

HOW DO ECONOMICALLY ACTIVE PEOPLE WITH DISABILITIES ACCESS MICROFINANCE?

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Introduction

UN Convention on
Persons with
Disabilities, 2006

- Article 1 (Equal Participation)
- Article 6, 12.5.5, 27.f (Economic Empowerment)

15% of the world's
population have
disability (WHO, 2011)

Sustainable
Development Goals
(4,8,11,17),
2015-2030

- People with disabilities are referenced 11 times

People with disabilities especially those that are poor and yet economically active are constrained by a number of factors and remain poor due to limited livelihood opportunities



Bangladesh and Disability

Statistics on People with disabilities

- 9.07 % (BBS, 2010)
- 1.4% (National population and housing census, 2011)
- 6.94% (BBS, 2016)

The Rights and Protection of the Persons with Disabilities Act, 2013

Social and cultural beliefs and attitudes affect people with disabilities (Titumir and Hossain, 2005)

Several NGO-MFIs have taken initiatives to offer microfinance services to selected economically active people with disabilities

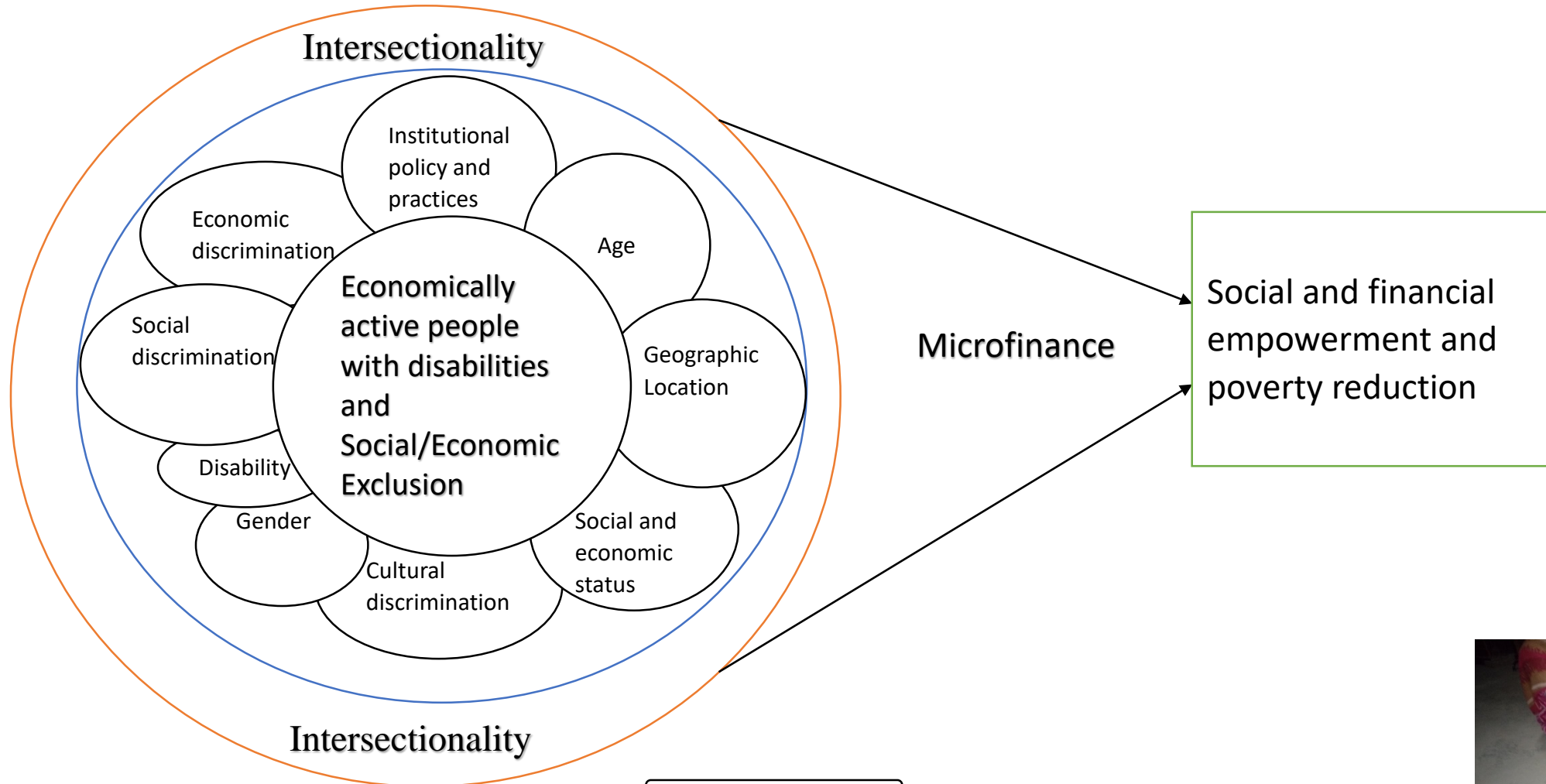
Microfinance could be a possible solution for poverty reduction



Theoretical Framework

- Intersectionality

- The meeting points and connections of multiple forms of oppression and discrimination (Ravnbol, 2009)



Source: Author, 2018



Aim of the study

The study aims to understand the barriers that economically active people with disabilities face for accessing microfinance in Bangladesh.



Methodology

Qualitative
Study

Case Study
Method

Data
Collection

- Semi-structured in-depth interviews
- Observation
- Document analysis

Data
Analysis

- Thematic Analysis



Barriers to Access Microfinance

Braun and Clarke's (2006) six-step process for thematic analysis :

- Individual Level
 - Misconception
- Institutional perspective
 - Credit conditions
 - Staff's attitude
 - Training
- Integrated Approach



Findings: Individual level

- **Self employment –Credit**
- **Misconception**
 - Die early
 - Credit for consumption
 - Social capital
 - Continuous rejection
- **People with disabilities are good clients**

“Self-employment is a big challenge. To become self-employed, someone needs capital. Generally, poor people without disabilities face difficulties to access credit. For poor people with disabilities, it becomes almost impossible to access credit.”
(Manager of a DPO)



Institutional Perspective

- **Credit conditions**
 - Interest rate
 - Credit size, repayment
 - Documents

“I could not get credit from NGO-MFI or banks. They charge high interest that I cannot afford.I do not go to MFIs because I think I will not be able to repay credit due to high interest.”
(Shakib Ahmed, physical disability, rural area, age 46)

“We need to get enough time to invest. It becomes difficult for us to repay credit just within one week after receiving credit. We have to sell products, generate income and repay. We cannot generate income immediately after receiving credit.” (Razia Begum, Blind, urban area, age 45)



Institutional perspective (Conti.....)

- **Savings and insurance**

“I have to save money before getting credit from MFIs. It is hard for me to save first. ...due to poverty, I cannot manage food for my family, how could I save?” (Rupali Begum, rural area, mental illness, age 40)

- **Assets**

“.....when people with disabilities have no/less assets in the their houses then they [MFIs] might not approve credit. They [MFIs] think people with disabilities are risky.” (Hasan Miah, physical disability, urban, age 22)



Institutional perspective (Conti.....)

- **STAFF BEHAVIOUR**

- **TRAINING**

“They [MFIs] did not give me any training. Training would be very effective for us [people with disabilities] since in most cases, we are not educated. If we get training then we could use credit productively.” (Mamun Miah, urban area, blind, age 26)



Integrated Approach

- Involvement of all stakeholders
- Linkage to the market
- Role of regulator

“We all have to come forward to provide service to people with disabilities. For instance, government or NGO could provide training, somebody could provide awareness building support, and others could provide credit. It should be collective efforts to provide service to people with disabilities.” [Senior Manager of an MFI]



Integrated Approach (cont....)

- Donor support
- Promoting success stories

“Microfinance projects for people with disabilities are more spontaneous in certain areas due to donor’s support and vice-versa.” (Director of an MFI)



Concluding Remarks

- Identifying people with disabilities
- Implementation of the polices and act
- Flexible credit conditions, product design
- Customised training
- Minimise digital discrimination
- Access to rural areas
- Collective approach



Thanks and Questions?

