



Linking Microfinance and Safety Net Programs: New Pathways for the Poorest

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microfinance is
about

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microfinance is
about

**financial
services to
poor people**



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microfinance is
about

financial
services

access to credit



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microfinance is
about

financial
services

access to credit

saving services

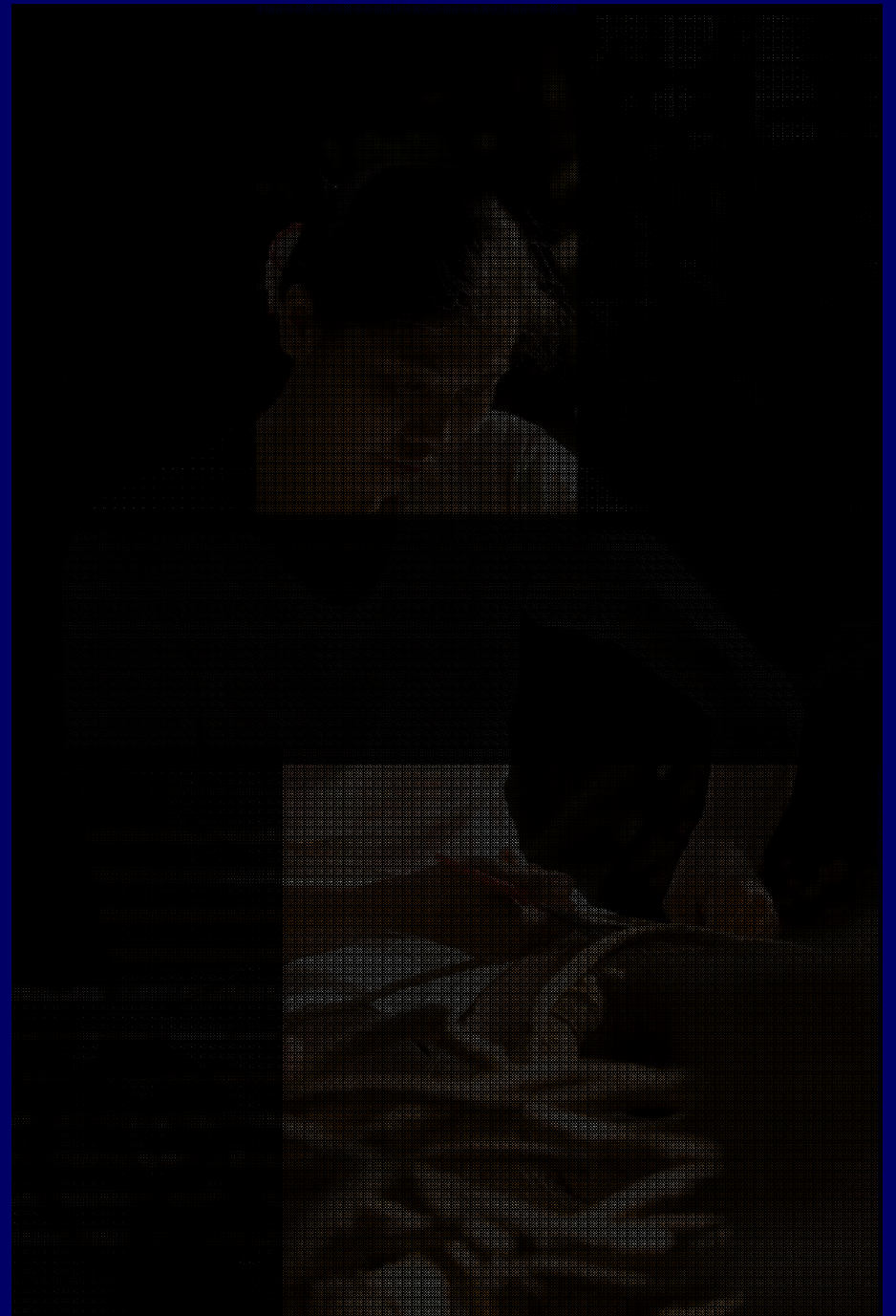


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microfinance can help her

decrease vulnerability

increase income



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**but we don't
know how to
help**

her



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microfinance is
about

access to credit

saving services

insurance

money transfer

pension

remittances

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poorest need

food

grants

employment

cgap

safety nets

can serve
the needs
of the
poorest

poorest need

food

grants

employment

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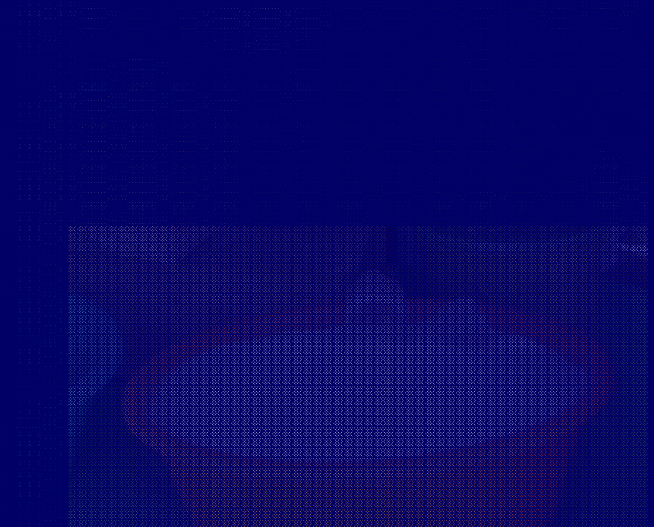
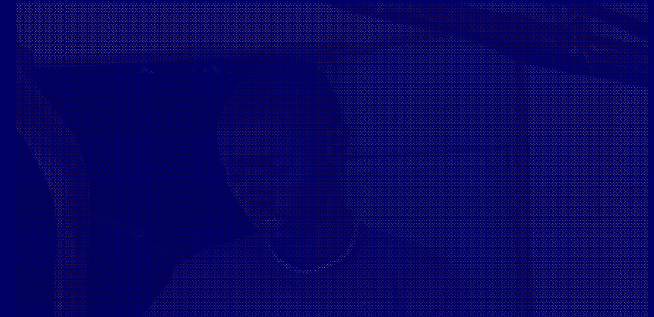
**creating
dialogue**

safety nets + microfinance

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safety nets + microfinance

food aid



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safety nets + microfinance

food aid

asset
transfer



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safety nets + microfinance

food aid

asset
transfer

health
services



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**safety nets + microfinance
= transformation**

food aid

asset
transfer

health
services



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the possibilities

food aid

asset transfer

health services

training

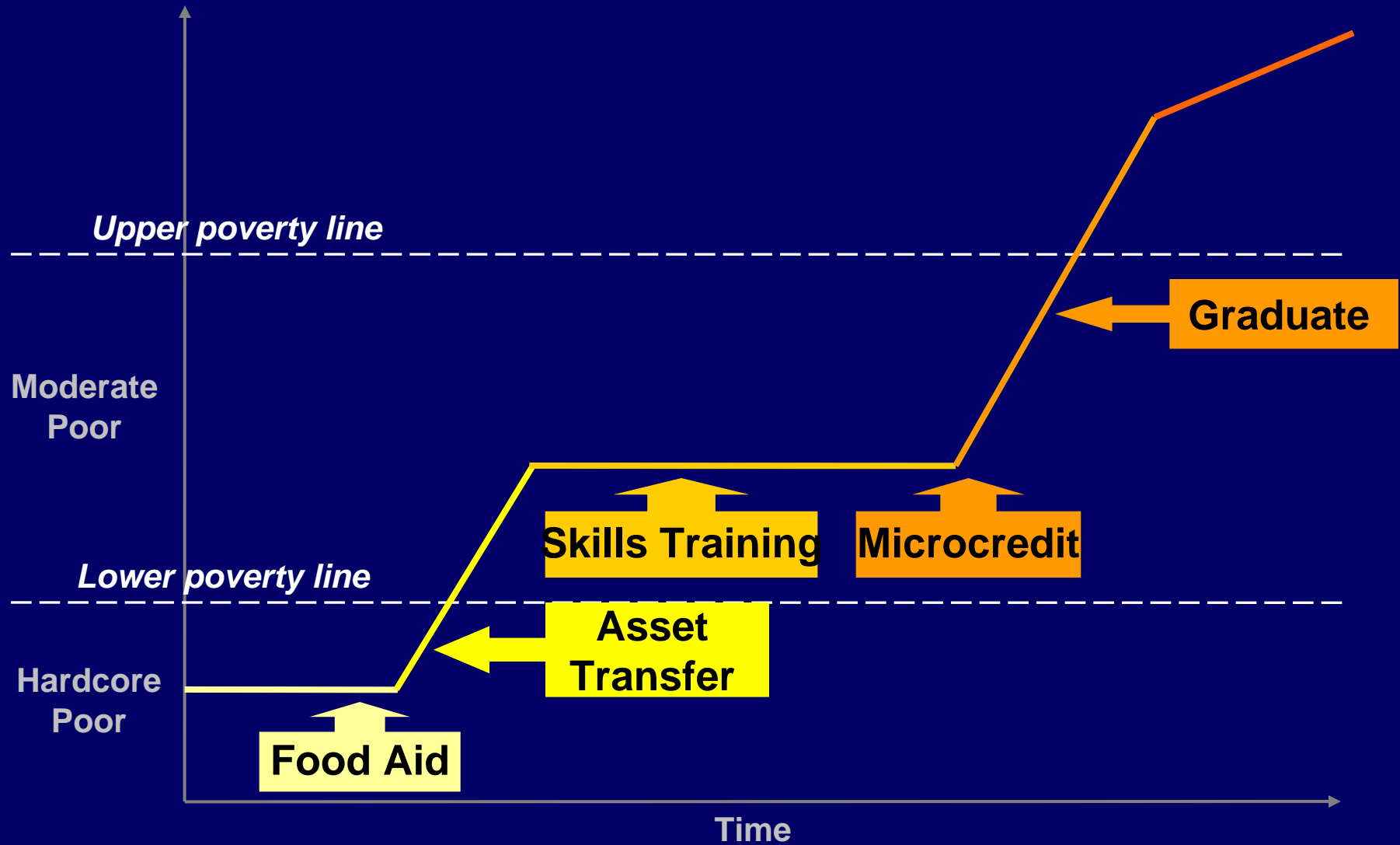
savings

credit

**safety nets + microfinance
= transformation**

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the method



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the examples

CARE

IGVGD

BRAC TUP

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the examples

CARE

**linking public
works programs to
microfinance**

IGVGD

employment

group building

savings

training

BRAC TUP

financial education

members join mf programs

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the examples

IGVGD

**income generation
for vulnerable
group development**

BRAC TUP

food aid

savings

social intermediation

training

CARE

small credit

graduation

cgap

the examples

BRAC TUP

targeting ultra poor

CARE

asset transfer

consumption support

health care

IGVGD

social support

livelihood counseling

savings

graduation

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learning from the examples

CARE

separate safety nets and
microfinance activities

IGVGD

avoid mixed messages on
grants and loans

start with savings

BRAC TUP

provide training and business
advise

start with small loans

identify enterprising participants
for graduation to microfinance

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the plan

existing safety net or grant
program

bring in strong MFI

develop products and training

pilot with few hundred clients

rigorous external assessment

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existing safety or grant
program

pilot with random sample

bring in strong MFI

develop products and
training

rigorous external
assessment

the plan

underway

India

Haiti

Pakistan

planned

Ethiopia

Zambia

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the plan

Trickle Up provides \$100 grants

Bandhan provides savings services

Separate organization provides training

BRAC provides technical assistance

MIT poverty lab designs impact assessment

underway

India

Haiti

planned

Ethiopia

Pakistan

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Fonkoze Foundation provides assets and subsistence allowance

Fonkoze provides savings services

Healthcare by Zanmi Lasante

BRAC provides technical assistance

NYU (Jonathan Morduch) designs impact assessment

the plan

underway

India

Haiti

Pakistan

planned

Ethiopia

Pakistan

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Partnership with PPAF-WB

Sindh Coastal Development
project

Infrastructure

Healthcare and education

Asset transfer

Financial services

the plan

underway

India

Haiti

Pakistan

planned

Ethiopia

Pakistan

cgap

the plan

underway

India

Haiti

planned

Ethiopia

Zambia

Partner with government food
security program

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the plan

underway

India

Haiti

Pakistan

planned

Ethiopia

Zambia

Partner with CARE safety net
program

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