Inclusive microfinance: reaching persons with disabilities through partnership development

Disability and Work:
Global Strategies for Equity
Mc Gill University 2012
Main issues

► A global vision of livelihood
► A personalized social support
► A vision of inclusive livelihood services
► Focus on support to microfinance institutions to become inclusive
► Raising good practices / develop partnerships
Livelihoods

Employment/
Self-employment

Skills
development

Financial
services

Social Protection
1. LIVELIHOOD

- self-employment is often the only option available

- Successful self-employment requires motivation, business and technical skills... and access to capital
Support all existing livelihood services to be more inclusive to persons with disability

Develop specific measures to help persons with disability to get empowered and access the services
Working at 2 levels
Steps by steps

→ person

→ environment
HI concrete activities for access to employment opportunities

Raise the capacities (Soft and hard skills) of persons with disabilities to fit with work criteria

Adapt the job description and work environment to fit with persons capacities
AN INTERNATIONAL STUDY

Followed with the Development of a training Kit

+ a presentation at the micro credit world summits in Canada and Spain
**Goal:** To improve economic inclusion practices and, by doing so, the livelihoods of people with disabilities

- To ensure that PwDs have better access to financial services for self-employment
Methodology

► **First phase: Identification**
  - Literature review and survey

► **Second phase: Field visits**
  - Field visits in Africa, Asia and Central America
  - Regional workshops in Bangladesh, Dhaka and Kenya, Nairobi

► **Third phase: Analysis**
  - « Experts » workshop in Geneva
  - Consolidation and analysis of information
People with disabilities are under-represented among the clients of Micro Finance Institutions.

From 0 to 0,5% of their clients.
The barriers to access Micro Finance services

From Microfinance institutions

“We haven’t thought about it.”

“There is probably not so many disabled persons running viable businesses.”

“We don’t have any knowledge on how to serve this segment.”

“We need special products to serve this segment.”

“We are to busy to think about this”

From Persons with disabilities

“MFI are money hunters”

“Borrowing money is too risky”

“Because of our situation, we should receive grants”

“What is microfinance?”

“They would always refuse to consider us as clients”

“I can’t even access their nearest branch”
Main challenges

Two main kinds of barriers:

1. **Person level**: self-exclusion from services (lack of self-esteem and motivation), lack of know-how, education, expect charity and special conditions...

2. **Environment Level**: attitudinal barriers, product design, architectural barriers, no will, no frame...
Technical Barriers: Financial Product Design

- Group methodologies
- Weekly repayment, compulsory savings
- Credit history
Barriers: lack of accessibility

- Location of branch offices
- transportation
- Standing cash counters and offices
- Access to information
Partnership development

**Inclusion in mainstream microfinance institutions**

- Raising awareness
- Simple adaptations
- Training professionnals
- New rules and policies
- Establishing partnerships for global change of the service
This approach promotes:

- **Inclusion in mainstream services**
- *Focus on its **core** activities*
- **Promotion of support services**
Microfinance for all

alliance

An initiative to develop the access to microfinance services for Persons with disabilities

Sponsored by Maria NOWAK, ADIE’s president
An alliance to facilitate operational partnership

International actors on disability

International actors of microfinance

Local organisation working with disabled persons

Local MFI
Conclusion

► People with disabilities are willing and able to manage business and credit successfully.

► Most successful strategy: work towards an inclusive society, with professionnal Micro Finance Institutions while empowering people with disabilities.
Contacts

The report is available in English, French, Spanish and Arabic in our website:

www.handicap-international.org

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YES WE CAN !