

Microfinance and Capacity Development Project

Community Consultation



Flo - Myanmar Business Executives association

PfC (Partnership for Change)

- Norwegian NGO non-profit working on
 - Sustainable economic development
 - Empowering local communities
 - Encouraging social innovation

MBE (Myanmar Business Executives association)

- Myanmar NGO non-profit working on
 - Education
 - Social Development
 - Responsible Business

What is Microfinance?

- Financial service directed for entrepreneurs

Saving money

Loaning money with low interest (2.5% monthly, 30% annually) for positive development

> Microcredit

- Financial service for long term development
- Financial service for constructive development
- Financial service for personal use but collective development

What is Capacity Development?

- Providing resource and skills to improve living conditions in the community

Generate revenue

Build trust

Avoid severe misconducts

Foster a community that supports each other

Preserve an environment

Preserve a way of life

What is Community Consultation?

- To ask the community (you!) if you would like to work with us
- To ask the community (you!) how would you like us to help
- To see who wants to help their community?
- To see who wants to participate in the program with dedication and integrity?

After Community Consultation?

- We will chose community/group with who we will work in the first stage of the project (after might expand)
- We will contact community management candidates for interviews Thursday
- We wil have a training course in Inle and possibly in Yangon as well

Inle Reputation

- Some NGOs leaving Inle or decreasing their initiative for two reasons according to them:

Inle does not need help because they have tourism

Inle communities do not re-pay or use microcredit for constructive collective long term purposes

- We want to prove them wrong! We want a program that really helps the community and recipients who makes the microfinance program successful, pay back and use them for constructive collective long term purposes

Overview of microfinance system

Loan Recipients - Entrepreneurs

Community-driven Management Group
(Manager, Organizer and Accountant)

Partnership for Change and MBE

Overview of microfinance system

- 2.5%/30% (monthly/annually) interest
- Frequency decided in advance according to activity
- 3 types of loan
 - Normal Loan
 - Emergency Loan (after minimum 1 year of activity)
 - Investment Loan (after minimum 1 year of activity)

Overview of potential capacity development themes

- 1) Small and Medium businesses development
- 2) Trust building in an organization/a community
- 3) Democracy and Human Rights
- 4) Fighting forced labour
- 5) Fighting human trafficking
- 6) Rural development
- 7) Microfinance
- 8) Good governance
- 9) Disaster risk retention

Community-Driven Management

- Explanation of management positions

Manager (supervize group and loans, provides training)

Organizer (assist recipients, manage savings)

Accountant (keep track of transactions, manages money and vouchers)

- Who would be candidates?

Discussion

- What business activities do you have?
- How many employees do you have? (counting you)

Discussion

- Do you see a microfinance program work in your community. If yes why, if not why?
- Whats would you use a microcredit loans for?
- Do you see other communities being suitable for microfinance?

Kyie Zuu Tin Pa Deh

