

microcredit

ISSUES

Lack of access (especially by woman and smallholders) Need for collateral Land ownership (access for landless) What to finance Need to finance knowledge and services Capacity to repay Lack of alternative providers (no microfinance market) Lack of entrepreneurial/business skills No direct access to market (middlemen) Good governance (political influence) Debt financing Urban footprint of providers Multi-purpose financing Funding wider than hort Risk exposure for lending institutions Low capital base of financial institutions Policy underpinning/public policy Ability to develop business plans Reasonable rates Potential corruption/audit requirements Price risk Respecting contracts Capacity to re-finance debt (pool of microfinance) Graduation from microfinance to finance (commercial credit)

PRORITISED ISSUES

Lending institute issues
Financial products/method of financing
Borrowers profile

CHALLENGES & OPPORTUNITIES

Cooperative financing (for larger infrastructure etc) Joint liability (community groups) Collective approaches/self help groups Public Private Partnerships (Donors/Financial Institutions) for microfinance provision Savings mobilisations Physical location of lender (access) Lender-Buyer "Co-op" (contract farming) Link loan projects to bigger issues Contract farming Input insurance (in case of crop failure etc) Market intelligence (information) Institutional capacity building/skills development General capacity building/skills development (Hort CRSP) Proactively catalyse PPPs and Institutional relationships

STRATEGIES

(Hort CRSP) Proactively seeking/catalyse PPPs and Institutional relationships Linking technical opportunities to finance Technical support for grades and standards Capacity building/training Opportunities to strengthen womens borrowing opportunities