

Glimpse



A Newsletter of CSD – March 2019, Issue 25

Creating New Entrepreneurs: **An Answer to Unemployment**



Nepalese Officials being briefed at the Design Lab in Grameen Kalyan

On the invitation of the Grameen Trust, Bangladesh a delegation of nine senior Nepalese microfinance practitioners led by Mr. Shankar Man Shrestha, Chairman of CSD visited Bangladesh from February 24 – March 1, 2019 to study the Nobin Program of Grameen Trust which has been focusing on creating self-employment for the unemployed youth of Bangladesh. The visit was organized for the participants to get acquainted with the objectives, approach and implementation modality of the Nobin Program (NP).

Taking forward the Grameen Bank as a Social Business, Nobel Laureate Prof. Muhammad Yunus sought ways to tackle the problem of unemployment among the second generation of Grameen members' families. The GB introduced higher education loan and scholarship programs for the children of their members. To address the global problem of unemployment, which is also a matter of serious concern in Bangladesh and achieve zero unemployment by turning unemployment into entrepreneurship, the Nobin Program was designed for and dedicated to the identification, incubation and promotion of new entrepreneurs, first starting with the young members of the Grameen families.

According to Prof. Yunus, every person is capable of becoming an entrepreneur. The Nobin Program was launched in 2013 revolving around the theme of 'We are not job seekers, we are job givers'. Four Grameen companies (Grameen Trust, Grameen Telecom Trust, Grameen Kalyan and Grameen Shakti Shamajik Byabosha Ltd.) came together to form a Social Business Fund for the

purpose and has been actively involved in promoting entrepreneurship among the unemployed youth.

The program focuses on the second generation of GB members, i.e. the children of GB members who have the vision and zeal to start or scale-up business and has a business/trade license. The age-bar is 18 – 35 years, which may be relaxed in case the new entrepreneur is a female. NP introduced a new financial mechanism where loans are replaced by equity participation and facilitated under a partnership model. The funding could range from USD 650 – 6,500 depending on the business plan and repayment can span up to 2-3 years. Fund disbursement and collection is carried out through bank account/mobile banking to avoid any fraudulent practice. NP has the scope to provide fund to the entrepreneurs cycle after cycle as the business grows in size and quality.

Screening camps are held in the regional level, and sometimes at the central level, where the prospective candidates are allowed to present their business plans. Discussions on the presented plans are held between senior officials and the applicants to sort out various issues and viability and feasibility of the plan. The candidate presents his/her business module along with SWOT analysis at the Social Business Design Lab where the Approval Committee approves the business plan. The staff at the Unit Office has to ensure that the correct applicant is recommended and detailed background check of the applicant is carried out.

During the visit, the delegation attended one

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Central Design Lab at the Head Office of Grameen Kalyan and another regional Design Lab in Singair, Manikganj and visited the Unit Office as well. They also interacted with the new entrepreneurs (NEs) following an on-site visit of their business. They were briefed on the software, NUPMS, developed by Grameen Communication to monitor the performance of the entrepreneurs as well as the units and their employees.

(contd. on page 3)

CSD welcomes its newest member Nepal Rural Development Society Centre (NRDSC).

CSD has enrolled NRDSC as its 38th Institutional Member. NRDSC was established on Kartik 03, 2050 B.S. with a mission to develop the social and economic condition of the poor and deprived sector of people living in rural and semi-urban areas. Situated in Morang, NRDSC has been conducting various skill upgrading training programs i.e. tailoring, motor rewinding and other public awareness programs to foster livelihood of the destitute people. NRDSC has been operating its microfinance program after receiving license from the Nepal Rastra Bank on Jestha 23, 2057 B.S. and later on Ashadh 01, 2064 B.S. it promoted the Nerude Laghubitta Bittiya Sanstha Ltd. and transferred its entire microfinance portfolio to the new financial institution. The NRDSC Board comprises of 5 board members with years of experience in the development and financial sector.

9th Social Business Day

Every year the Yunus Centre, Bangladesh organizes an event marking the Social Business Day to invigorate the energy within the international social business network. This year, the 9th Social Business Day will be held in Bangkok, Thailand from June 28-29, 2019. The event is taking place in coordination with the Asian Institute of Technology (AIT) and Kasetsart University and will revolve around the theme of 'Making Money is Happiness; Making Other People Happy is Super Happiness'. CSD will be leading a team to attend the 9th SBD. Interested participants are requested to contact CSD.

Nepalese MFI officials visit the birth place of Microfinance : Bangladesh

The Centre for Self-help Development (CSD) organized an exposure/study visit to Bangladesh in joint collaboration with the Integrated Development Foundation (IDF) from February 23-March 03, 2019 (Falgun 11-19, 2075). The main objective of the visit was to observe and provide learning opportunities to the participants on the microfinance sector of Bangladesh.

The team first visited the Yunus Gallery located in Grameen Bank Head Office in Mirpur, Dhaka and had an introductory meeting with the Assistant General Manager, Mr. Golam Morshed Mohammed. He gave a brief introduction of the Grameen Bank (GB) as well as Grameen model and the modified version of Grameen model, G-II. He provided an overview of the vision, roles and responsibilities of GB and also shared the status of different types of MFIs in Bangladesh.

The team visited IDF regional office in Chittagong and was briefed on their microfinance modality, product, services and social activities.

The team also visited the branch office and centre meeting of GB, IDF and ASA. They observed the field operations, interacted with the members and visited their household. The clients were found to invest the loan in local productive activities. Members had also taken education loan for their children for the purpose of higher studies. In Bangladesh, MFIs



The visit team at the Yunus Centre

conduct weekly center meetings. The team was impressed with the loyalty and credit discipline of the members. The members also had good relation with the organization and with the field staff which is very important for the organization to flourish.

The team visited the Enrich Program which oversees health care facilities, teachers training, elder program, water and sanitation supply to the poor people in rural area, roof top gardening project, mushroom farming project and rehabilitation of beggars. The participants were keen to learn about the process for beggar loans and was impressed by the credit plus activities of Bangladeshi MFIs.

The visit was coordinated by Mr. Sanjay Shrestha of CSD and comprised of 9 officials from 3 different MFIs, namely: Mr. Ram Kumar Subedi, Mr. Jagannath Khatiwada, Mr. Jitendra Kaji Thapa, Mr. Ramkisor Prasad Kushwaha and Mr. Abdesb Kumar Jha of Mero Microfinance Bittiya Sanstha Ltd.; Mr. Umesh Aryal, Mr. Dil Bahadur Katuwal and Ms. Kamala Kumari K.C. of Mahila Upkar Munch and Ms. Kusu Saru Magar of Nawa Prativa SACCOS Ltd. Mr. Harun Rashid, Consultant of IDF Bangladesh supported the team during the visit in Bangladesh.

During the experience sharing session held at CSD office in the presence of Chairman, Mr. Shankar Man Shrestha and Director, Mr. Satish Shrestha, the participants remarked that they were overwhelmed with the hospitality and simplicity of the people and the culture of Bangladesh. Ms. Kusu Saru Magar shared, "I'm very happy and impressed with the credit plus activities, specially the teaching program where they provide after-school tuition to the children from poor families in the remote areas every day to help with their homework so that the children won't drop-out of the school." Similarly, Mr. Jitendra Kaji Thapa said, "The visit helped us to work on our self-management skill which will result in efficient and effective management." Likewise, Mr. Ramkisor Pd. Kushwaha shared that the staff needs to be well trained to treat and serve the clients. He concluded by thanking his organization for giving him such an opportunity and also expressed his desire to recommend other staff for such study visit programs through CSD.

The team left CSD premises invigorated and enthused to put their learnings into action in their respective organizations.

A Dialogue Program on Issues of Microfinance

A one-day dialogue on microfinance was organized by Unique Nepal Laghubitta Bittiya Sanstha Ltd. on February 9, 2019 (Magh 26, 2075) in Hotel Atithi, Kohalpur. A total of 42 participants, including board officials, senior officials and branch managers discussed on pertinent issues faced by the MFI.

A major issue was high loan overdue and dropout rate. It was observed that the high dropout rate could be due to group based lending mechanism.

Speaking on the occasion, Mr. Shankar Man Shrestha, Chairman of CSD, suggested that group guarantee should be relaxed from the members. "Dropout is caused as loan size increases and the financial pressure to bear the loan liability of other group members is also increased. Thus, members do not want to stay in the group. The problem is that good clients who have good credit history are the ones who leave. Those borrowers who have defaulted their loans do not leave because their delinquent loan will be covered by other members. It may be necessary to revise the concept of group guarantee in Nepal. Bangladesh does not have group guarantee. The modified version of Grameen model, G-II, does not have group guarantee system," shared Mr. Shrestha.

In Unique, branch managers with more than 2,100 members are eligible



Overview of Dialogue Program

for a higher pay package as incentive. The branch managers felt the need to revise this policy because if branch managers who had worked tirelessly in increasing the member size to above 2,100 got transferred to another branch which had lower than 2,100 members, he misses out on the incentive package.

Mr. Bechan Giri, Executive Chief of CSD, encouraged the staff to transform dormant members into active members as there are many members in Unique who had not taken loan.

Executive Director of Unique Nepal, Dr. Gopal Dahit said, "Client registry is a good concept and will help us to have updated database of clients. This way, we will be able to develop intervention programs based on capacity development initiative for micro-entrepreneur members. It would also help in targeting new members, decreasing dropout and increasing loan and savings."

"Trainees have rigorously expanded members in some branches. The same energy and vigor should be shown by the other staff in our branches," said Dr. Dahit.

He further added that remittance service initiated by Unique was not effective. It is necessary to develop a policy where 40% of the remittance is put into saving. This policy will help UNYC to cover loan outstanding amount through internal saving.

In his closing remarks, Mr. Shankar Man Shrestha urged the officials and staff to adequately educate their members on the risk of multiple borrowing and over-indebtedness and to remain in only one organization. He also advised to increase the borrowers to members' ratio to 95% and to reduce drop-out to zero as a strategy to improve quality and minimize risk. In the end, he cautioned them to refrain from client poaching and instead develop each client as an entrepreneur.

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Creating New ...

Due to their belief in the youth, as of December 2018, the four Grameen companies have generated 38,253 projects and invested USD 46.28 million. These NEs have created 30,034 additional jobs for other unemployed youths. The program is a live example that the youths require proper guidance and financial access to meet their vision and not charity or donation. Just providing funds in the name of entrepreneurship does not serve the purpose. Close monitoring, follow-ups and guidance are a must for successful implementation of the program.

The youth is a powerful force, which can make or break the future of a country. As per ILO

report the unemployment rate in Nepal is 23.8%. Thousands of Nepalese youth's untapped potential is being overlooked and doors of economic opportunity continues to remain closed.

In order to tackle unemployment in Nepal, the team, on their return, has decided to replicate a similar program in their respective organizations as well. In their first phase, the MFIs will select a branch each to initiate the new entrepreneurs (NEs) program and will start collecting data for

prospective NEs. CSD will act as a focal point to facilitate and guide the implementing MFIs in their respective areas.

The delegation comprised of Mr. Shankar Man Shrestha, Chairman of CSD, Dr. Gopal Dahit and Mr. Man Bahadur Tharu from Unique Nepal Laghubitta Bittiya Sanstha Ltd., Mr. Dambar Bahadur Shah from Kisan Bahuuddeshiya Sahakari Sanstha Ltd., Mr. Ram Prasad Kafle from Nawaprativa SACCOS Ltd., Mr. Suraj Prasad Acharya from EDCOL,

Ms. Shova Bajracharya from Manushi Laghubitta Bittiya Sanstha Ltd., Ms. Gita Giri from Nepal Women Community Service Centre, Ms. Aasmani Chaudhary from Rural Women Development Centre and Ms. Sharada Pokhrel from Upakar Laghubitta Bittiya Sanstha Ltd.



The delegates with Prof. Muhammad Yunus and his team

Nepalese participants to take part in upcoming International Training on Risk Management

The Institute for Inclusive Finance and Development (InM) is conducting a 5 day training program on "Advanced Risk Management for Sustainable Growth of Microfinance Institutions" from April 21-25, 2019 in Dhaka, Bangladesh. The training program is organized to welcome microfinance practitioners to build strong communication among them for the sustainable existence of microfinance. Eight participants from among CSD's Institutional Members will be attending the program under CSD banner and on over 50% scholarship extended by InM to CSD.

Mahila Sahayatra wins Global Award for Women Empowerment

CSD would like to congratulate Mahila Sahayatra Microfinance Bittiya Sanstha Ltd. for achieving the first **Princess Sabeeka Bint Ibrahim Al-Khalifa Global Award** for Women Empowerment at the UN 63rd Commission on Status of Women. We hope this achievement motivates all microfinance institutions to deliver their services to the deprived sectors with new & fresh energy for global change.

Empowering Branch Managers with Managerial Skills

CSD organized training for the branch managers of MFIs from January 7-9, 2019 to enhance their managerial skills of handling various facets of branch management of microfinance organization.

The training program was designed as a compact course to enhance the managerial skills for improving their efficiency in delivering credit, managing staff and above all handling their clients to achieve the organizational goal. The training focused simultaneously on instilling participants with the aptitude to build good relationships with clients and maintain credit discipline. The training also provided an opportunity for sharing management practices, process of financial management and team building methods amongst the participants. The feedback and evaluation of training by the



Group Photo of Training Participants

participants indicate that the program helped to achieve the objective set for the training and boost their knowledge in daily activities.

There were 25 participants from 11 MFI's namely: Infinity Laghubitta Bittiya Sanstha Ltd., Suryodaya Laghubitta Bittiya Sanstha Ltd., National Microfinance Bittiya Sanstha Ltd.,

Mahuli Samudayik Laghubitta Bittiya Sanstha Ltd., Mero Microfinance Bittiya Sanstha Ltd., Nepal Women Community Service Center, Shree Udayadev Bahuuddeshiya Sahakari Sanstha Ltd., Environment Development Cooperative Organization Ltd., Laxmi Laghubitta Bittiya Sanstha Ltd., Manushi Laghubitta Bittiya Sanstha Ltd. and Kisan Bahuuddeshiya Sahakari Sanstha Ltd.

Developing Effective Communication and Team Building Skills

CSD conducted a "Training on Effective Communication and Team Building" in Kathmandu from February 26-27, 2019 to upgrade the communication and public speaking skills of the branch managers of MFIs to lead their respective branches in achieving their goals and objectives.

The program was facilitated by Ms. Usha Malla Singh who is renowned for her training skill and belief in the need for SMART manager/leader in today's organization. One should accept him/herself first, the way he/she is then only one can be the SMART manager/leader. The training also focused on driving the participants to build good work relationship and win the heart of their subordinates, colleagues and clients by respecting their feelings and building trust. The training included interactive session, group discussion



Participants rehearsing for a public speaking session

and experience sharing. The participants shared how their own beliefs were the real cause of success or failures. They took active interest in the two-day program and were highly appreciative of its management.

21 participants from 13 MFIs took part. Namely: Kisan Bahuuddeshiya Sahakari Sanstha Ltd., Shrijana Community Development Centre, Chhimek Laghubitta Bittiya Sanstha

Ltd., Sahara Nepal SACCOS Ltd., Upakar Laghubitta Bittiya Sanstha Ltd., Mahila Sahayatra Microfinance Bittiya Sanstha Ltd., Infinity Laghubitta Bittiya Sanstha Ltd., National Microfinance Bittiya Sanstha Ltd., Manushi Laghubitta Bittiya Sanstha Ltd., Dhaulagiri Laghubitta Bittiya Sanstha Ltd., Mithila Laghubitta Bittiya Sanstha Ltd., Laxmi Laghubitta Bittiya Sanstha Ltd. and Shree Janamukhi Krishi Tatha Pashupalan Sahakari Sanstha Ltd.

Nepali Participants Impressed with the Prudent Practice of Microfinance in Bangladesh

CSD organized another exposure visit to Bangladesh from January 8-15, 2019 (Poush 24-Magh 1, 2075). One of the major attractions of the visit was the Grameen Bank (GB), in Dhaka. Mr. Morshed Mohammed, Assistant General Manager and Faculty Chief, International Program Department highlighted the practice of Grameen Bank's lending from clients identification to the follow-up and recollection of loans.

In GB, there is no ceiling on the loan size, unlike in Nepal. The loan amount can be increased by 25% with each loan cycle for 3 years but is determined by the need and capacity of a borrower. Only after 3 years the loan amount can be increased by more than 25%. This 3 year period is called 'Intensive Care Unit' because the borrowers are closely watched during this period. The team was fortunate to meet Prof. Muhammad Yunus who said, "I have been closely observing the microfinance practice in Nepal."

The team visited Kanagopal Branch of Grameen Bank in Shreepur as well as Sreepur Mohila Samiti Centre. The centre was established in 1985 and has 52 members. Their savings is approximately Tk 22 lakhs and loan outstanding is Tk 9 lakhs. One interesting aspect of this centre was that the savings amount was more than twice the loan outstanding amount.

During the visit to the Integrated Development Foundation (IDF), the team observed its credit plus program. IDF runs two Health Centres in Chittagong and has paramedics and health workers in 50 - 55 locations across Bangladesh to provide health service to both members and non-members along with loan service. IDF provides health premiere (health card) along with a loan. With the health card, the member along with her husband and upto two children are entitled to health service. When the loan is repaid the card expires. The doctor consultation fee is Tk 100 but when doctors need to visit patient's home Tk 400 is charged. The services provided by the health clinic, among others, are pregnancy test, blood sugar test and hypertension test.

The IDF branch in Badharhath, Chittagong is the biggest branch in terms of profit. The branch has loan outstanding of Tk 60,100,000 and has



Visit Team with Hon. Prof. Yunus in the Yunus Centre, Bangladesh

2,264 members of which 1,964 members are borrowers.

While visiting another renowned microfinance institute of Bangladesh, ASA, it was found that it had only centre names unlike majority of MFIs in Bangladesh which also have centre numbers. The minimum age limit is 18 years in order to be the member of ASA. After the member crosses 60 years of age the membership is handed over to her daughter or daughter-in-law. ASA initiated its microfinance program in 1991 and reached break-even after 3 years of operation. Currently, it has 2,933 branches. ASA also runs an ASA University and ASA Hospital.

ASA mobilizes 44% of its fund requirement from members' savings and 56% through resources which is generated out of profit. ASA has presence in 13 countries worldwide. While conducting centre meetings the staff members of ASA extensively use tablets to record financial transactions.

The participants were impressed with the struggling member (beggar) loan of GB. The GB supports beggars by providing Tk 300 amount of loan to start with and goes on increasing up to Tk 5000. It is an interest free loan and the members do not have to attend center meetings. It has a 90% success rate and the members ultimately become entrepreneurs discharging the beggar practice.

The team was also interested in the higher education loan of GB which could easily be adapted in Nepal. After taking the loan, the members' children will enroll in a 4 years bachelor level course and 1 year masters level course. The borrowers will have 1 year grace period after which s/he will start repaying the

loan. The loan amount is Tk 140,000 for the doctors, Tk120,000 for engineers, Tk100,000 for general education/BBA and Tk38,000 for Master's degree course. The borrowers are simultaneously eligible to take general loan to meet their business requirement.

In the valedictory meeting at IDF Head Office, Mr. Zahirul Alam, Executive Director of IDF said that Bangladesh could also learn from Nepal. "For example, group discipline in the centres is better in Nepal where they have their own uniform. Similarly, a fine is issued for the late comers and the fine is doubled for a loan officer. The repayment rate is good in Nepal and that people believe in honesty as branch managers are allowed to disburse loan amount up to Rs.3 lakhs which is not possible in Bangladesh." He further said, "Most Bangladeshi MFIs are satisfied with the FINGO status because if they become banks the tax rate is higher (unlike Grameen Bank). The FINGOs need to mobilize funds so they can mobilize 80% of loan outstanding from savings."

The visit comprised of 10 participants from 7 MFIs which included Mr. Rudra Timsina, Ms. Samjhana Lama and Mr. Shambhu Ghising from Nerude Laghubitta Bittiya Sanstha Ltd., Mr. Prem Bahadur Tharu and Mr. Sant Kumar Chaudhary from Unique Nepal Laghubitta Bittiya Sanstha Ltd., Mr. Bhimal Mukhiya from Chhimek Laghubitta Bittiya Sanstha Ltd., Mr. Nirmal Chaudhary from Grameen Mahila Utthan Kendra, Mr. Manish Shrestha from Mirmire Laghubitta Bittiya Sanstha Ltd. and Ms. Kalpana Devi Mishra from Sahara Nepal SACCOS Ltd. Mr. Sopan Bista from CSD coordinated the visit from Nepal. Mr. Harun Rashid of IDF coordinated the visit in Bangladesh.

From Humble Beginning to Thriving Entrepreneur:

A Case Study of Ms. Manu Thapa Magar

Ms. Manu Thapa Magar was born in Sitapur, Bardiya. Due to the weak financial condition of her parents, she was unable to continue her education after class six. At the age of 16, she was married off to Mr. Dil Bahadur Thapa Magar resident of Bhayapur, Banke. Due to her interest in studying she enrolled in Adarsha Madhymik Bidyalaya in Ranjha, Banke after her marriage. However, after the birth of her first child she had to discontinue her studies once again. Her husband's meager salary was insufficient to meet the household expenses and those of her two children. To support her family she joined Unique Nepal Laghubitta Bittiya Sanstha, centre no. 41 on Baisakh 2068.

With encouragement and support from her husband, she took her first loan of Rs. 8,000 to buy one piglet. Gradually she started rearing more pigs and her revenue increased. Motivated, she kept graduating from successive loan cycles and opened 'Mama Ko Bangur Farm' with her fifth loan amount of Rs. 90,000.

Currently she has taken Rs. 150,000 to expand her farm to accommodate 40 pigs. She also sells the piglets from her farm to other interested farmers. Her son runs a rice mill nearby and the by-product from the mill is used as fodder for the piggery. Manu has



Manu and her husband dream of expanding their 'Mama Ko Bangur Farm' to accommodate 200 pigs

employed 3 supporting staff to run her farm. Her current income from the farm is Rs. 108,000 per month. After deducting Rs. 45,000 per month for staff and food expenses she saves Rs. 63,000. She uses her savings for household expenses as well as for her children's education.

When she took her first loan from Unique Nepal she had 4 kattha of land. Now she has 6.5 kattha of land. Her farm is operating in 3 kattha of land and the mill which is managed by her son is operating in 1.5 kattha of land. She also has 2 kattha of land and a small house in Ranjha. As per the current market price it is worth Rs. 10,000,000. Additionally, her 40 pigs in the farm are worth

Rs. 1,000,000. She bought extra 2.5 kattha of land and 40 pigs through the profit generated from her farm.

Over the years, she has received numerous training related to animal husbandry from Unique Nepal and other organizations. She is looking forward to receiving a training on preparing pig feed for commercial purpose.



Pigs at the farm

Fundamentals should not be Compromised

A 10 member delegation representing board officials from four different institutional members of CSD had firsthand experience in the operational methodologies of microfinance in Bangladesh. The team was represented from Sahara Nepal, EDCOL, Udayadev Multipurpose Cooperative Ltd. and NWCSC. They visited Bangladesh from March 18-26, 2019 and met the members and officials from Grameen Bank, ASA and IDF, which fall among the top 50 MFIs in the list of Forbes 500. The visitors experienced the essence of true microfinance practices with poor centered approaches and practices even after four decades of its operation. The visitors were impressed to see how the second generation of practitioners were still strictly adhering to the basic principles of microfinance to attain the vision of a poverty-free society. The visitors unanimously agreed that for microfinance to grow and sustain, there should not be any compromise in the fundamentals, values



The team with newly appointed Executive Director of Grameen Bank, Mr. Golam

and culture of microfinance and that a profit-drive approach will lead to crisis in the long term.

MFIs play pivotal role in microenterprise development

-An exposure visit experience of the Philippines

A team of twelve microfinance officials visited microfinance institutions in the Philippines with the objective to familiarize with the best practices of microfinance in the Philippines from Feb. 24 to March 4, 2019. On their first day, the team was briefed on the state of MFIs and about MCPI by Mr. Allan Robert I. Sicat, Executive Director of MCPI. An orientation about microfinance was given at Central Bank of Philippines. The team visited microfinance and social development activities of ASA, KMBI and ASHI to acquaint with the policy, procedure and fundamentals of microfinance of all the three institutions.

The team observed that all the members were borrowers and strictly followed the basic fundamentals of microfinance like conducting weekly meetings, implementing credit plus activities, providing health and crop insurance, health and sanitation awareness programs. The clients were found to be loyal to their mother institutions and did not feel the need to avail loans from other institutions. MFIs also provide loan according to member's requirement. Minimum loan size is 7,000 Peso, maximum is 1,50,000 Peso and average loan size is 10,000 Peso. Moreover, MFIs in Philippines are not-for-profit organizations where whatsoever profit is made is ultimately used in the capital building of the organization and for the welfare and development of their respective clients. Members are also represented in the board of their institution. All the staffs, from top to bottom level were found to be wholly committed for the well-being of their organization.

The team had an opportunity to visit head office of ASA Philippines Foundation, Inc and its branch office in Metro Manila. Mr. Kamrul H. Tarafder, President and CEO of ASA briefed on the program and policy of ASA's microfinance practice. The team viewed that ASA is a not-for-profit and self-sustained organization (NGO). ASA used to issue Corporate Bonds for fund raising to meet additional fund requirement. The target group of ASA are those families



Visit team with the staff of KMBI Branch Office

living on below USD 2 per day.

The team visited ASA's branch office which was established on Sept. 13, 2004 and currently serving 1,977 members of 75 centers. The team also visited one of the center meetings of the branch in Gabato Residence. The center was in operation since nine years and comprised of 30 members. An interesting feature was that the center meeting started with life lesson and every week different topics were discussed on. The center had a total outstanding loan 637,000 Peso and saving mobilization of 361,830 Peso.

During the visit, the team also visited the branch and head office of KMBI. In KMBI, there are two units in every branch and seven field staffs in each unit. Each field staff has to look after 2 centers daily and 10 centers in a week. There were 3,600 members and 120 centers in the branch. The center status is displayed on the notice board with the smiling face of members indicating a good center and a sad face for poorly performing center. The team also grabbed the opportunity to visit one of the center meetings of the branch at Bernardino St. Ugong and visited the businesses of two borrowers.

The team visited Ahon Sa Hirap Inc. (ASHI) branch at Rizal Cogeo Markina where they were briefed by Ms. Deserie Goto and by Vice President Ms. Estrella S. Andres about microfinance activities of ASHI. ASHI was established in 1989. The term Hirap means rise from poverty. It is the first institution to replicate the Grameen model in the Philippines.

However, it faced repayment and funding crisis in 1992-1994 and underwent a rehabilitation process in 1994. This event caused them to set strategies for growth to reach operational viability by 2000. ASHI now stands as a self-reliant institution and has been providing microfinance service to 74,855 members of destitute families through 60 branches, 14 area offices, 2,540 centres in 9 provinces of the Philippines with the help of 607 staff of which 74% are field staff. They also reiterate that they help farmers to link their products with related industries to flourish agriculture in the country.

The team members of the visit were: Mr. Tara Prasad Sanjel, Chairman and Mr. Ishwor Prasad Bhattarai, Sr. Department Chief of Sahara Nepal SACCOS Ltd.; Ms. Shanti Devi Dhakal, Chairperson and Ms. Laxmi KC Dhakal, Supervisor of Upakar Laghubitta Bittiya Sanstha Ltd.; Mr. Santosh Phuyal, BoD of Mirmire Laghubitta Bittiya Sanstha Ltd.; Mr. Dinesh Katuwal, Department Chief of Nerude Laghubitta Bittiya Sanstha Ltd.; Mr. Bishwa Shrestha, Secretary and Mr. Diwas Dhakal, Chief Manager of Shreejana Development Centre; Ms. Kamala Chaudhary, BoD and Ms. Mira Chaudhary, Sr. Officer of Grameen Mahila Utthan Kendra; and Ms. Renu Dhakal, Secretary of Grameen Swayamsewak Laghubitta Bittiya Sanstha Ltd. The team was led by Mr. Bechan Giri, Executive Chief of CSD and was guided and supported by MCPI staffs throughout the visit period.

A Symposium on Micro-enterprise Development

A 'Symposium on Micro-enterprise Development' was held on February 8, 2019 (Magh 25, 2075) at Hotel Atithi in Kohalpur, Banke with the participation of 26 officials from MFIs located in far and mid-western Nepal. Mr. Shankar Man Shrestha, Chairman of CSD, commenced the program by highlighting the program objective. He said, "Microfinance came as a social and economic revolution for the poor and disadvantaged segment of the population. Initially, microfinance aimed to develop self-confidence of its members and involve them in livelihood activities. Now the mission should be to develop micro-entrepreneurs and create employment opportunities at the local level."

During the program, the participants shared a brief overview of their respective organizations and the experiences on entrepreneurship development and financing. Mr. Purna Bdr. Chand, Chairman of Shree Udayadev Bahuuddeshiya Sahakari Sanstha Ltd. shared, "Although the members are involved in commercial vegetable farming, there is not enough market to sell their products. Micro-enterprise related training, both technical and financial, is essential for our members."

Mr. Bishal KC from Bauddha Grameen Multipurpose Cooperative Ltd. (BGMCL) shared that BGMCL was involved in Buffalo Rearing Program and had initiated a dairy which collected milk from its members. He said, "The Dairy is currently running at a loss because the clients have not been supplying milk to the cooperative due to the strict guideline for fat concentration. I hope they gradually realize the benefit of quality control and supply milk to the Cooperative."



Participants discuss on ways to promote Micro-Entrepreneurship

Mr. Upendra Bdr. Khadka of Pioneer Bahuuddeshiya Sahakari Sanstha Ltd. shared that currently the organization was not able to promote micro-entrepreneurship but was eager to learn more.

Ms. Menuka Giri from Nepal Mahila Samudayik Sewa Kendra (NWCSC) shared that her organization started employing veterinary and agricultural technicians to provide technical support and guidance to clients. The organization issues a coupon to its borrowers which can then be utilized for veterinary and agricultural services from the technicians.

Mr. Kalidas Chaudhary from Grameen Mahila Utthan Kendra (GMUK) said that his organization was coordinating with the District Agriculture Office for agro-farming related business.

Mr. Suraj Acharya from EDCOL stated that loans should be provided based on the need and capacity of the client and efforts should be made to avoid overlapping beneficiaries.

Mr. Shankar Man Shrestha underlined the importance of client classification in financial institutions. "Client profile of individual members and borrowers should be maintained in an organization. For example A, B, C and D grade classification can be done and a client can move from

D to C grade by scoring higher points. The points can be given on the basis of indicators such as timely payment, regular attendance, well-managed business etc.," suggested Mr. Shrestha.

Sharada Pokharel of Mahila Upakar Munch (MUM) said that during the disbursement of enterprise loan the person

should have technical knowledge about the business. Business training is also essential so that the entrepreneur knows how to generate profit.

Dr. Gopal Dahit of Unique Nepal Laghubitta Bittiya Sanstha Ltd. mentioned that entrepreneurship projects should be linked with the government line agencies. He added that along with savings and loan details, member details on enterprises should also be maintained in the management information system.

Mr. Gokul Pyakurel from MED en Nepal gave a presentation on the need and importance of micro-entrepreneurship development. He said that the most important aspect of micro-enterprise development is proper business selection. He discussed on business plan development, production planning, cost estimation, financial planning etc. as work map to move ahead.

A seven-point resolution was reached by the participating MFIs to promote micro-entrepreneurship among their members. The participating MFIs were Kisan Bahuuddeshiya Sahakari Sanstha Ltd., Unique Nepal Laghubitta Bittiya Sanstha Ltd., MUM, EDCOL, GMUK, NWCSC, Pioneer Bahuuddeshiya Sahakari Sanstha Ltd., BGMCL and Shree Udayadev Bahuuddeshiya Sahakari Sanstha Ltd.

SEVEN-POINT RESOLUTION

1. To achieve the objective of 'Clean Microfinance' campaign, each participating organization will initiate a campaign to develop each of their member as micro-entrepreneur.
2. Every MFI will maintain a database of the economic and business status of every member in the individual client's file and also prepare and update a consolidated database in every branch at the end of each fiscal year.
3. In order to promote self-employment among the members' children, each MFI will nominate two participants (one male and one female) for micro-entrepreneurship training. The training will be organized by CSD with technical

support from MED en Nepal. The participants should have completed +2 level and should be between 20 to 25 years old.

4. Each MFI will select two field level staff to be trained on micro-entrepreneurship development and client's business plan training. The training will be organized by CSD with technical support from MED en Nepal.
5. Every participating MFI will establish a micro-enterprise development and promotion unit and will depute an officer to take charge of this unit. The concerned officer will be trained on micro-enterprise development, promotion and management. The

training will be organized by CSD and will be technically supported by MED en Nepal.

6. From now onwards, loan will be approved and disbursed only after the submission of simple business plan by the clients. CSD will develop a prototype for the business plan format and will circulate it to the participating MFIs which may be adjusted to suit their conditions.
7. The next review meeting on micro-entrepreneurship development will be held in Lamki, Kailali after 6 months. It will be organized by CSD and locally managed by Kisan Bahuuddeshiya Sahakari Sanstha Ltd.



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