

PROJECT FACTSHEET

Title of project	SCBF 2012-09: Leading the expansion of gendered individual lending
Country / region	India / 20 states (302 branches in urban and semi-urban areas serving more than one million clients)
Financial Intermediary	Ujjivan Financial Services Ltd. , Microfinance Institution
Competence Centre mandated for execution	Women World Banking (8 West 40th Street, 9th Floor, New York, N.Y. 10018) in collaboration with Swiss Agency for Development & Cooperation
Overall project budget	CHF 172'237 (23% self-contribution by partners)
SCBF contribution	CHF 132'237 (77% SCBF funding share)
Date of project approval	17.12.2012
Project period	03.2013 until 02.2014
Context	The Indian microfinance sector is relatively well-developed and yet the market is still dominated by group loan offerings. The industry is now confronted with a new challenge: how to support women as they grow their businesses beyond the group loan credit limit? An ever-growing number of capable female micro-entrepreneurs are reaching the point where group loan maximums are no longer sufficient to meet their needs, yet they are unable to access an individual loan. As a result, their ability to grow their businesses is significantly constrained. The difficulties associated with graduating from group to individual loans are driven by: 1) women's limited access to collateral; 2) limited business visibility (as result of their engagement in home-based businesses that have zero visibility in the marketplace, where many MFIs seek clients); 3) social and cultural norms; and 4) limited financial literacy, e.g. women are often unfamiliar with banking terminology, and find it difficult to understand paperwork, read brochures or fill out forms.
Current status	In 2008, WWB trained Ujjivan on WWB's individual lending (IL) methodology. WWB helped to develop an IL product, policies and procedures; developed a system for operationalizing IL, trained staff and monitored a pilot to optimize process. In 2010, Ujjivan implemented a modified version in the wake of the microfinance crisis in India. As of December 2011, it had 8,951 IL clients, over 85% of whom are women (the remainder are open-market acquisition loans).
Objective and main activities	The objective of the project is to scale up Ujjivan's IL program and in doing so, increase women's participation to 100%. This will be achieved through optimizing Ujjivan's IL products, methodology and delivery in order to allow them to effectively target and serve their existing female client base while minimizing portfolio risk. The main activities of the project are: <ol style="list-style-type: none"> 1) Planning and Institutional Diagnostic: Diagnostic assessment of operational and marketing processes to confirm operational readiness to scale up women-focused IL. 2) Strategy and Product Design: Optimization of product, policies, delivery, and mechanisms to ensure balance of optimal access for eligible women clients and portfolio quality. 3) Development of Marketing and Financial Literacy Materials: Design and implementation of a marketing strategy and plan, including a financial literacy component, to build awareness, and educate women about product offerings. 4) Development of Staff Capacity Materials and Training Of Trainers (ToT): Capacity building on product scale-up, including comprehensive risk management, policies, delivery, mechanisms and marketing for women-focused IL. WWB will also provide a TOT, for approximately 24 Ujjivan staff members, who will roll out the training to approximately 130 loan officers. 5) Exposure Visit for Ujjivan team: Exposure visit to a mature MFI that has implemented successful women focused IL programs. 6) Pilot execution and evaluation: Roll-out updated product, processes, and marketing strategy. Track progress, make adjustments and evaluate the pilot.