

Women and Global Poverty - *How Microlending Can Enhance and Sustain their Livelihood*

**Prepared for
Socially Responsible Investing - *Here and Abroad*
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EntwineGlobal

- **Facts**
- **Challenges**
- **Opportunities**



Change the Structure!

*“Poverty is not created by the poor. It is created by the structures of society and the policies pursued by society. **Change the structure** as we are doing in Bangladesh, and you will see that the poor change their own lives. Grameen's experience demonstrates that, given the support of financial capital, however small, the poor are fully capable of improving their lives.”*

Muhammad Yunus, Grameen Bank, Founder



Facts – Poverty & Women



- More than 2.7 billion struggle to live on less than 2 dollars per day.
- In developing countries women make up the majority of home based work, temporary and part time.
- In developed countries women represent 20-30% of total employment.

Facts – Poverty & Women



Women in Africa represent 52 per cent of the total population, contribute approximately 75 percent of the agricultural work, and produce 60 to 80 percent of the food. **Yet they earn only 10 percent of African incomes and own just 1 per cent of the continents asset.**

Challenges

- **Less Access to basic social services** – education, healthcare
- **Less Access to** – financial, physical and other productive assets
- **Less Access to** – property rights over land, housing



Investment Vs. Aid

Over a trillion dollars has been spent on AID to Africa, without reducing the need for more aid. The focus is on “poverty reduction,” rather than “wealth creation,” or empowering Africans to solve their own problems.

Source: IDRC



Advantages of Microcredit

Helps People How to Fish!

- Gives Dignity to the indigenous people living in poverty for they have the innate ability to overcome their challenges.
- Encourages and **Enables** people to gain-*Economic Self-Sufficiency*.
- Effective tool to assist and empower the poor.
- Contribute to the growth of financial systems in the country.



Tangible Progresses



Manifesto Women's Investment Group of in South Africa



Microfinance Projects that are provided by organizations such as ACCION are empowering many working women in developing countries.



Microloan & Its Outcome



These organizations play key role in impacting women's lives through microcredit.

- USAID
- The World Bank
- VillagePhone
- The Foundation for Women

Kiva

- Kiva let's individuals lend as little as \$25 to entrepreneurs in developing countries to overcome poverty.
- Funded almost 17,000 loans by over 110,000 lenders. The average size of each loan is \$649.63 and the repayment rate is a very impressive 99.59%.

• Accion

- Provides people the financial tools they need to overcome poverty.
- Provides financial institutions investment and governance support to



Opportunities for Governments

- **Encompass Strong Political Will:** *is the key to implementing meaningful and sustainable women's economic and social rights program.*
- **Reform Policies:** *Provide enabling environment, including policy framework for the financial sector while changing laws & regulation that hinder women from fully participating in decision making.*
- **Provide More Employment Centered Support:** *microcredit, small business loan.*
- **Include Women into Trade and Economic Policy Making Process:** *improve terms of trade for the poor, particularly for women.*



Opportunities For NGOs

- Provide micro financing for small scale women farmers.
- Help with agricultural inputs such as water, seed and fertilizer.
 - Create a sustainable community.
- Assist small scale entrepreneurs through effective business models.



Opportunities for Businesses

- Promote social inclusion by removing institutional barriers.
- Promote diversity.
- Businesses to create deep and long lasting and sustainable programs in the communities in which they conduct business.
 - Schools
 - Clinics
 - Child Care



Support Millennium Dev. Goals

- Eradicate Extreme Poverty & Hunger
- Achieve Universal Primary Education
- Promote gender equality & empower women
- Reduce Child Mortality
- Improve Maternal Health
- Combat Diseases
- Ensure environmental sustainability
- Develop a global partnership for development



Thank you!

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