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SAMN
South Asia Micro-entrepreneurs Network



MONTHLY NEWSLETTER

THIS DOCUMENT CONTAINS LATEST NEWS AND
PUBLICATIONS FROM SAMN MEMBER COUNTRIES.

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Bangladesh

Bangladesh Bank: Increase SME Loan Ratio to 25% By Next Year

Bangladesh Bank has asked banks and non-bank financial institutions to raise their loan disbursement ratio for cottage, micro, small and medium enterprises (CMSMEs) to 25% of their outstanding loans by 2024.

From next year, of all the loans provided to this sector, 50% must be distributed among cottage, micro and small enterprises, according to a central bank notice on Thursday.

Moreover, at least another 15% will have to be given out to women entrepreneurs, 40% to manufacturing, 25% to service and 35% to trading sectors.

The central bank had issued almost the same instructions to lenders in 2019.

But this time, it has slightly revised the directives to give more clarity to lenders to this end.

Banks disbursed Tk282,896 crore in loans for the CMSME sector, which is 19.14% of the outstanding loans disbursed by banks as of December last year.

Read more at: <https://www.dhakatribune.com/business/banks/282671/bb-increase-sme-loan-ratio-to-25%25-by-next-year>

A Gender-Equal Future for STEM in Bangladesh

Mohsina is a 22-year-old electronics graduate. She was one of the youngest participants selected for the (World Bank-supported) Shoktikonna Leadership program, a training for women in the energy sector. In Bengali, Shaktikonya means Power Girl. She did an internship with Grameen Shakti – an organization providing Sustainable Renewable Energy solutions to rural Bangladesh. She currently is doing a traineeship with a telecommunications company, where she will work on sustainable digital solutions. Mohsina is an inspiration, and she is an example of the promising future for STEM and renewable energy in countries like Bangladesh – and what networks like WePOWER can do to support women and girls like her.

Read more at: <https://www.worldbank.org/en/news/feature/2023/03/22/a-gender-equal-future-for-stem-in-bangladesh>

Toward a Digital Bangladesh: Enabling Remote Supervision with On-The-Ground Insights

Since 2000, Bangladesh has been one of the fastest growing economies in the world. To sustain its growth and development, timely implementation of development projects will be critical.

How can the government keep track of progress and assure that the intended impact is reaching the right beneficiaries, and on time?

Geospatial data, which provides various types of data specific to a location, is integral to making evidence-based decisions in development and public policy. Moreover, accurate and reliable data is critical to combating poverty. Data collection poses obstacles, however.

To address knowledge gaps in operations and challenges to collecting data, the Bangladesh government and the World Bank took a bold step by adapting an innovative approach to digitally monitor how projects are being implemented and impacting livelihoods across Bangladesh through the Geo-Enabling initiative for Monitoring and Supervision (GEMS) initiative.

Read more at: <https://www.worldbank.org/en/news/feature/2023/03/13/toward-a-digital-bangladesh-enabling-remote-supervision-with-on-the-ground-insights>

India

Muthoot Microfin Expects 25-30 Pc Growth in Loan Disbursals This Fiscal

The third largest microlender Muthoot Microfin expects to disburse 25-30 per cent more loans this fiscal, taking its assets to around Rs 12,000 crore. The Kerala-based firm, promoted by the diversified Muthoot Pappachen Group that's more known for its flagship gold loan business, closed FY23 with a loan book of Rs 9,209 crore and a likely net income of Rs 200 crore.

In the pandemic-hit FY22, its loan book stood at Rs 6,300 crore from which it had earned Rs 79 crore of net income, chief executive Sadaf Sayeed told PTI.

He attributed the massive loan book expansion to the low base in the pandemic hit year, and bases his optimism to maintain the momentum on the rising need for liquidity among its customers, even though the interest rates have risen.

Read more at: <https://economictimes.indiatimes.com/industry/banking/finance/muthoot-microfin-expects-25-30-pc-growth-in-loan-disbursals-this-fiscal/articleshow/99704888.cms>

Micro Loan Disbursement Jumps 20% In December 2022 Quarter to Rs 77,877 Cr

Micro loan disbursement jumped about 20% in the December 2022 quarter to Rs 77,877 crore over Rs 65,392 crore in the year ago period, backed by 14% rise in the number of new borrowers.

This helped the microfinance industry grow 25% year-on-year to Rs 3.31 lakh crore at the end of December last year, data released by Microfinance Institutions Network showed.

Read more at: <https://economictimes.indiatimes.com/industry/banking/finance/micro-loan-disbursement-jumps-20-in-december-2022-quarter-to-rs-77877-cr/articleshow/98698660.cms>

Svasti Microfinance Raises \$5M From IIX's Women's Livelihood Bond 5, the World's First Orange Bond Issuance

Mumbai-based Svasti Microfinance Private Limited (Svasti) has received \$5 million through Non-Convertible Debentures from Singapore-based Impact Investment Exchange (IIX)'s Women's Livelihood Bond 5 (WLB5). WLB5 is the fifth issuance under IIX's Women's Livelihood Bond™ (WLB) Series, which is the world's first gender-lens bond compliant with International Capital Markets Association and listed on a stock exchange. Through five successful bond issuances, the WLB™ Series has mobilized over \$128 million – leading to improved livelihoods and economic resilience for more than 1.3 million women across Asia-Pacific and Africa.

Read more at: <https://www.prnewswire.com/in/news-releases/svasti-microfinance-raises-usd-5-million-from-iixs-womens-livelihood-bond-5-the-worlds-first-orange-bond-issuance-301763013.html>

Nepal

World Bank Approves \$120 Million to Support Nepal's Education Sector

The World Bank's Board of Executive Directors today approved \$120 million in financing to support the implementation of the Government of Nepal's flagship School Education Sector Program.

The School Sector Transformation Program operation builds on the Government of Nepal's previous school education sector programs and puts a greater focus on quality learning by establishing a teacher mentoring system at the local government level and ensuring a full complement of subject teachers (English, Math, and Science) at upper-basic and secondary levels.

"Investing in quality education is key to developing human capital which goes to the heart of ensuring greater equity and economic growth," said Faris Hadad-Zervos, World Bank Country Director for Maldives, Nepal, and Sri Lanka. "This operation supports the Government of Nepal's vision to enhance quality of and equitable access to education to fulfill the ambitions of the new federal state."

Read more at: <https://www.worldbank.org/en/news/press-release/2023/03/24/world-bank-approves-120-million-to-support-nepal-s-education-sector>

Pakistan

TPL Life onboards 15,000 Potential Life Insurance Agents on “Muavin” – Pakistan’s First Virtual Life Insurance Agent Platform!

TPL Life Insurance Limited, Pakistan’s 1st InsurTech enterprise in the innovative insurance business, has launched the country’s most revolutionary Virtual Life Insurance Agent Learning & Earning Platform – “Muavin.”

A means for every Pakistani to create an alternate or regular income stream by selling TPL Life’s insurance products. The user can sign-up for free on Muavin, complete the learning phase while referring to available video lectures & course material, become a certified Muavin, start selling from anywhere in Pakistan, and earn a commission for successful sales.

This unique digital platform can be accessed for learning, acquiring a certification, and subsequent sale of insurance products by certified Muavins via Mobile App &/or Web – both life and health insurance products can be sold digitally, omitting the need for paper-based learning and sales practices.

Read more at: <https://www.techjuice.pk/tpl-life-onboards15000-potential-life-insurance-agents-on-muavin-pakistans-first-virtual-life-insurance-agent-platform/>

Balochistan Launches Project for Inclusion of Women in the Digital Economy

The Parliamentary Secretary of Law, Science, and Information Technology, Dr. Rubaba Khan Buledi announced that the Balochistan government will soon launch a new program aimed to increase women participation in the digital economy.

Dr. Rubaba Khan Buledi said that the program is called the ‘Inclusion of Women in the Digital Economy’, a name that makes the program’s goal quite evident.

Launched yesterday on 8th of March, this program was amongst other women technology empowerment programs launched in the country on occasion of the International Women’s Day.

Dr. Beludi stated that this program will help the women of Balochistan to be more computer literate, which will further allow them to be financially independent.

Read more at: <https://www.techjuice.pk/balochistan-launches-project-for-inclusion-of-women-in-the-digital-economy/>

Google to Support and Empower Over 1,550 Women Developers in Pakistan

Tech giant Google, as a part of its initiative, is organizing different women developer events named the Women Techmakers (WTM). According to details, Google will organize around 7 Women Techmakers (WTM) events in over five different cities of Pakistan. These events will reportedly support and empower around 1,550 women developers, all over Pakistan.

Women Techmakers (WTM), as the name suggests is a Google led initiative aimed to provide visibility, community, and resources to all women in the tech industry.

The first day and event of the Women Techmakers started on 8th March, which is also celebrated as the International Women's Day. Google's theme and hashtag for this year's WTM event is the '#DareToBe', where Google tells women to be courageous, confident and achieve big dreams. "Whether it's bold, resilient or innovative, we invite everyone to think about all the ways they will "Dare To Be" in 2023" says WTM.

Read more at: <https://www.techjuice.pk/google-to-support-and-empower-over-1550-women-developers-in-pakistan/>

Updates from Members

INDIA

MFIN - Industry Updates:

Bill Gates Calls on RBI Governor; Discusses Financial Inclusion, Microfinance

Microsoft co-founder Bill Gates on Tuesday met Reserve Bank of India Governor Shaktikanta Das and discussed various issues including financial inclusion, payment systems, microfinance and digital lending among others. "Mr. @BillGates visited RBI Mumbai today and held wide ranging discussions with Governor @DasShaktikanta #RBI #rbitoday #rbigovernor #shaktikantadas #BillGates," RBI said in a tweet.

Gates Foundation pursues a lot of activity in India including promotion of financial inclusion, health sector and climate change. Billionaire businessman Gates is also engaged in large-scale philanthropy activities. "Had an excellent meeting with @BillGates on financial inclusion, payment systems, microfinance and digital lending, etc," Das said in another tweet.

In a recent article, Gates said, climate change and global health are inextricably linked. "Hotter temperatures will make poverty reduction harder by increasing food insecurity and the prevalence of infectious diseases and diverting resources away from those who need them the most. It's a vicious cycle," he had said.

"The poorer a community is, the more vulnerable it is to climate change. And the more impacted a community is by extreme weather events, the more entrenched in poverty it becomes. To break the cycle, we need to make progress on both problems at the same time," he had said.

PAKISTAN

PMN - Industry Updates:

VEON's Mobilink Bank Becomes First Microfinance Bank Globally to Join the GSMA Connected Women Commitment Initiative

VEON Ltd. (NASDAQ: VEON, Euronext Amsterdam: VEON), a global digital operator that provides converged connectivity and online services, last week announces that Mobilink Microfinance Bank Ltd. (MMBL), its banking operation in Pakistan, has signed up to the GSMA's Connected Women Commitment Initiative, becoming the first microfinance bank, globally, to do so.

The GSMA Connected Women Commitment Initiative was set up in 2016 to accelerate digital and financial inclusion for women across Africa, Asia, and Latin America. Since the inception of the Commitment Initiative, over 40 mobile operators have made formal commitments and have collectively reached over 55 million additional women with mobile internet and mobile money services.

Pakistani Banks Plans to Use Blockchain Technology For KYC

Pakistan is currently facing a significant financial crisis.

Financial institutions in the country are looking to use blockchain technology to stop money laundering.

Pakistan is also working on its central bank's digital currency.

Pakistani Banks have planned to launch an electronic platform for know-your-customer procedures that will work nationally. The new blockchain system enables to exchange of the personal information of customers.

Waqas Mirza, the CEO of the PBA and Mohamed Aurangzeb, CEO of Avanza, signed the paperwork in Karachi.

Hence, the initiative will help banks to minimize onboarding costs for bank users. When financial transactions are recorded on the blockchain, they are automatically stored in an unalterable format.

Banks Of Pakistan to Use Blockchain for KYC Checks

The banks of Pakistan have planned to modernize their system by incorporating the latest technologies into a daily routine. A know-your-customer (KYC) platform developed by Avanza Group. Pakistan's Bank Association (PBA) have agreed to work together to implement a KYC platform.

To Access Full Article: <https://www.techjuice.pk/pakistani-banks-plans-to-use-blockchain-technology-for-kyc/>

In Focus

Responsive by Design: Building Adaptive Social Protection Systems in South Asia

Countries in South Asia have made tremendous progress in poverty reduction and human capital acceleration in the past few decades. However, the gains are at risk of setbacks caused by shocks to incomes and assets. Natural disasters, economic shocks, and disease outbreaks tend to disproportionately affect the poor and vulnerable, thereby widening the equality and opportunity divide.

Given the increasing frequency and severity of shocks in South Asia, there is a clear need for urgent investment in adaptive social protection systems to help protect the poor and most vulnerable. Reframing social protection as adaptive can help governments react more quickly and efficiently to shocks, while broadening the coverage and duration of assistance in accordance with needs, based on reliable data, financed through reallocated resources, and coordinated at the various institutional levels of governmental and nongovernmental actors.

The Responsive by Design: Building Adaptive Social Protection Systems in South Asia report details the international best practices on developing adaptive social protection systems and discusses how this can be done in South Asia using the new stress-test methodology.

The report provides a framework for adaptive social protection systems that illustrates the four elements that need to be considered in establishing an ASP system: institutional arrangements, financing, programs, and information and data systems. It analyzes the social protection systems across South Asia to inform future dialogue and policy making, as well as highlights both the functioning aspects of existing adaptive systems and identifies areas where further improvements are warranted. The report provides practical and timely guidance for government officials, development professionals, and researchers who are interested in enhancing the resilience of social protection systems and, by extension, households, and societies.

To Access Full Report: <https://www.worldbank.org/en/region/sar/publication/responsive-by-design-building-adaptive-social-protection-systems-in-south-asia>

Learning about Women's Groups: The Evidence from South Asia

Since the 1970's, women's groups have been a popular approach to promoting women's economic empowerment in South Asia. One of the earliest and most well-known groups is India's Self-Employed Women's Association (SEWA). SEWA's approach has been expanded globally through women's trade unions and cooperatives. Women's groups are broadly defined as groups of individual women from a community convening with a common purpose. They include self-help groups (SHGs), livelihoods groups and producer collectives as well as groups formed with social action, health, and empowerment objectives.

A review of women's groups in South Asia shows that groups can positively affect women's savings, civic inclusion (meaning participation in political and social life), and social capital, but are less successful in improving incomes and labor market participation, especially among programs operating at scale. A recent evaluation of a self-help group

credit program in rural India shows that groups can reduce the reliance on high-interest credit from informal moneylenders, as members borrow from the group's pooled savings.

Yet, despite their growing popularity, little is known about the implementation models of women's groups. Where information is available, it is often incomplete. Moreover, there is no systematic review of what works, what doesn't, and why, across the spectrum of women's groups models. Most evaluations, for example, use broad terms such as women's groups or SHGs, without describing the wide variation in who is a member, why the groups were organized and how they function.

To address this gap, the South Asia Gender Innovation Lab partnered with the Evidence Consortium on Women's Groups to map implementation characteristics of women's groups in South Asia, focusing on groups that seek to improve economic outcomes.

To Access Full Story: <https://www.worldbank.org/en/news/feature/2023/03/16/learning-about-women-s-groups-the-evidence-from-south-asia>

Blockchain Empowers Women in Developing Economies

Blockchain technology can empower women in developing economies in many ways. As we know, women in our society play a vital role in every field, and these days the government in almost every country has given rights and power to women to excel in the fields they want.

Financial Inclusion

It's a reality that in many developing countries, women still face significant barriers to accessing financial services.

Therefore, with the emergence of blockchain technology, women can now easily access financial services. Blockchain technology facilitates financial inclusion by providing a secure and decentralised platform for financial transactions.

Women can now access blockchain technology to save money, access loans, and make payments without going to traditional financial institutions.

Supply Chain Transparency

Blockchain technology facilitates by providing transparency in the supply chain.

However, this explicitly benefits women who work in agriculture and other industries. By accessing blockchain technology platforms, women can be assured that their products are being sold relatively. Through this, women will receive fair compensation for their work.

To Access Full Story: <https://www.techjuice.pk/blockchain-empowers-women-in-developing-economies/>

About SAMN

The South Asian Micro-Entrepreneurs Network (SAMN) is a regional microfinance industry association working to enhance financial inclusion among low-income population in South Asia. SAMN achieves this by improving knowledge, business environment and capital flows for the microfinance industry. SAMN, through its members, who national networks from the countries of the region, is the representative and collective voice of the industry reaching more than 50 million low-income customers in the region.

SAMN was established in late 2008 with a vision to improve quality and scale of financial services among low-income population in the countries of South Asia. The early foundation of SAMN was laid by ACTED, a French INGO along with a number of regional and global microfinance stakeholders.

Today, SAMN membership consists of the leading national networks in six countries of the region representing over thousand microfinance providers and other industry players. The current SAMN members, each represented by Executive Head on the Board of Directors, are:

- **In Afghanistan:** Afghanistan Microfinance Association (AMA)
- **In Bangladesh:** Credit and Development Forum (CDF)
- **In India:** Microfinance Institutions Network (MFIN)
- **In Nepal:** Centre for Microfinance (CMF)
- **In Pakistan:** Pakistan Microfinance Network (PMN)
- **In Sri Lanka:** Lanka Microfinance Practitioner's Association (LMFPA)

