

OVER 4.3 MILLION WOMEN ACCESS INCLUSIVE FINANCIAL SERVICES FROM VBSP – ADVANCING WOMEN’S EMPOWERMENT AND GENDER EQUALITY

VBSP’s mission is aimed at sustainable poverty alleviation, job creation, combat climate change, water and environment sanitation, gender equality, disability inclusion and social security. The target customers are the poor and other disadvantaged groups, in which women are always prioritized to serve and access to financial services.

To date, VBSP is serving 6.5 million household customers, out of which female customers is 4.3 million, making up 66.2% in total and almost all are living in remote and rural areas. To facilitate access to financial services for poor women, VBSP collaborated with local mass organizations to establish over 180,000 savings and credit groups. The number of women who is leaders of Savings and Credit groups accounts for 55% of the total number of group leaders.



With the specific target customers, VBSP's borrowers are concentrated mainly on the rural, ethnic minority and mountainous areas with the purpose of poverty reduction, job creation, economic development, income generation, and life’s quality improvement for the people and specific target groups such as ethnic minorities,

unemployed workers or women to contribute to the promotion of gender equality in policy credit activities.



At the end of 2019, VBSP served **4.3 million** women with outstanding loans of VND **108,834 billion** (USD 4,732 million), accounting for **53.2%** of total loan portfolio. It is as follows:

- As for credit programs for poverty reduction (such as programs for poor households, near-poor households, newly escaped from poverty households, housing for the poor, housing against flood for the poor, etc), there are **1.72 million** female clients with the outstanding loans of VND **54,871 billion** (USD 2,386 million), increased by VND **2,080 billion** (USD 0.09 million) compared to the end of 2018.
- As for job creation programs, there are **0.345 million** female customers with the outstanding loans of VND **12,364 billion** (USD 0.54 million).
- As for other credit programs (such as extremely disadvantaged ethnic minority households program, loans for husbandry and production forest development, clean water and rural sanitation, disadvantaged students program, program for business and production households living in extremely disadvantaged areas and communes, etc), there are **2.248 million**

female customers with the outstanding loans of VND **41,598 million** (USD 1,808 million).



The average outstanding loans of female customers in 2019 were VND **25.2 million** (an increase of VND 2.6 million) compared to 2018.

Since 2016 up to now, VBSP has collaborated with Women Union to hold over 30,000 training-the trainer classes for group leaders and union staff, who then trained women clients about finance and banking lessons, loan management, borrowing procedures and financial literacy.

CUSTOMER SUCCESS STORIES

1. Ms. H'Giang is the leader of a Savings and Credit group having 58 members, borrowing nearly VND 3 billion from VBSP in Dak Glong district to plant forests, cultivate industrial plants, raise livestock and poultry in order to get profit, increase income and improve living conditions. In fact, from the day Ms. H'Giang becomes a Group Leader, average rate of households escaping from poverty every year reaches 3%, living conditions of many households have become better. In the past 5 years, the group has not had overdue debt and outstanding interest. Moreover, in the first quarter of 2019, the group had the highest savings deposit in Dak Glong district.



Ms. H'Giang - Head of Savings and Credit group of Village 2, Dak Som commune, Dak Glong district, Dak Nong province

As a group leader, Ms. H'Giang cleverly instructs the members to propagandize State's credit policies and VBSP's activities. "I often go to members' house to monitor how they use capital. If there are any difficulties, I will try to find ways to help them, otherwise, I will report to commune authorities for help", Ms. H 'Giang

said. Her enthusiasm has brought trust and connection between members, creating a sustainable "bridge" for VBSP to get closer to the poor in the Central Highlands.

2. In 2012, Ms. H'Jer was elected by the people in the village as a leader of the SCG managed by the Women's Union. At that time, the life of the people in the village was still facing many difficulties. People mainly lived on farming. Due to lack of capital and technology, many households work on the farm but the income is quite low. As a group leader, she came to every household to mobilize people to join her SCG to access financial inclusion service to actively do production and business.



Ms. H'Jer (middle) always shares difficulties with group members

Ms. H'Jer usually meets and talks with the poor. She also helps the households quickly access capital of VBSP. She treats the group members as her family members. Therefore, she always discusses and comments with each member on how to repay principal and interest on time and get profit when receiving the loans

from VBSP while their life is also improved. She is so happy when many households has escaped from poverty thanks to VBSP inclusive finance. Thanks to her efforts, for many years, the SCG has no overdue debt and outstanding interest. Up to now, the group has attracted nearly 50 members with a loan balance of more than VND 1.6 billion. Especially, thanks to VBSP's capital, along with the efforts in advising people to use the capital for the right purposes, many group members has escaped from poverty and had a stable life.

3. Ms. Nguyen Thi Phuong in village 10, Phuc Son commune, Anh Son district, Nghe An province is also an example of overcoming difficulties thanks to VBSP's financial inclusion service. Since her husband suddenly died due to illness, she became the main laborer in the family. She has to work as a hired laborer but the living conditions still cannot be improved. Her children's education is at risk of dropout.



Ms. Nguyen Thi Phuong standing at her tea garden which is invested from VBSP's capital

Thanks to the enthusiastic guidance of the Head of the Savings and Credit Group, in 2013, she borrowed VND 30 million from Poor Household Lending Program from VBSP in Anh Son district. She invested immediately in raising pigs and cows.

Gradually, her family got better. After making a profit, she continued to invest 2,500m² of her family's hill garden in fish pond and tea plantation. Thanks to the application of science and technology in animal husbandry and cultivation, each year the models of raising pigs, planting tea and fish ponds bring high profits. At the beginning of 2017, she escaped from poverty and repaid the loan to the bank.

Do not give up in front of the difficulties, in mid-2017, she bravely borrowed VND 50 million from VBSP's lending program for Production and Business Households Living In Disadvantaged Areas and Communes, she invested 5 hectares of forest in planting acacia and green tea. Ms. Phuong said: "The inclusive finance helped my family have acacia forest, lush green tea hill, 8 cows and fish ponds so my family life is getting better now".



- The total assets reached **VND 216,361 billion**;
- Total funding mobilization reached approximately **140,000 billion**, accounting for nearly **70%** in total portfolio;
- Total outstanding loans reached **VND 206,805 billion**;
- The overdue and frozen debts accounted for **0.7%** in total outstanding loans, serving **6.5 million** poor households, near other disadvantaged groups.



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