



Group Work

on

Micro-Finance

and

Income Generation

Team Members

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- 2. Sohaila Amani-Afganistan**
- 3. Farzana Rahman-Bangladesh**
- 4. Aziza Hague-Bangladesh**
- 5. Tshering Choki-Bhutan**
- 6. Rama Vijaya-India**
- 7. Deepa Kumar-India**
- 8. Lalitha Bal Krishnan-India**
- 9. Santha Das-India**
- 10. Soma Dutta-India**
- 11. Svati Bhogle-India**
- 12. Pooja Sharma-Nepal**
- 13. Susama Bhattarai-Nepal**
- 14. Tara Shrestha-Nepal**
- 15. Fathimath - Maldives**

Micro-Finance

- **Micro-finance is coined as the financial service rendered to the deprived group of the people and small entrepreneurs to help them in developing self-employment opportunities and various income generating activities.**
- **The small size of the loan, regular savings, small-scale entrepreneurs, diversified utilization and simple and flexible terms and conditions are the determining characteristics of its definition.**
- **The main objective of a micro-finance program is to provide quality service to the largest number of the deprived populace.**
- (Source: *Sahakarya* Project, Centre for International Studies and Cooperation

Objective of Group Work

- **Aware the participants on Importance of Micro finance and Income generation for sustainability of the projects**
- **Encourage to introduce the concept of Micro finance and Income generation in the project plan of individual organization**
- **Sharing of information and best practices among the group members**

Updates and Interpretation of Group Members on Micro Finance and Income Generation Practices

- On the process to study the WIE related issues in conservation areas where organization has recently started focusing on community based natural resource management program**
- As it is a remote area, planed to focus on creating awareness on energy related issues especially from use of inefficient stoves and introduce fuel efficient stoves and might focus on formation of a local WIE group**
- Plan to prepare a proposal so that her organization could work with technical support from the Department of Energy**

(Choki –REPN, Bhutan)

Updates and Interpretation of Group Members Contd...

- **Made a presentation based on experience and understanding gained from the Kerala Workshop**
- **Drew the attention of senior staff to the fact that there is no gender issue incorporated in the policy and put her idea of creating income generating activities for poor people by following Social Merchant Banking approach**
- **MF still in the pre-mature stage**

(Farzana – IDCOL, Bangladesh)

Updates and Interpretation of Group Members Contd....

- **Formulated a plan and detail action for a project in a waste management and energy programme for a village of 300 families, who are working in the coir sector and Fisheries assisted by Energy Management Centre**
- **Effective finances is acting as a hindrance**
- **Survey of energy requirement and resource availability has been initiated**

Deepa Kumar- EMC, Kerala

Updates and Interpretation of Group Members Contd...

- An article on women in energy was published in REC newsletter**
- Plan to create Women Welfare Committee for 'Resident Welfare Associations' (RWA) and create funds to carry out social activities for maid servants and implement through RWA**
- Plan to arrange meeting with the President of RWA and if things materialize, would like to tie up with REC i.e. her organisation to sponsor some of the activities related to power sector**

(Rama – REC, India)

Updates and Interpretation of Group Members Contd...

- Already practiced Micro finance approach and Income generation in various activities of AIWC
- Shared the best practices among the group member
- Members have started self employment programme
- Major problem for member of SHGs is electricity
- Women are not able to work at night due to electricity scarcity
- Planning to conduct awareness/training programme on energy technologies for utilization of RE technologies
- High cost of technologies so cannot afford by poor women women, ready to contribute just 15% of the cost

Updates and Interpretation of Group Members Contd...

- **Made a presentation and encouraged organization for following the best models learn from Kerala workshop**
- **BPC has already practiced on MF and income generation activities for mitigation and community development projects**
- **It is developing about 2 hundred micro enterprises based on the local raw materials in the project affected area**
- **Local NGOs and CBOs are consulted and the fund is disseminated to the focus groups through those organizations**

Susma – BPC, Nepal

Updates and Interpretation of Group Members Contd...

- As a lesson learnt from kerala workshop, a concept of all women sub-committee has been developed
- The concept of MFIs did not succeed due to their interest in accessible areas where the pay back of loan would not be a hurdle
- The concept of revolving fund emerged in NACEUN
- Information dissemination regarding energy efficient technologies and MF through its regular publication

(Pooja – NACEUN, Nepal)

Updates and Interpretation of Group Members Contd...

- AEPC/REDP (Rural Energy Development Programme) is one of the projects working for promotion of RE technologies especially micro hydro
- REDP has practice Micro finance and Income generation practices since programme launching
- DDC, VDC, Community, Gov and Bank are the stakeholders for financial contribution
- Since the inception period, Agriculture Development Bank of Nepal (ADB/N) is the loan provider
- No other private financial institution are involved for investment (For MH project)
- Best practice of MF in Biogas and solar systems

Challenges in Promoting Micro-Finance and Income Generation

- Lack of awareness about micro finance on rural community**
- Reluctances on Micro-Financer to invest on RET and rural community**
- Poor status and low literacy on rural community**
- Inaccessibility of the rural areas**
- Lack of electricity in community for promoting income generation activities**

Conclusion and Recommendations

- Access to Micro finance is must for booming of RETs which are ultimately women friendly technologies
- Micro finance supports in promoting micro enterprises and should link while promoting technology
- Free competition among MFs, consequently increasing the regional economic growth.
- Income generation package should be mandatory in energy projects
- Social aspect should not be ignored in project implementation

Way Forward

- **Continuation of Networking between group members**
- **Small grant fund from USAID can be utilized for promotion of MFs and skill development for income generation**
- **The USAID country office can have regular interaction with the SAWIE members for their active participation in information sharing**
- **Web page of SAWIE**
- **Next follow up workshop**



Thank you for your attention