the purposes of microfinancing through a set of channels. Another suggestion is the development of the microfinance market infrastructure in the form of national and regional agencies. Prospects for future research involve the extended study of exogenous and endogenous factors influencing microfinance programs in both Vietnam and Southeast Asia.

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Сокровольська Н., Продіус О., Жук О., Ямненко Г., Федина В.

ДЕРЖАВНО-ПРИВАТНЕ ПАРТНЕРСТВО В МІКРОФІНАНСУВАННІ

Метою статті було визначити особливості розробки та впровадження державно-приватного партнерства в мікрофінансуванні. Дослідження включало такі методи: синтез – для визначення тенденцій розвитку ринку мікрофінансування та аналізу інноваційних підходів до управління програмами мікрофінансування; статистичний аналіз – для регресійного аналізу факторів, що впливають на ефективність впровадження мікрофінансових програм у фінансовому та соціальному аспектах. Методологічною основою аналізу є аналіз охоплення даних, який є лінійним програмуванням, що використовується для визначення окремого та спільного впливу факторів на ефективність мікрофінансових організацій, а також для кількісної оцінки цього впливу. Перспективи майбутніх досліджень включають

розширене вивчення екзогенних та ендогенних факторів, що впливають на програми мікрофінансування і у В'єтнамі, і в усій Південно-Східній Азії.

Ключові слова: мікрофінансова організація, соціальна ефективність, фінансова ефективність, фінансова інклюзія, фінансові технології, політика мікрофінансування

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