

# Microfinance Programme

Over the course of the last four decades, BRAC Microfinance has grown to become one of the largest providers of financial services to the poor, providing tools, which millions can use for the betterment of their lives. The microfinance programme is a critical component of BRAC's holistic approach to support livelihoods.

## Disability inclusion

The disabled population in Bangladesh faces unique social and economic challenges. Although data is limited, a number of micro studies suggest a disability prevalence rate of between 5 to 12 per cent. In particular, the high incidence of road accidents is a significant contributor. Many microfinance institutions claimed to be working for the empowerment of poor and vulnerable people but very few examples exist that microfinance served disabled people. MFIs think they are economically vulnerable and credit risk is higher compared to others. They face extreme poverty and discrimination not only from family but also from society, institutions and government.

BRAC did an informal study of its microfinance clients all over Bangladesh to know the number of disabled clients served by the programme. The reports revealed that although its microfinance programme was serving around 3,000 disabled clients but it needed to work with them in a more structured manner.

In August 2011, BRAC developed a strategic partnership with the prestigious Centre for Rehabilitation for

the Paralyzed (CRP) a Dhaka-based organisation that provides holistic treatment for patients with spinal injury. Under the partnership, CRP screens patients who may be interested in obtaining loans and then connects them with BRAC Microfinance. The microfinance programme then provides them with a prioritised and customised set of services and also facilitates their access to BRAC's other development programmes. The cumulative disbursed of loan till July 2014 is USD 19,154 and average disbursed loan size is USD 582. The small pilot thus far has been very successful with none of the clients defaulting and all of them saving on a regular basis. The average savings account balance is USD 125. The majority of the clients are entrepreneurs, owning and operate grocery shops, tea stalls and small vending businesses. To expand the coverage and to involve with more organisations who are working with disability, BRAC Microfinance recently entered into an agreement with Action on Disability and Development (ADD), Bangladesh, which also works with disabled people, but with a focus on campaigning for equal rights and ensuring

## Microfinance initiatives at a glance

Clients with disabilities **3,000**

Total loans disbursed for selected CRP and ADD clients  
**USD 19,154**

Average loan size **USD 125**

## Network / Partnership

1. Centre for Rehabilitation for the Paralyzed
2. Action on Disability and Development Bangladesh