



Actively supporting MSMEs in disadvantaged areas

To serve micro, small and medium-sized entrepreneurs (MSMEs) especially women-led businesses in disadvantaged areas in accessing inclusive financial services to improve their production, business and livelihood, VBSP is currently offering the following loan schemes tailored to MSMEs

- Loan for Micro-business in vulnerable areas
- Loan for Entrepreneurs in vulnerable areas
- Job Creation Loan
- Lending program for small and medium enterprises (KFW project)
- Project “Disability-inclusive finance: small finance for businesses employing, serving or owned by persons with disabilities”, funded by the Nippon Foundation of Japan (Nippon project)

In addition, VBSP also provides non-financial services such as the mobile application about financial education, which enhance digital and financial literacy, business management skill and advice for MSMEs



Lending methods

VBSP has direct lent and also set up a multi partnership with local government and mass organizations in delivering policy credit to vulnerable communes, inspection and loan checking, building funding plans and loan allocation suitably to each locality. With the motto "Transactions at client's home, disbursement at commune", VBSP has a nationwide network of nearly 10,500 fix-dated transaction points at commune level and almost 180,000 community savings and credit groups at village and hamlet level.

Lending Result

The lending results for each scheme until March 31, 2021

	Loan turnover	Debt collection turnover	Total outstanding loan	Default debt
Loan for micro-business in vulnerable areas	VND 8,541 billion (USD 372.4 million)	VND 6,065 billion (USD 264.4 million)	VND 26,558 billion, with 709,283 active customers. Average loan balance of VND 37 million/ customer	Overdue debt 0.14%
Loan for entrepreneurs in vulnerable areas	VND 97 billion (USD 4.2 million)	VND 104 billion (USD 4.5 million)	VND 215 billion, with more than 4,600 active customers Average outstanding balance VND 46 million/customer	Overdue debt 0.7%.
Job Creation Loan	VND 15,431 billion (USD 672.7 million)	VND 6,728 billion (USD 293.3 million)	VND 30.435 billion, with over 783 thousand active customers	Overdue debt 0.13%
KFW project	VND 970 million (USD 41.9 thousand)	VND 5,645 million (USD 244 thousand)	VND 56,900 million, with 76 active customers	Overdue debt 0%
Nippon project	VND 1,665 million (USD 72 thousand)	VND 3,143 million (USD 136 thousand)	VND 8,118 million, with 196 active customers	Overdue debt 0%

Socio-economy impact

- In 2020, the job creation loan have contributed to creating jobs for 344 thousand workers, contributing to reducing the unemployment rate and improving the lives of workers.

- Households and MSMEs in disadvantaged areas have access to loans to develop production and business, get rich, and contribute to local socio-economic development.

- Promote the development of microfinance to disabilities people to enable them to start a business or expand their small businesses, to generate sustainable income and economic independence.

- The financial literacy app was launched officially in August 2020 with over 15,000 active users and received many positive feedback.

Overall, the aforementioned credit programs have supported more than 5.7 million turns of customers to access policy credit, as well as sustainable poverty reduction, raise perceptions and knowledge, reduce migration and nomadic status of ethnic minorities, and socio-economic stability. Moreover, it promotes the economic development potentials of each region, contributes to complete the National Target Programs for sustainable poverty reduction, building new rural areas and ensuring social security.

