

*Building on Capacity and Education to Expand Microfinance Access*

**A Presentation of Results and Experiences from the Technical Assistance in Enhancing Access of the Poor to Microfinance Services in Frontier Areas (TA 4544)**

*Implemented by the*  
**NATIONAL ANTI-POVERTY COMMISSION**

*Funded by the*  
**ASIAN DEVELOPMENT BANK**



# **CLIENTS' SURVEY RESULTS**

*Presented by:*

**Joseph A. Alaban, Microfinance Specialist**

**SEAMEO-Innotech, Quezon City  
22 September 2006**



# Clients Survey Results

*“Enhancing Access of the Poor to Microfinance Services in Frontier Areas” (TA 4544)*

***National Anti-Poverty Commission (NAPC)***

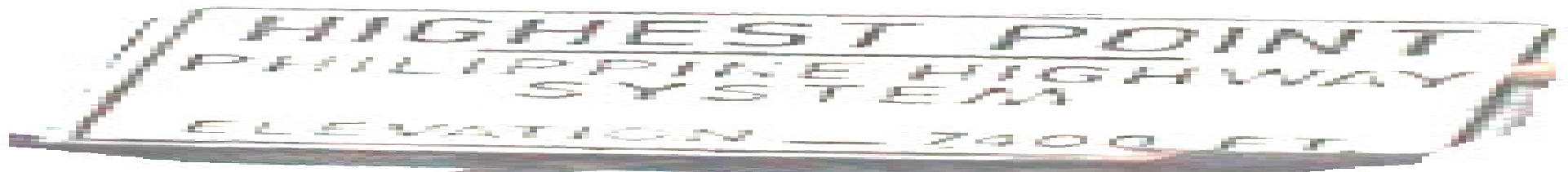
***Asian Development Bank (ADB)***

**Presented by: Joseph A. Alaban, Microfinance Specialist**

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PHILIPPINE HIGHWAY  
SYSTEM  
ELEVATION — 2400 FT

# Survey Objectives

- Provide a picture of the nature of MFIs clients in frontier areas
- Know the needs and requirements of potential clients in frontier areas
- Determine what are the business dev't services needs of the clients

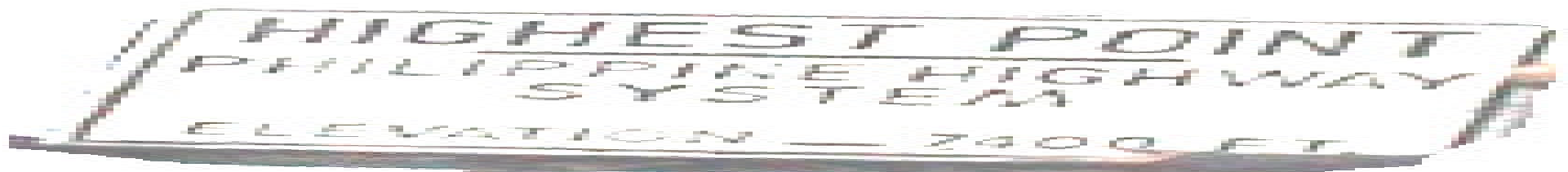


# Survey Methods

- MFIs determined clients to be interviewed

- A Mix of good, bad clients and drop outs

- 8 clients per MFIs



# Limitations

- Sampling was not random but rather purposive
- Only the clients were interviewed doesn't include other family members

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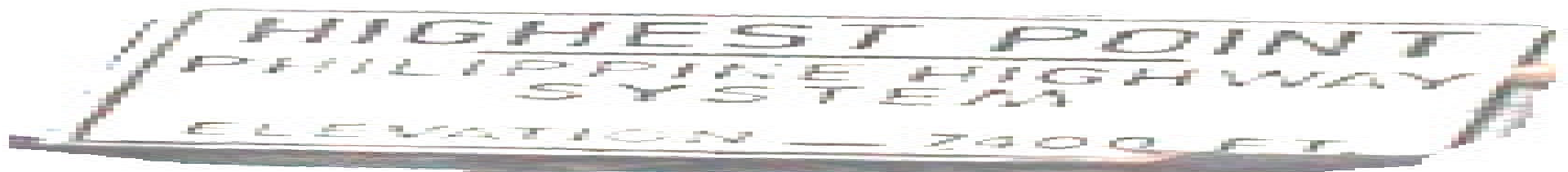
How many were covered in the survey?

424 - RESPONDENTS

144- NGO clients

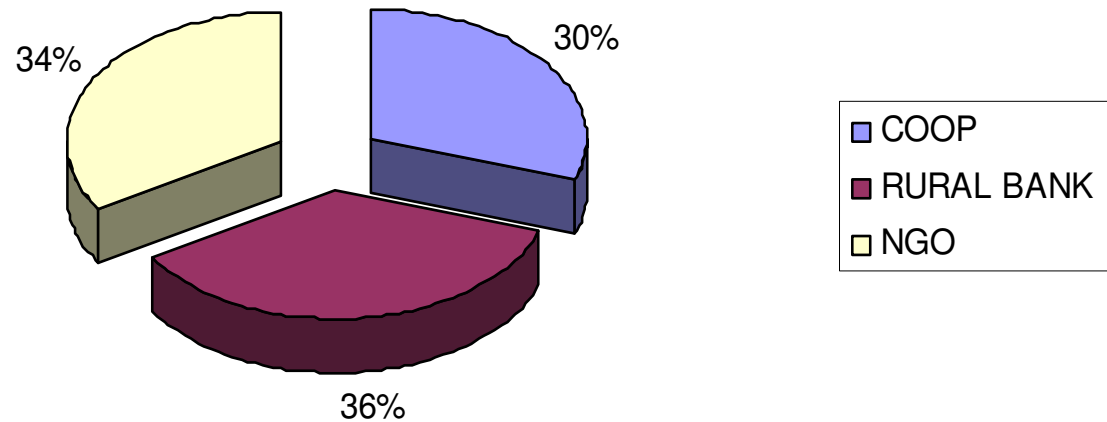
128 - Cooperatives clients

152 - Rural Banks clients



# How many were covered in the survey?

Distribution of Respondents per MFI category



# Access to Basic Services

## F A C T S:

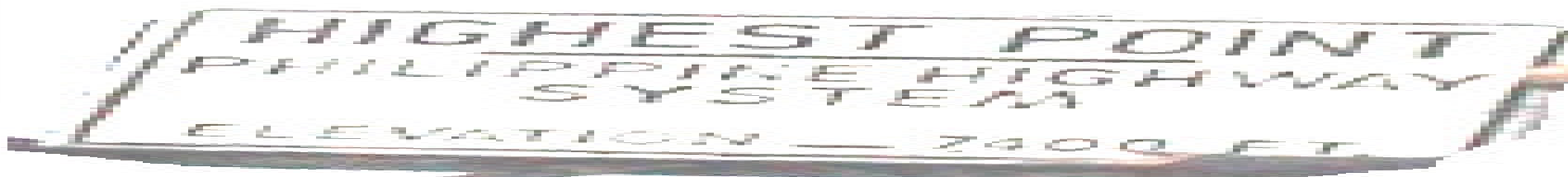
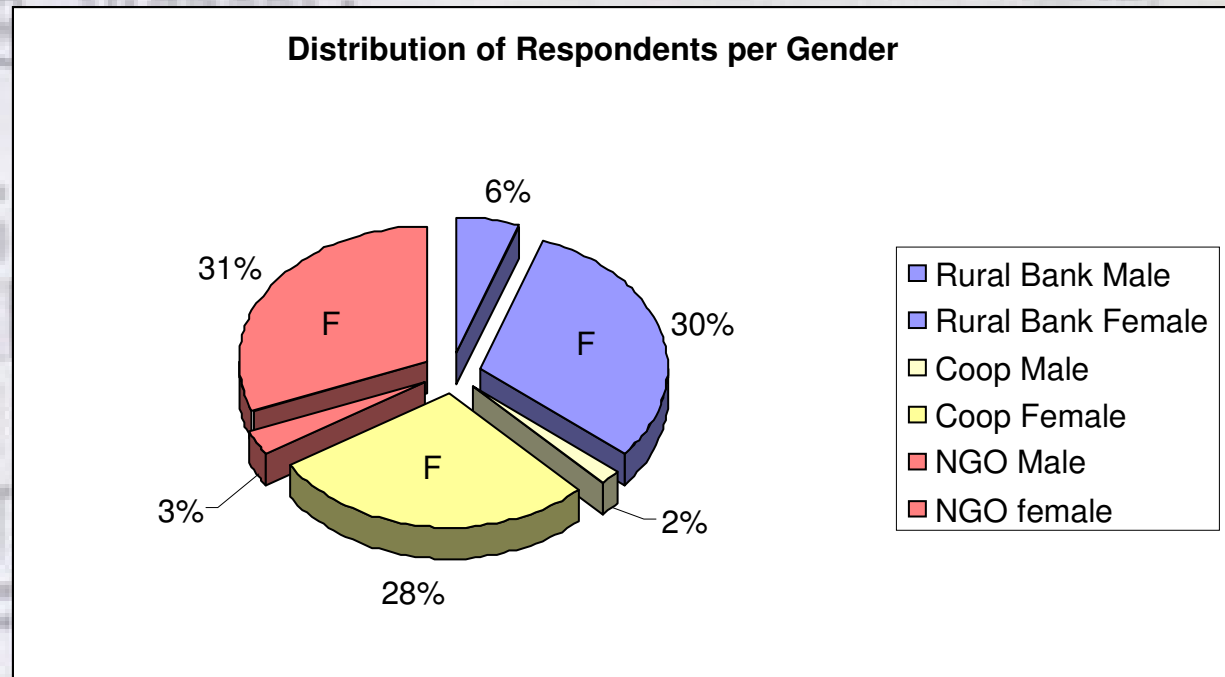
- 57% live within 3 km radius of the town proper
- 87% have access to regular transport
- ALL have electricity
- 52% have piped water

***“Most of MFI clients are near the town centers and have access to basic services such as transportation, electricity and water.”***

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ELEVATION — 2400 FT

# Respondents by Gender

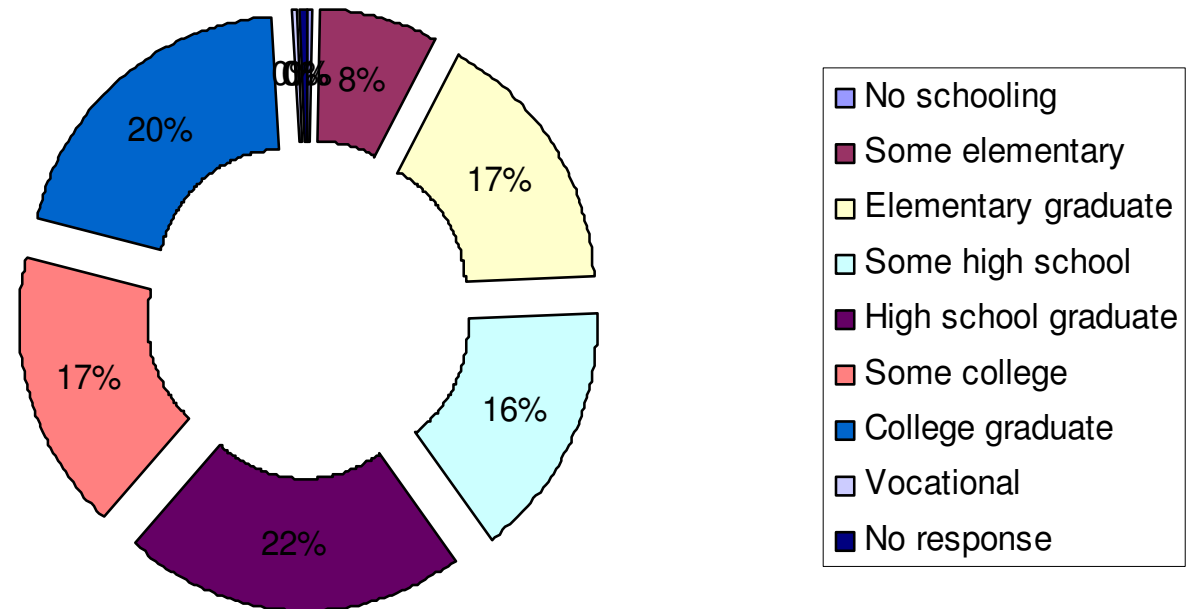
- 90% Women
- More than 50% between 36- 50 years old



# Educational Attainment

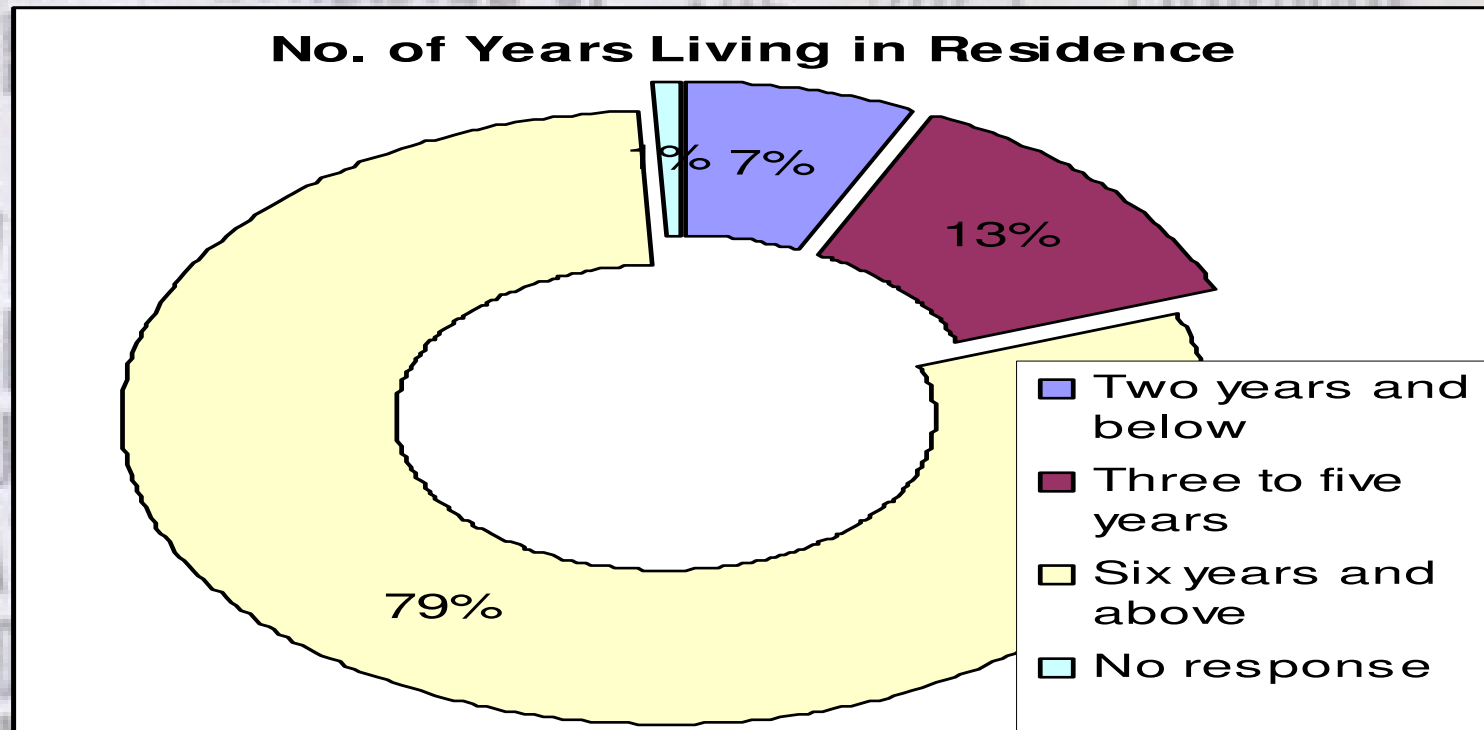
- Majority have some level of education

Distribution of Respondents per Educational Attainment



# Permanency in Residence

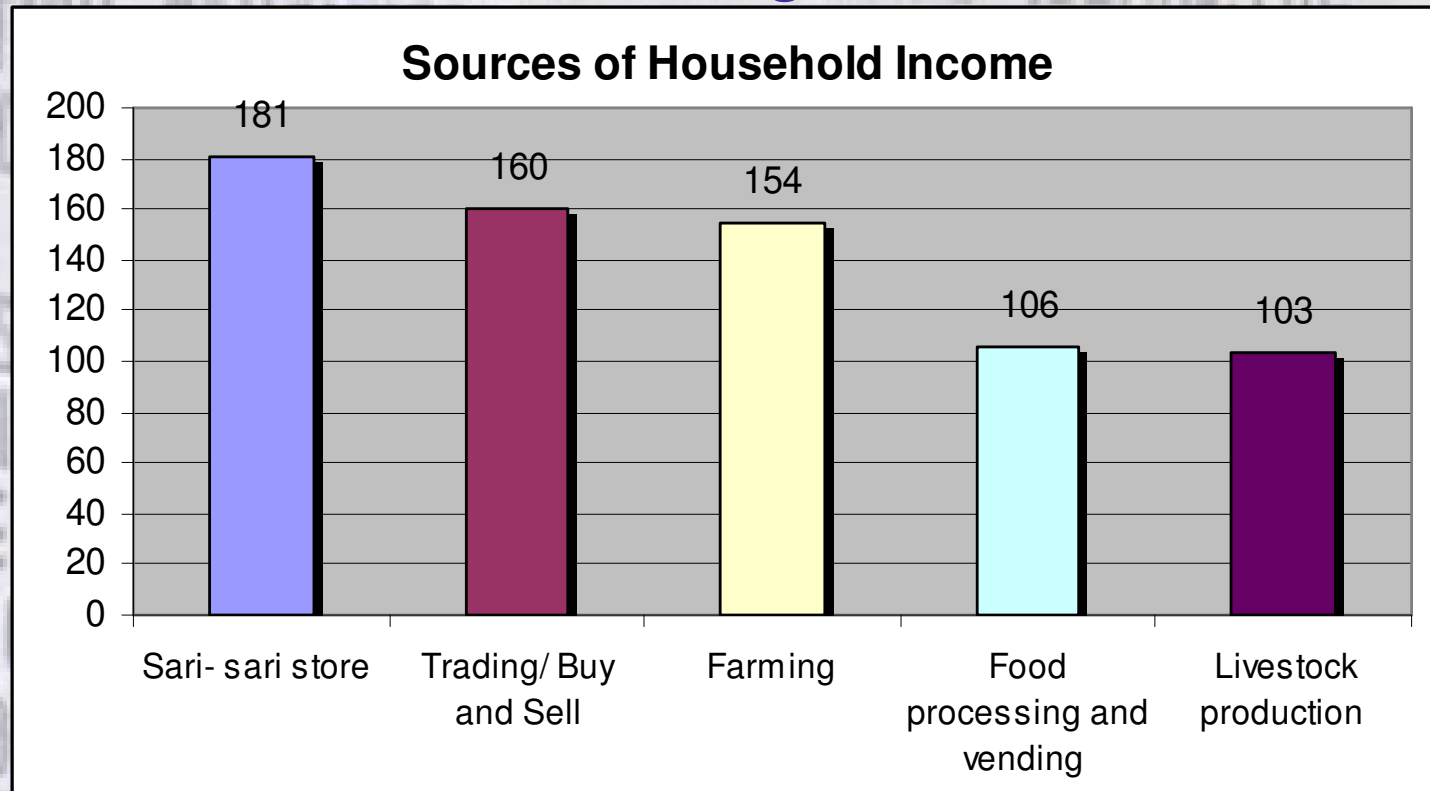
- 80% exhibit permanency in present residence



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# Top 5 Sources of Income

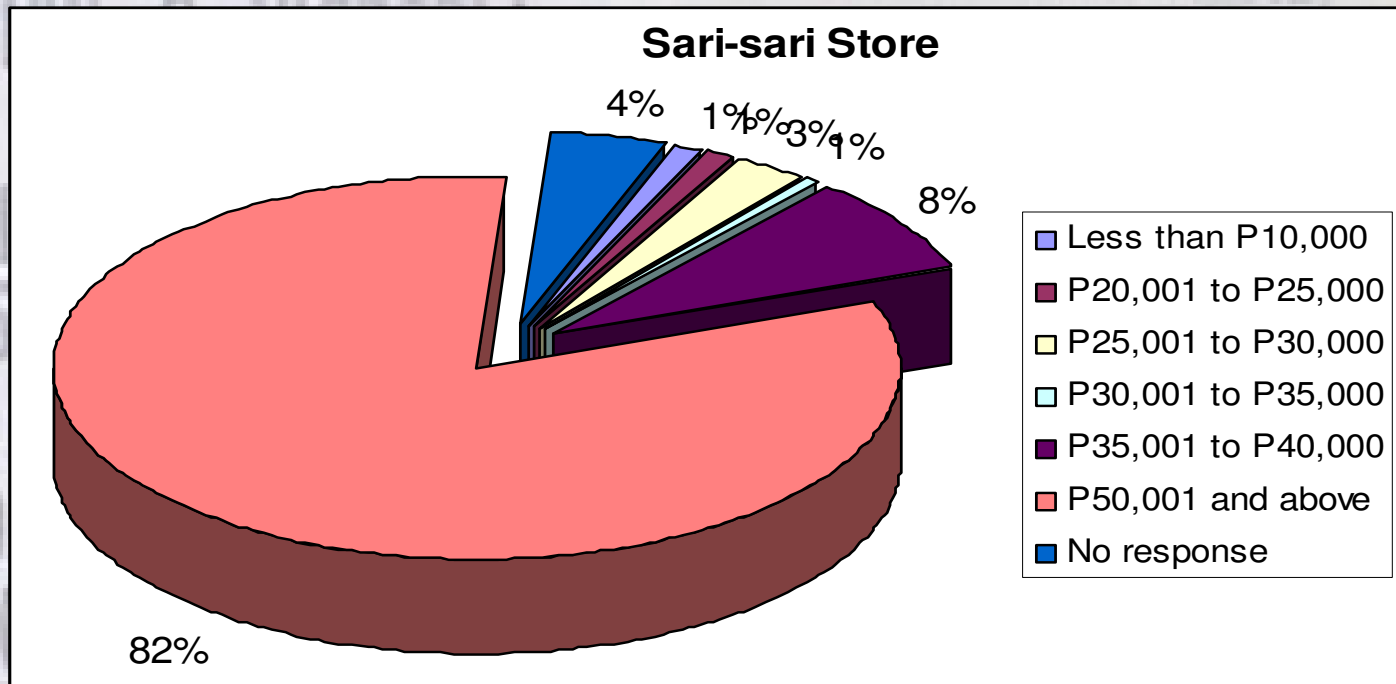
- Top income source is retailing



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# Annual Income per source...

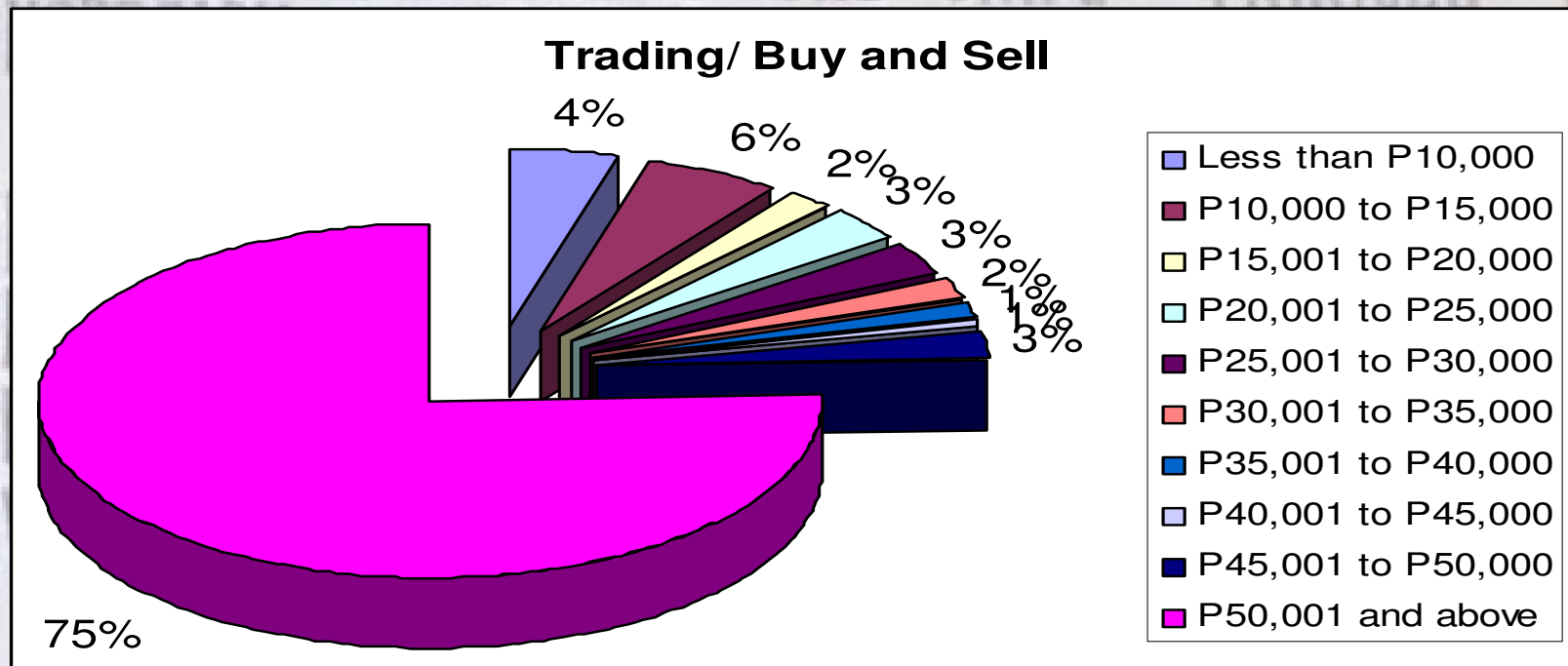
- 82% earn more than PhP50,000 per annum



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# Annual Income per source...

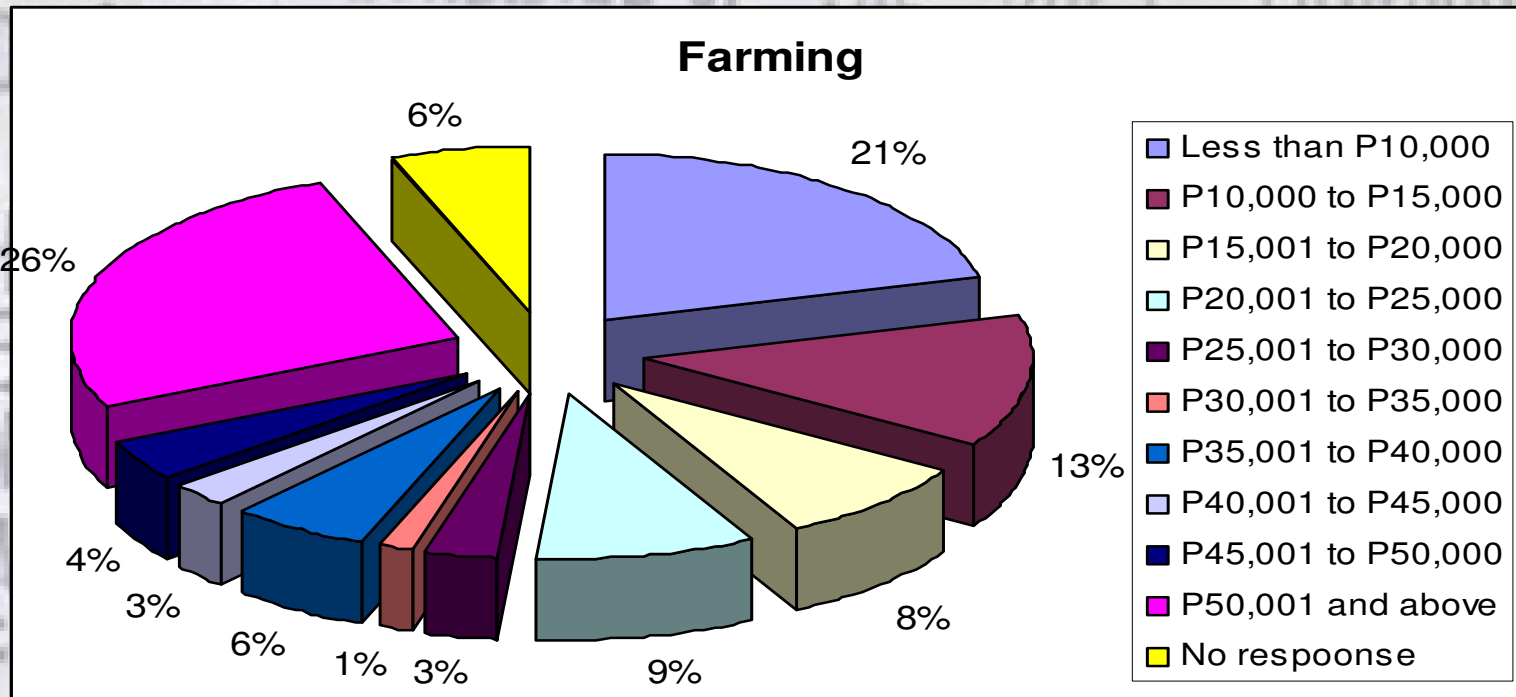
- *75% earn more than PhP50,000 per annum*



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# Annual Income per source...

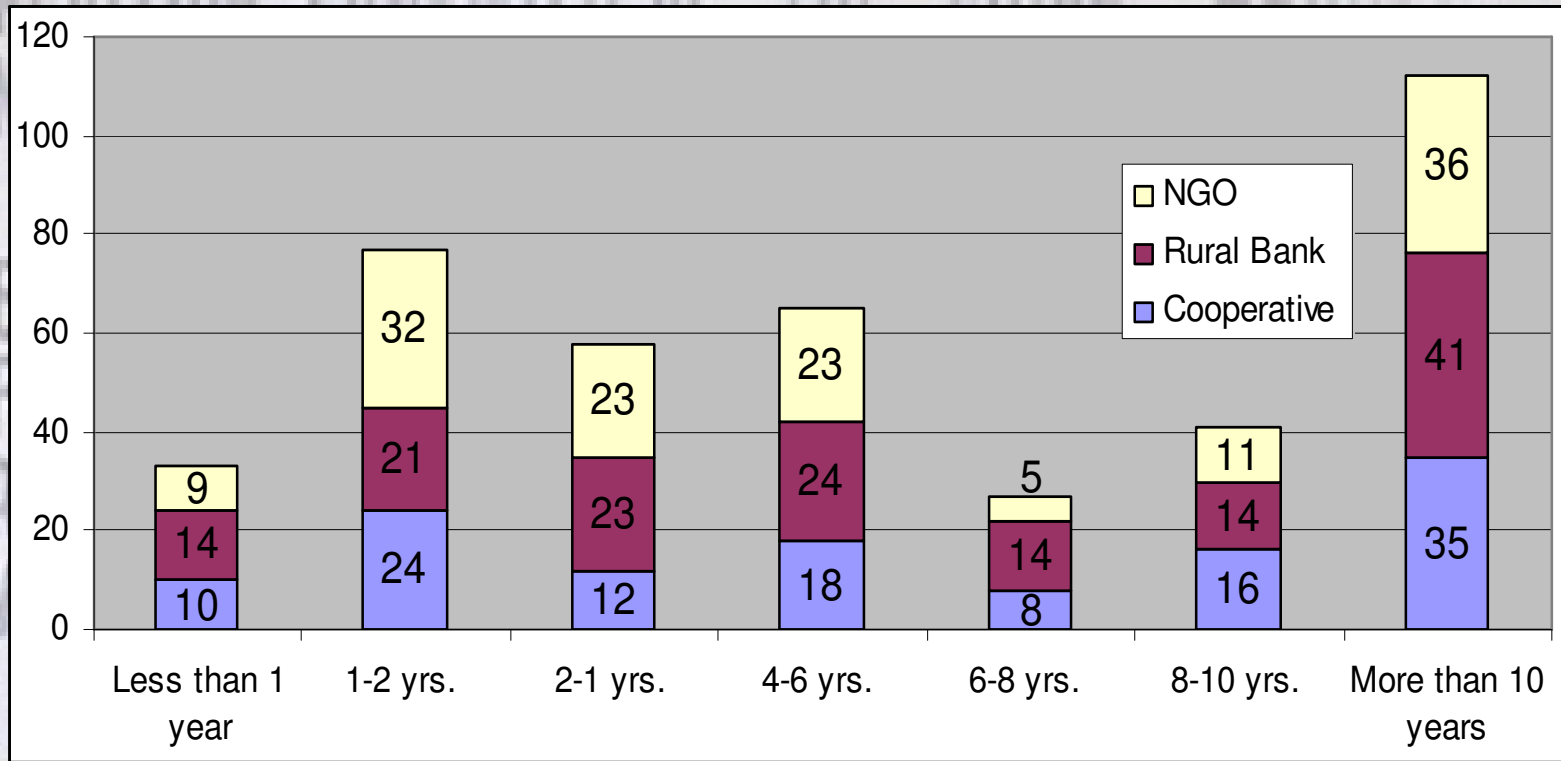
- 26% earn more than PhP50,000 per annum while 20% earn less than PhP10,000 per annum



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# Years in business...

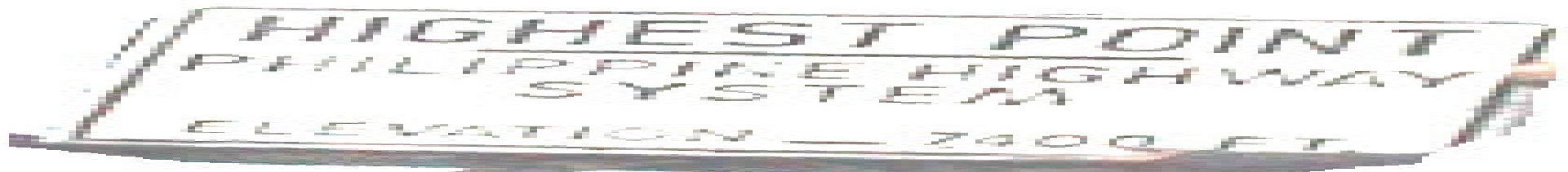
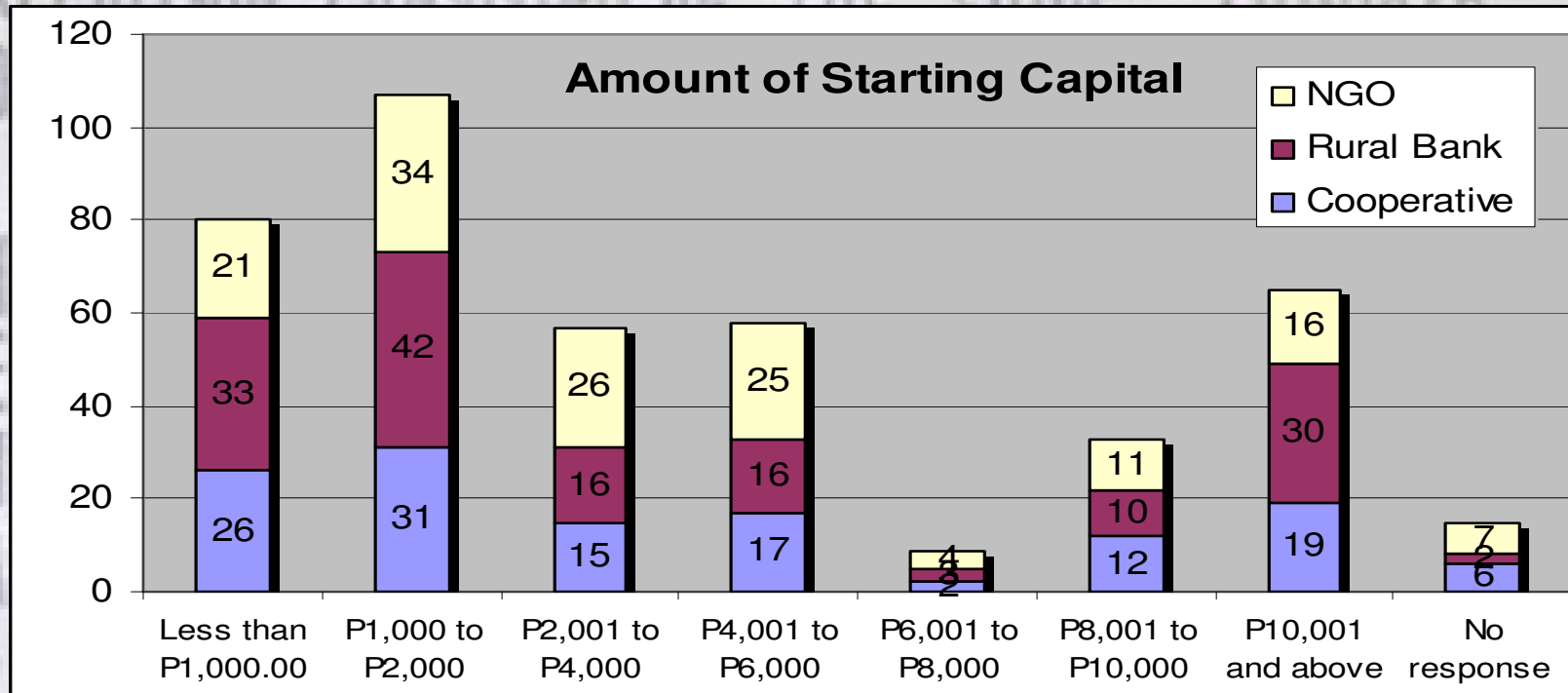
- Majority have been operating microenterprise for more than 10 years



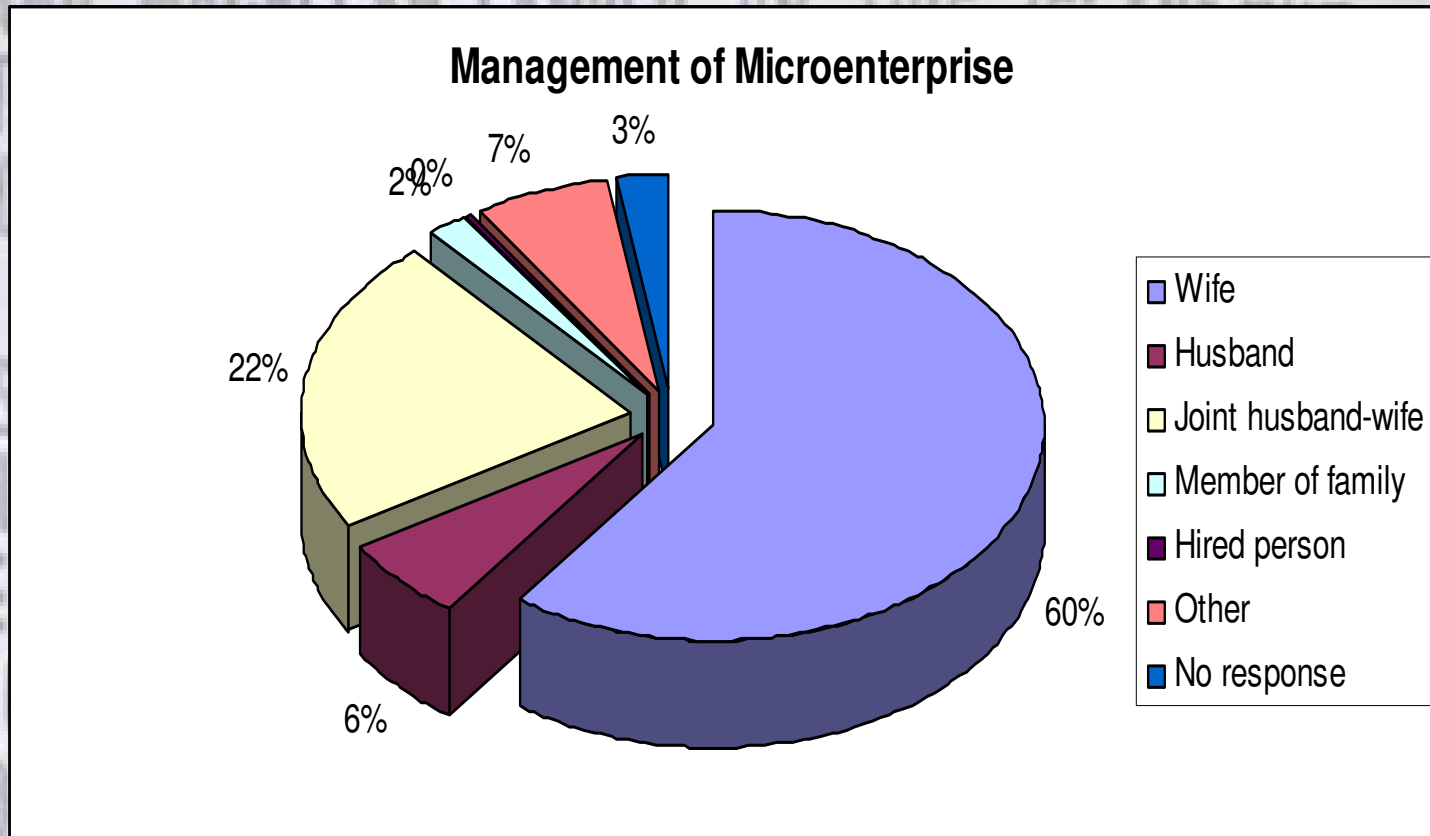
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# Amount of starting capital...

- Majority started their business with a capital PhP 2000 or less



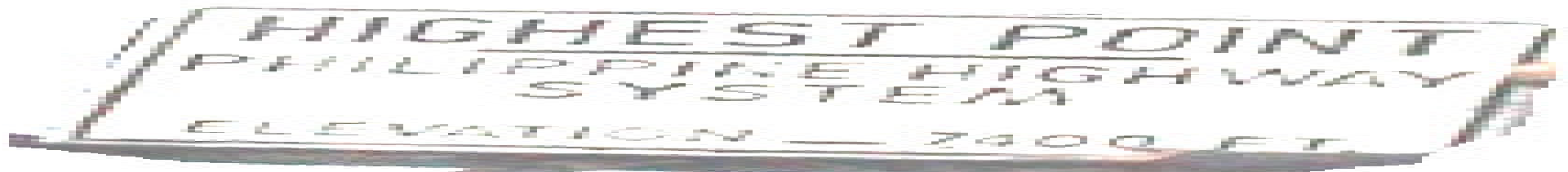
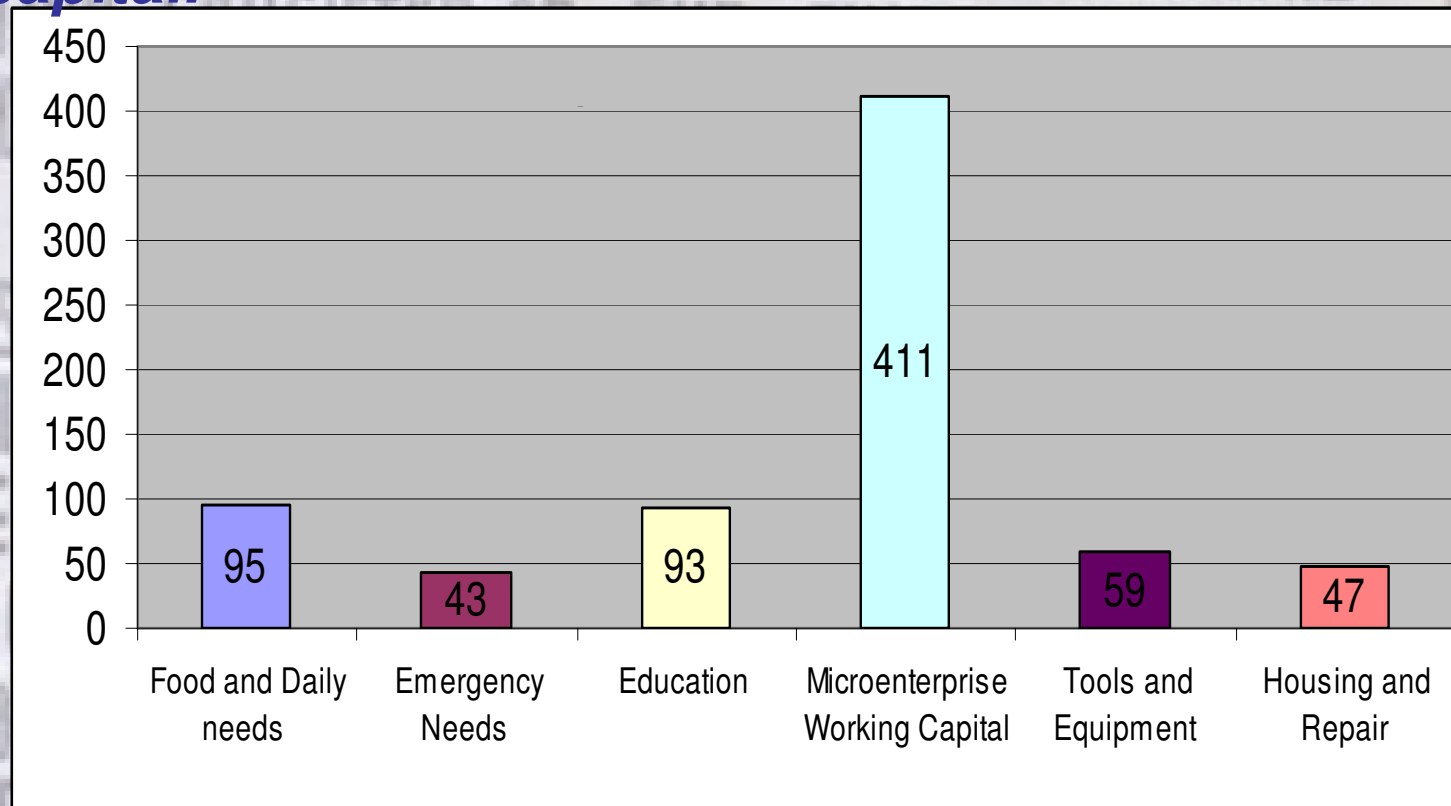
# Who manages the business?



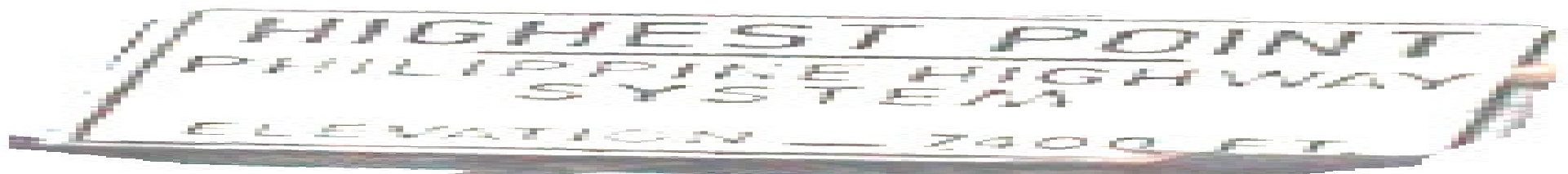
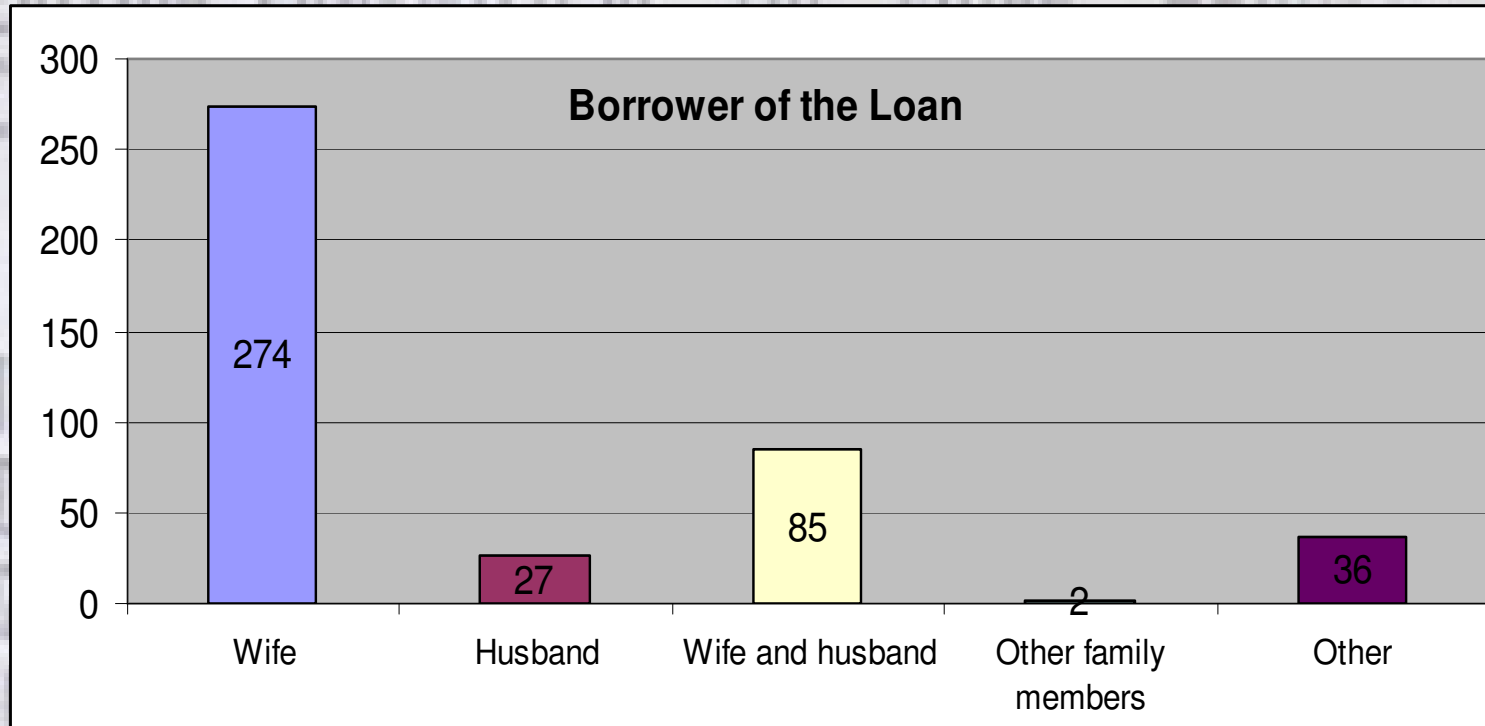
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# Loan from MFIs was used for....

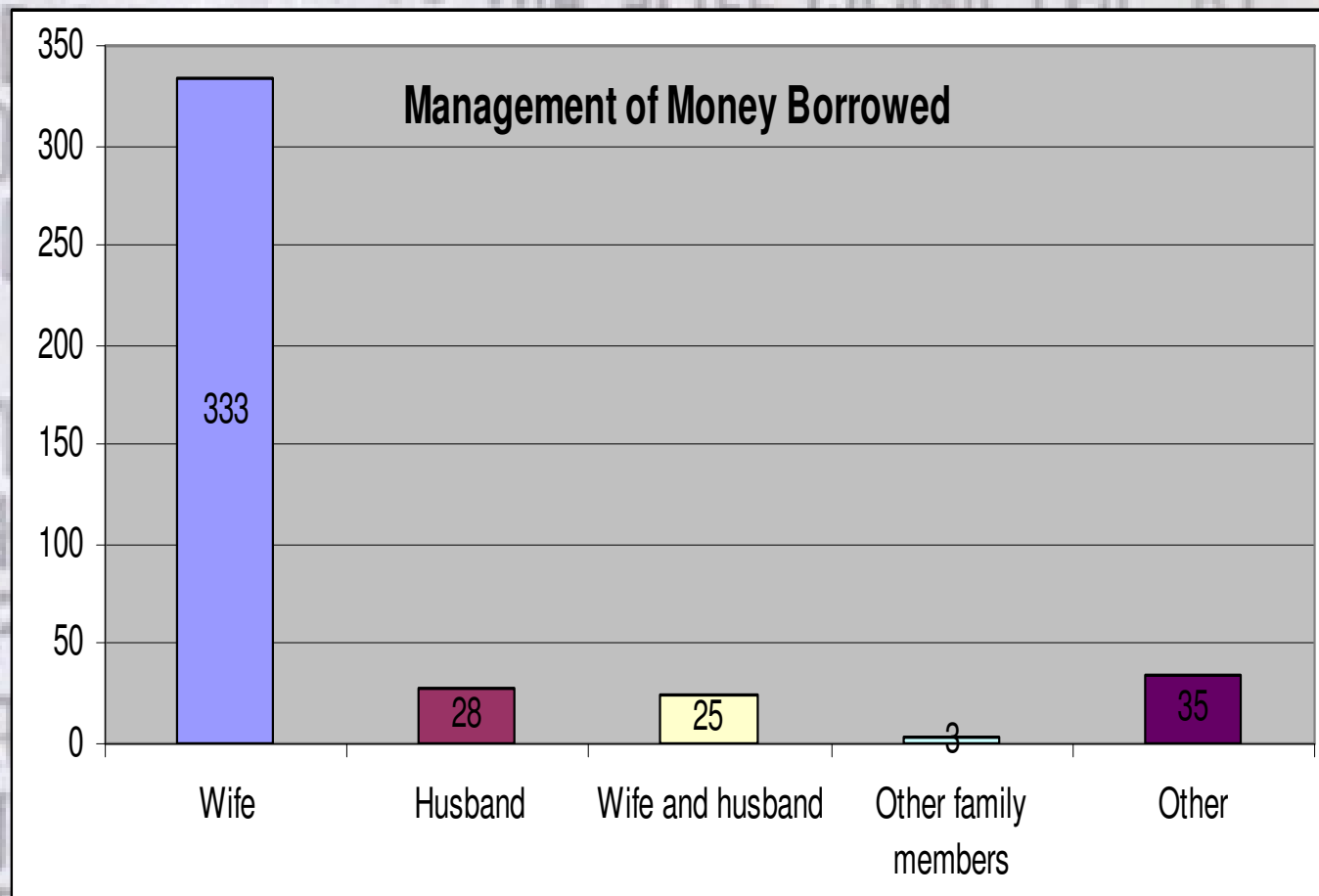
- *Majority who borrowed used the loan as working capital.*



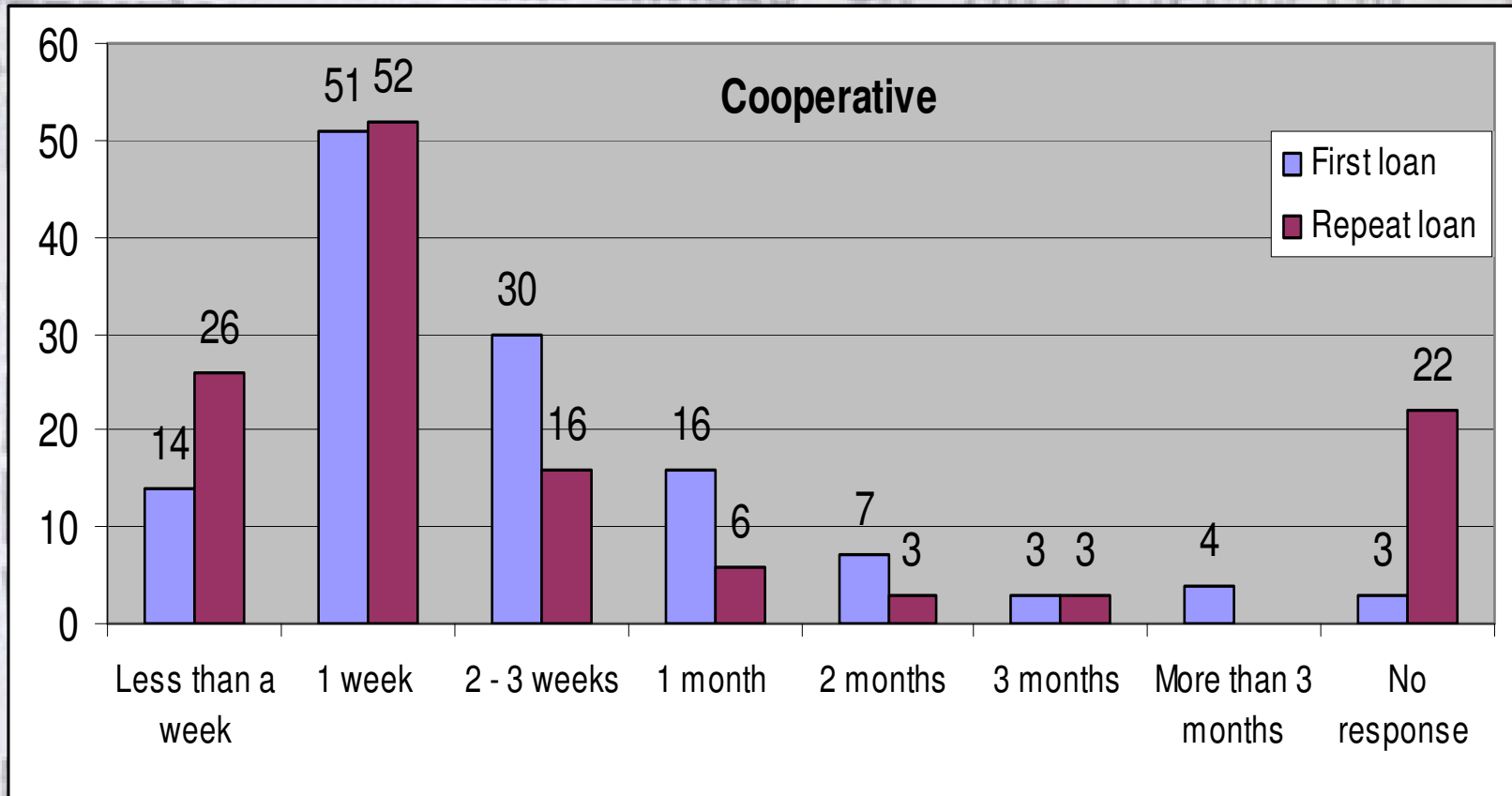
# Who Borrows?



# Who manages the loan?

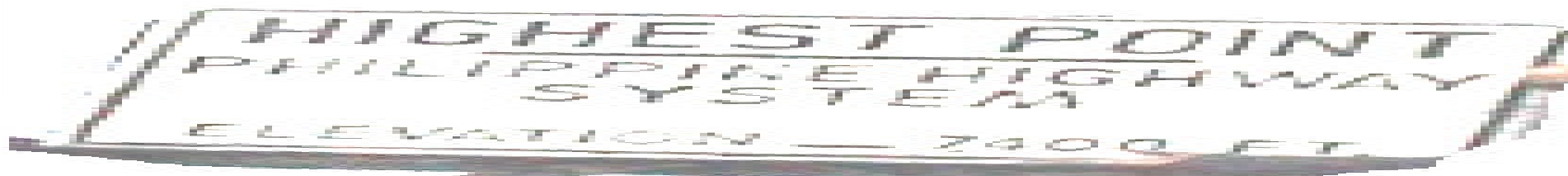
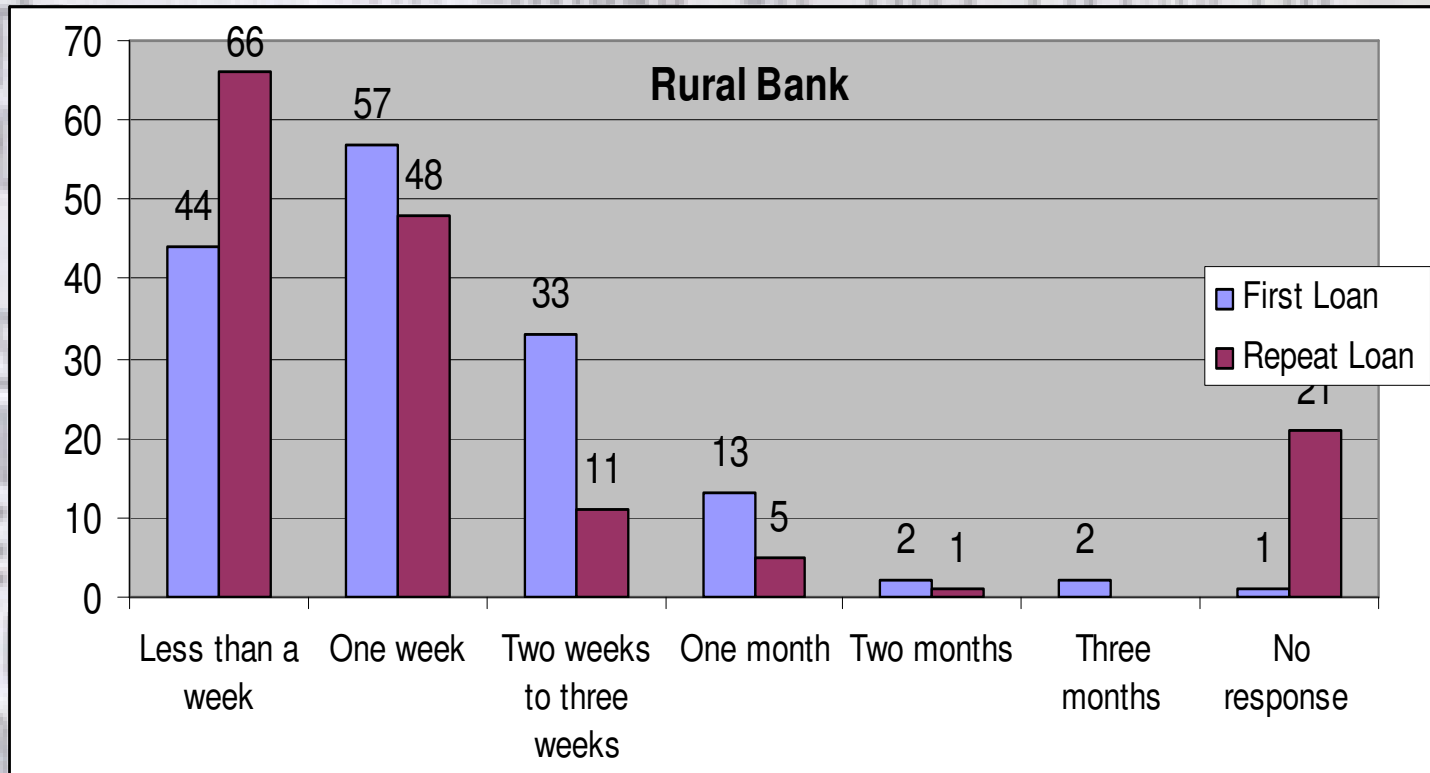


# How long does it take to get the loan?

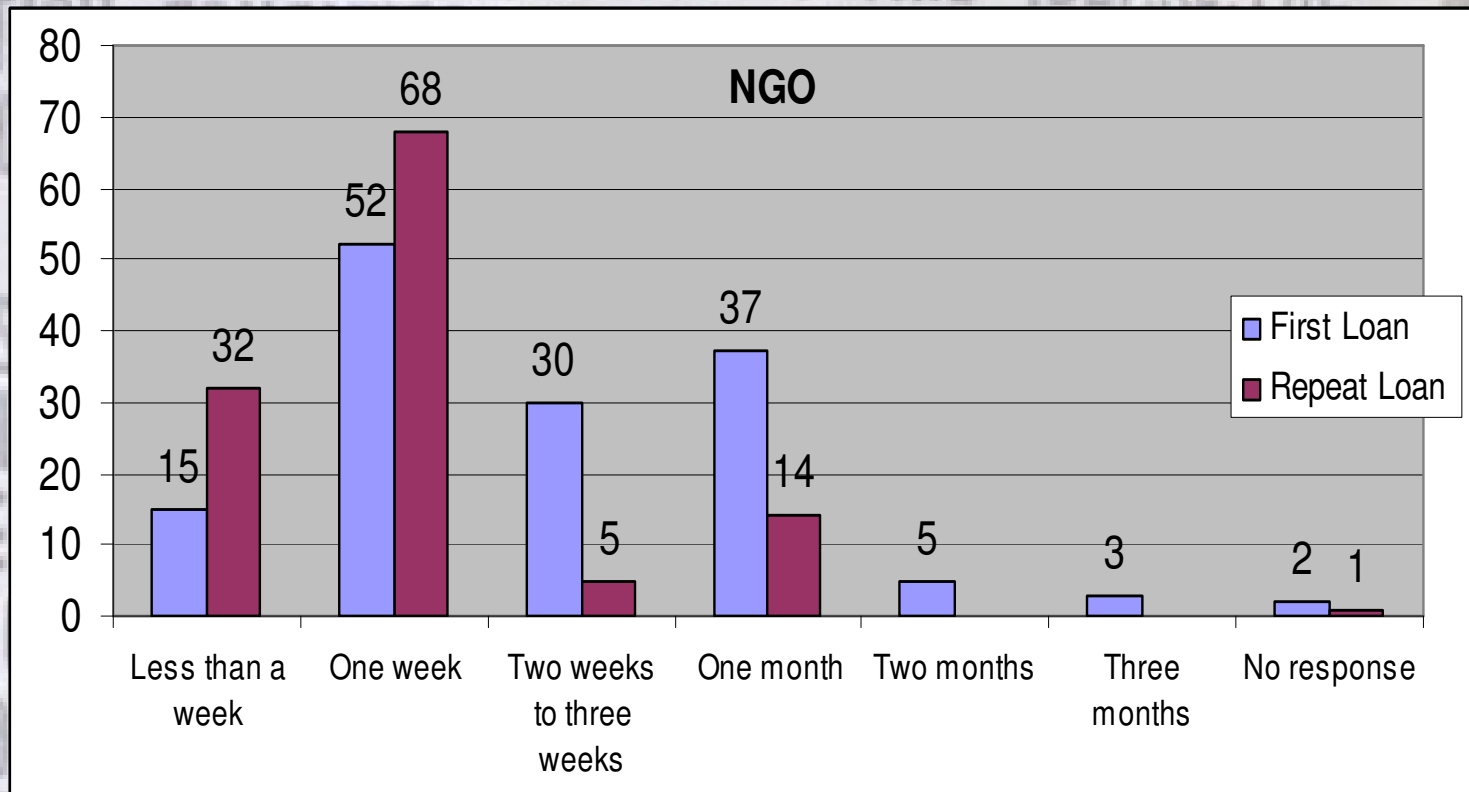


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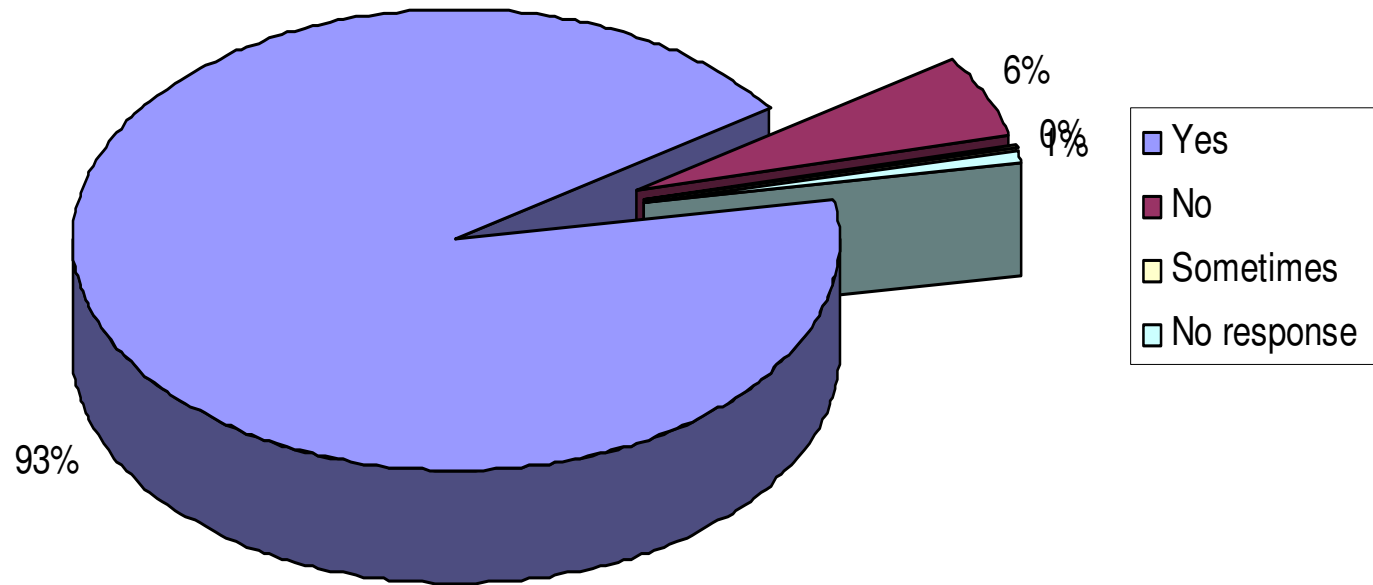


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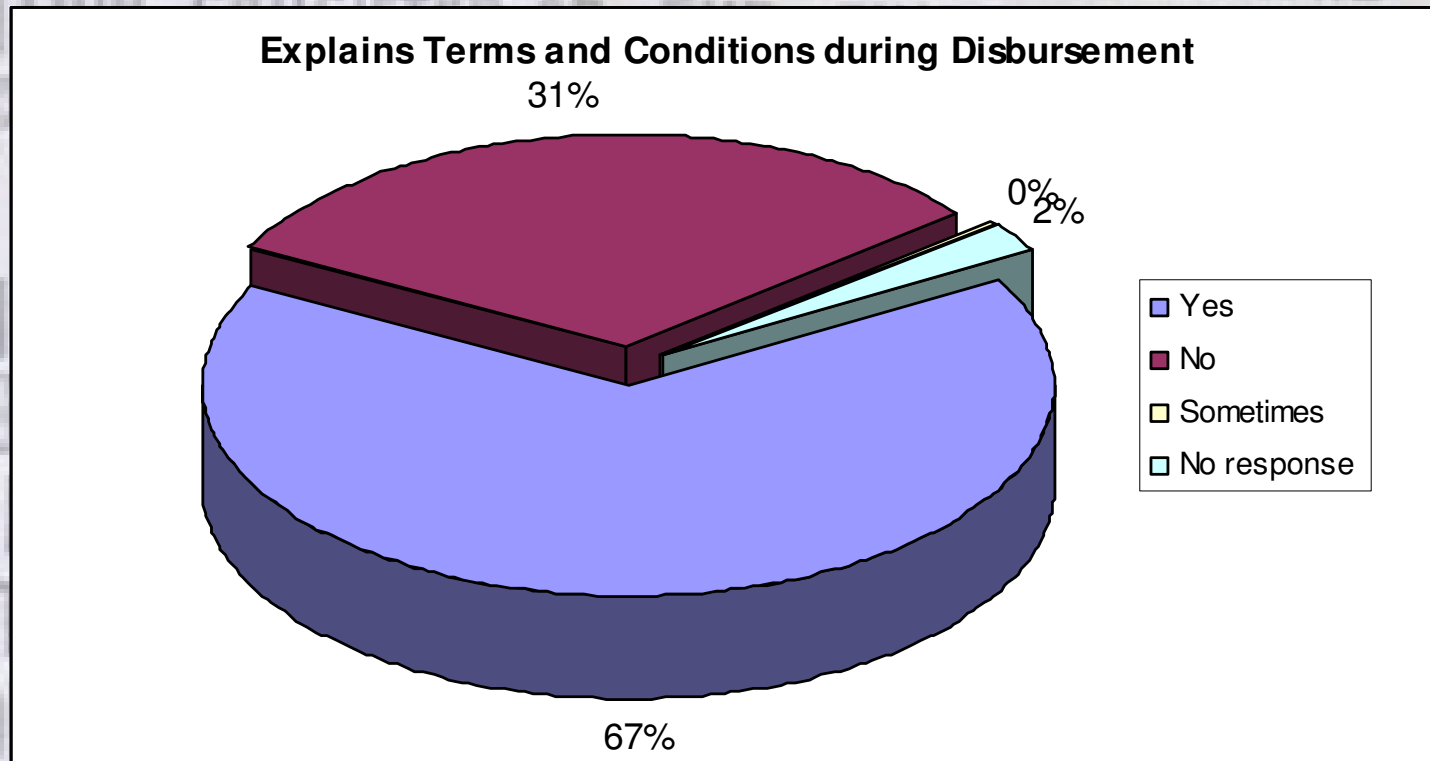


# Disclosure to clients.....

Explains Terms and Condition during Orientation

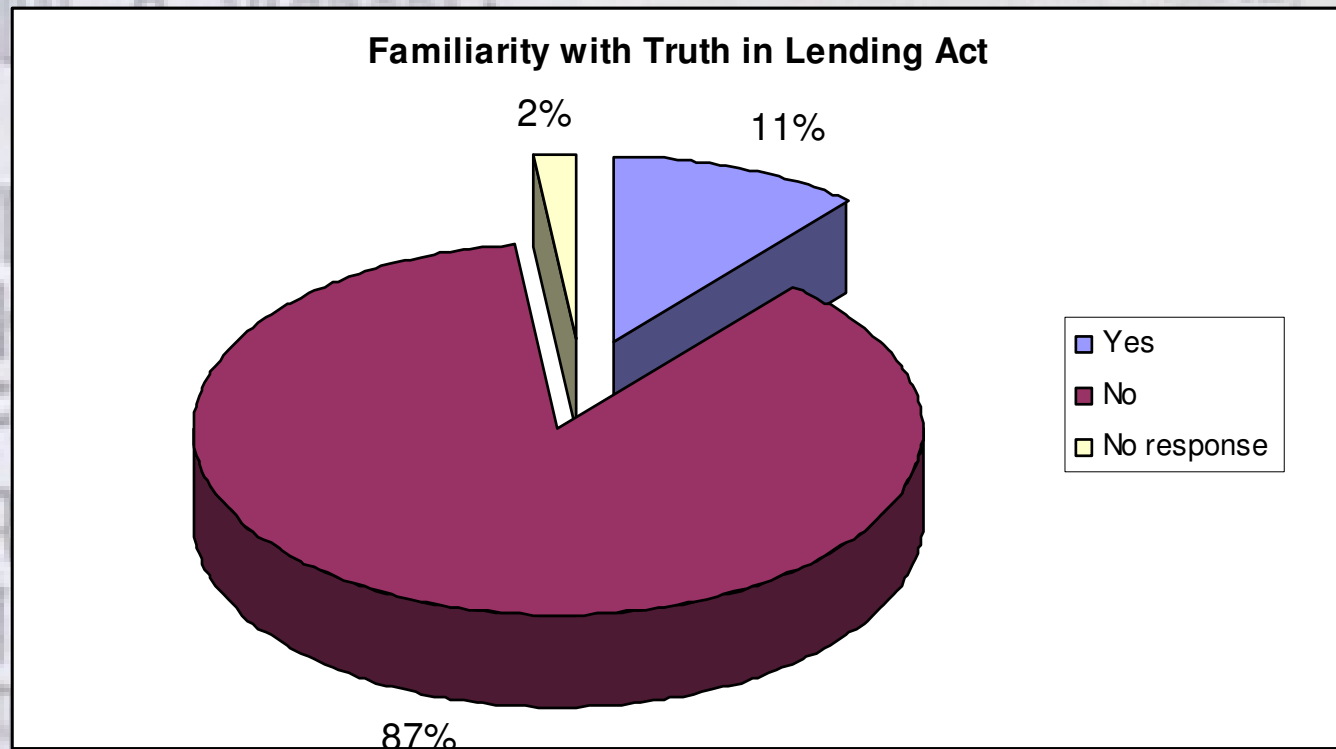


# Disclosure to clients.....



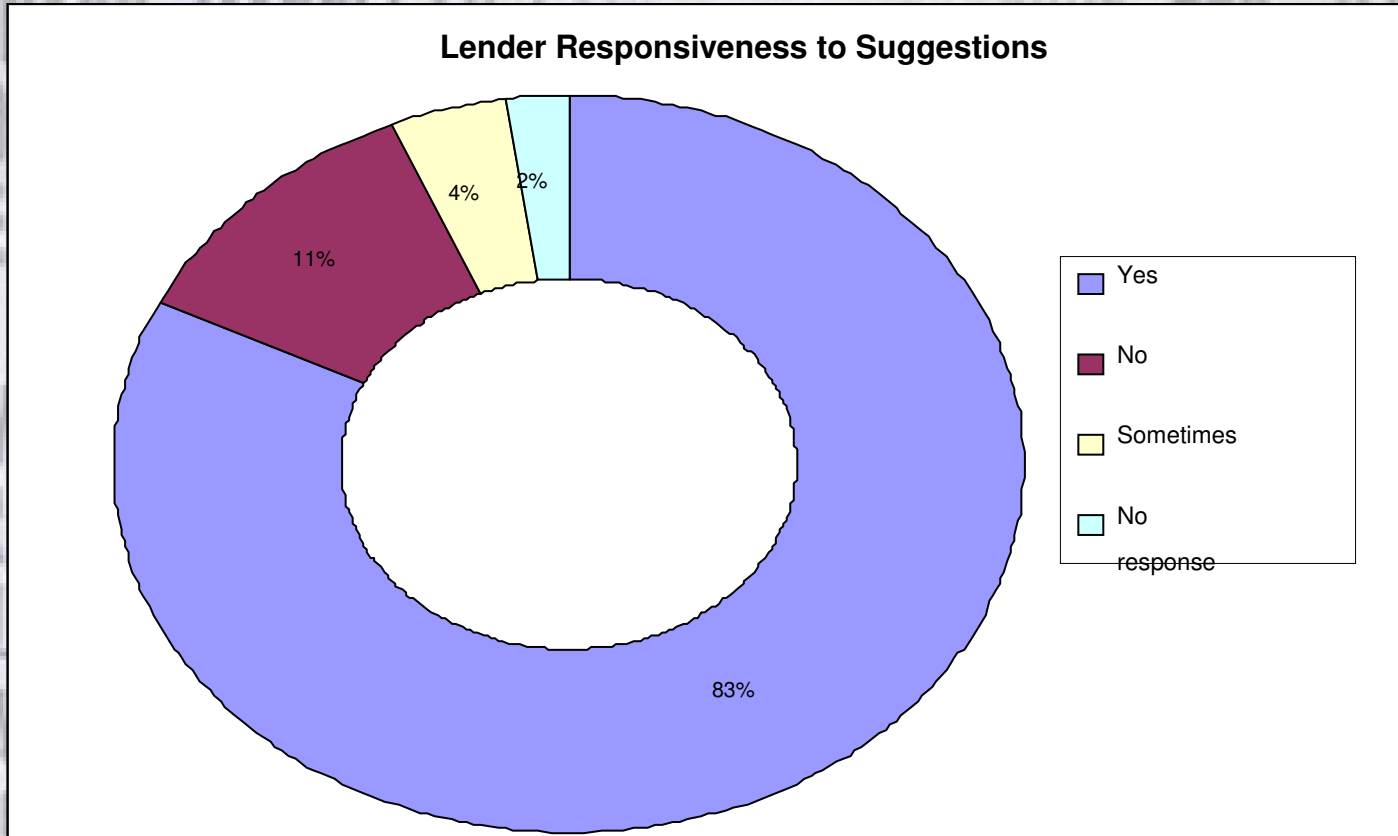
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# Clients' Awareness of their rights.....



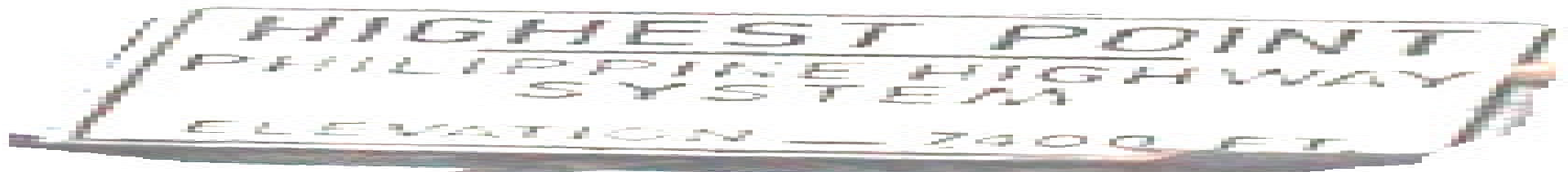
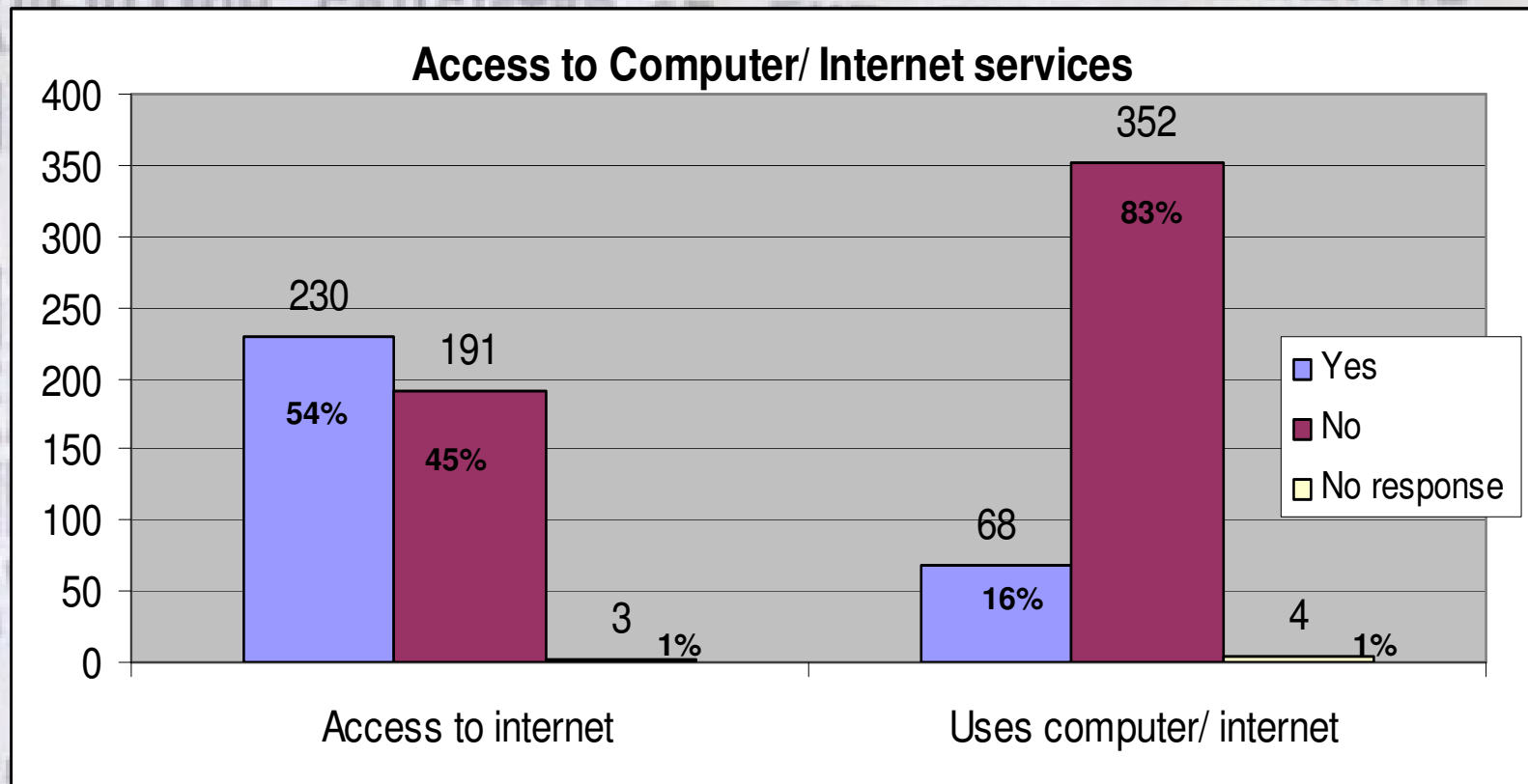
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# MFI's responsiveness.....

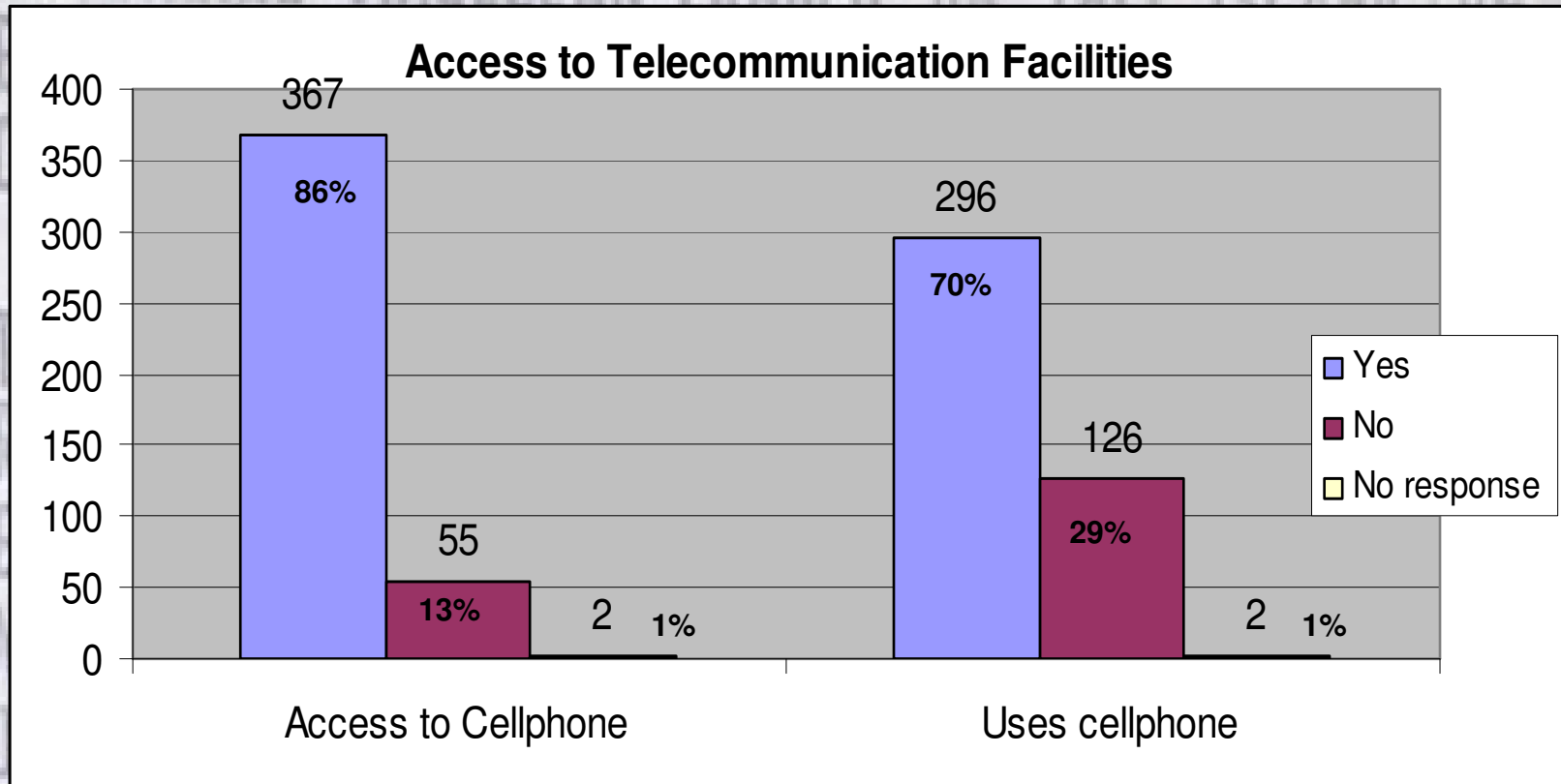


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# Access to communication facilities.....

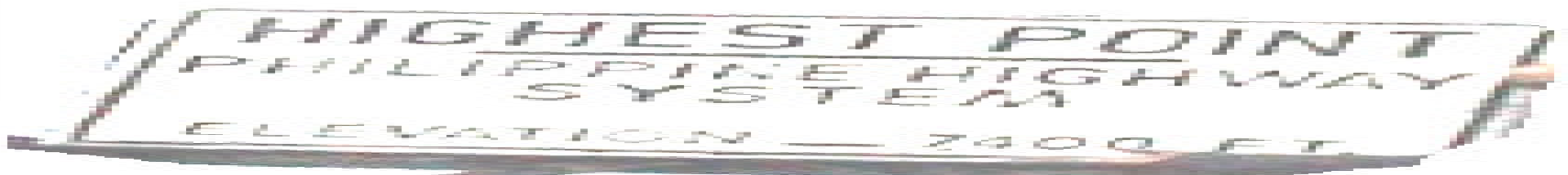
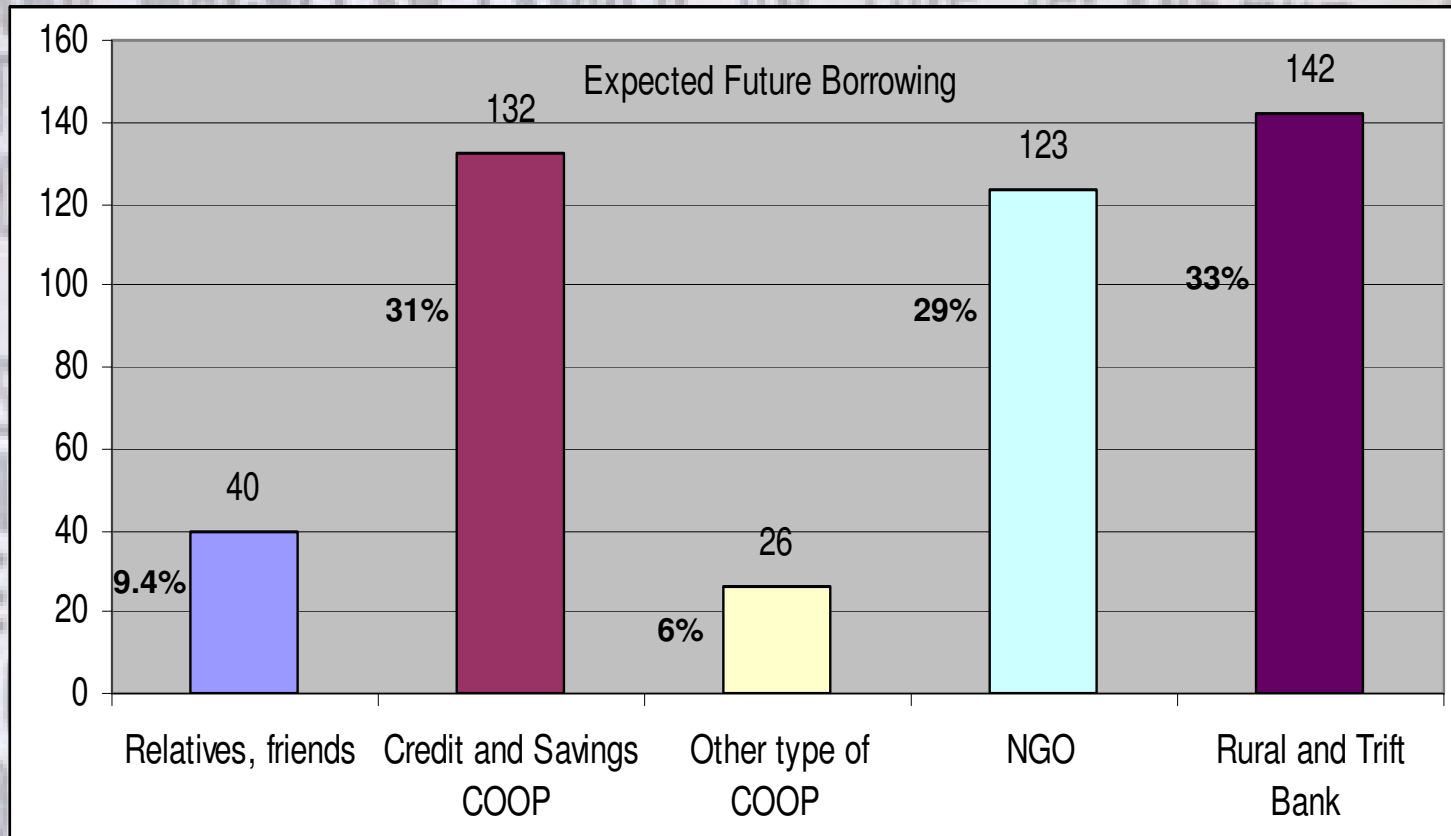


# Access to communication facilities.....

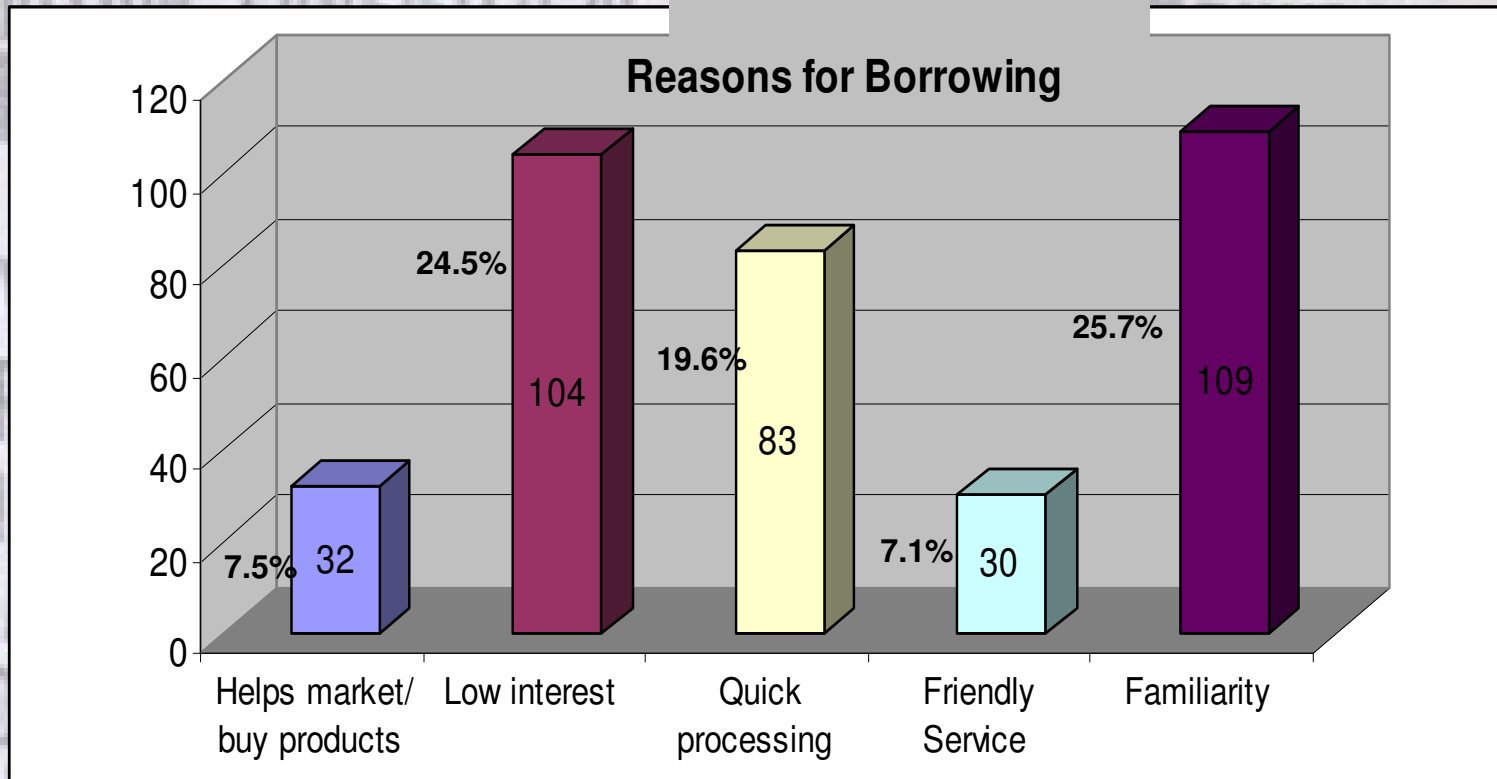


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# Plan to borrow from...

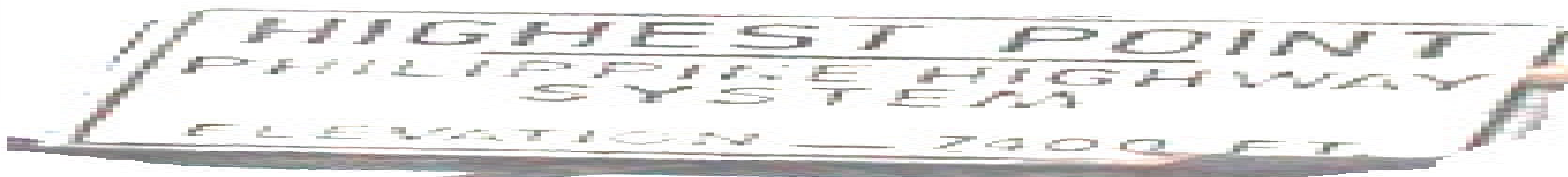
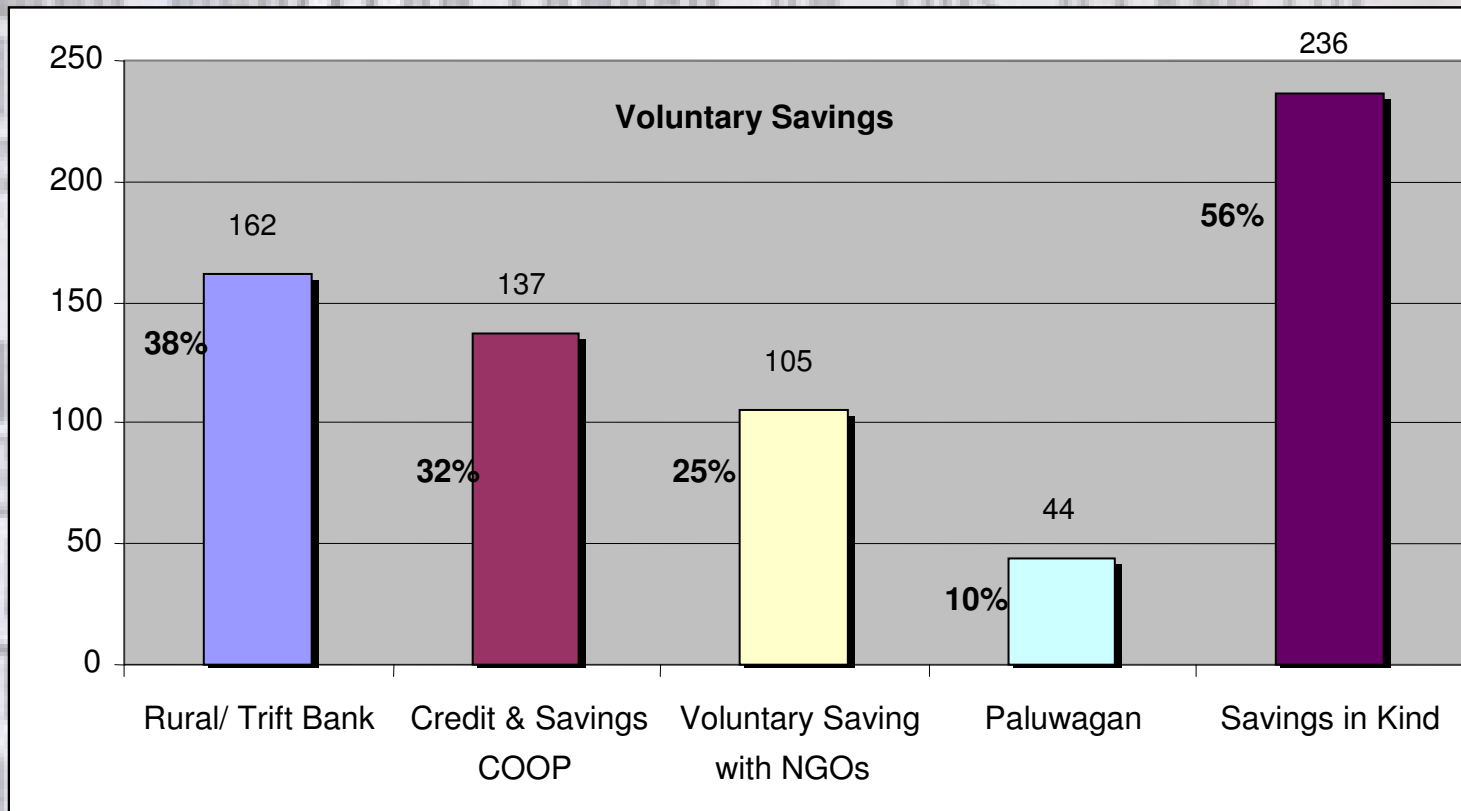


# Factors affecting decision to borrow...

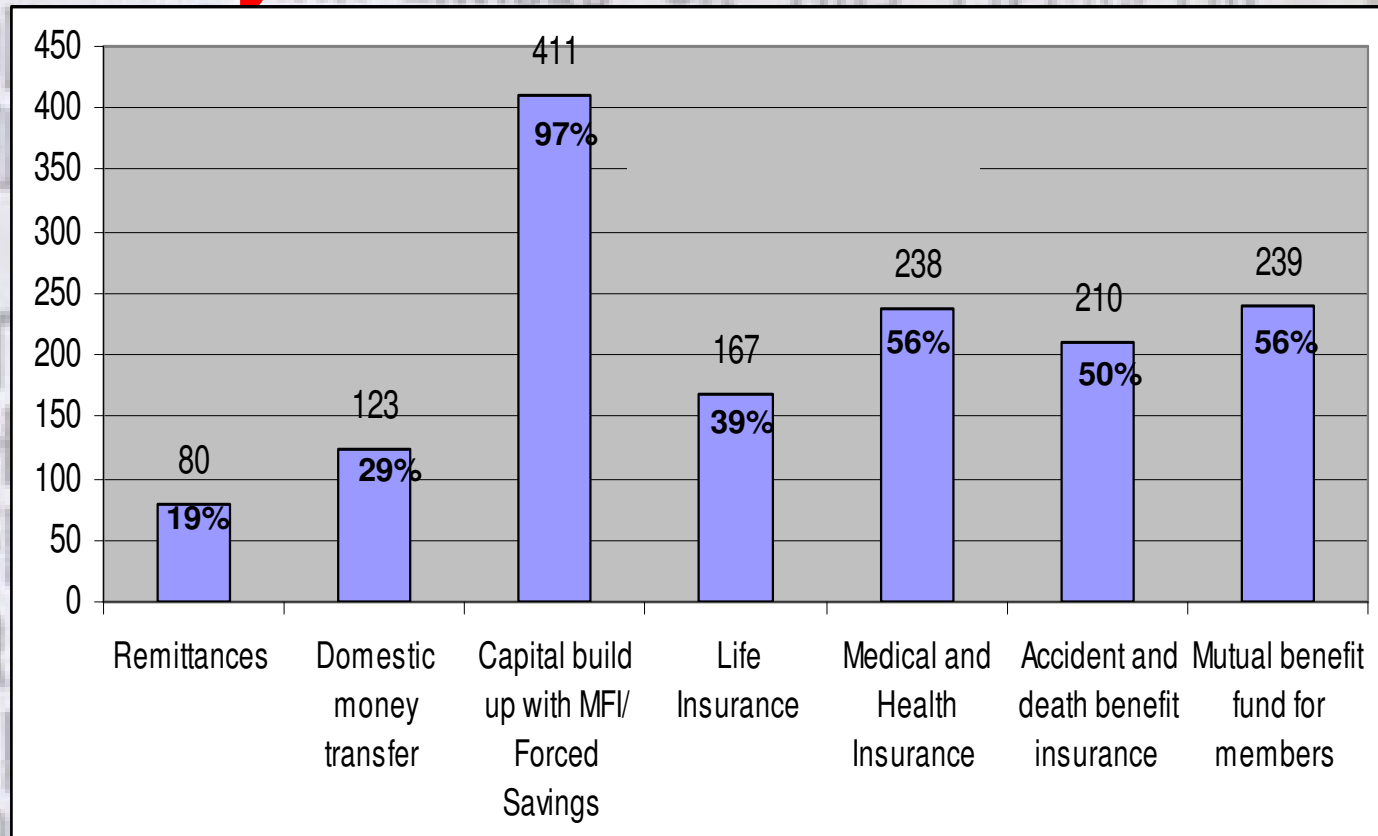


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# Where do you save?



# Use of other financial services provided by MFI

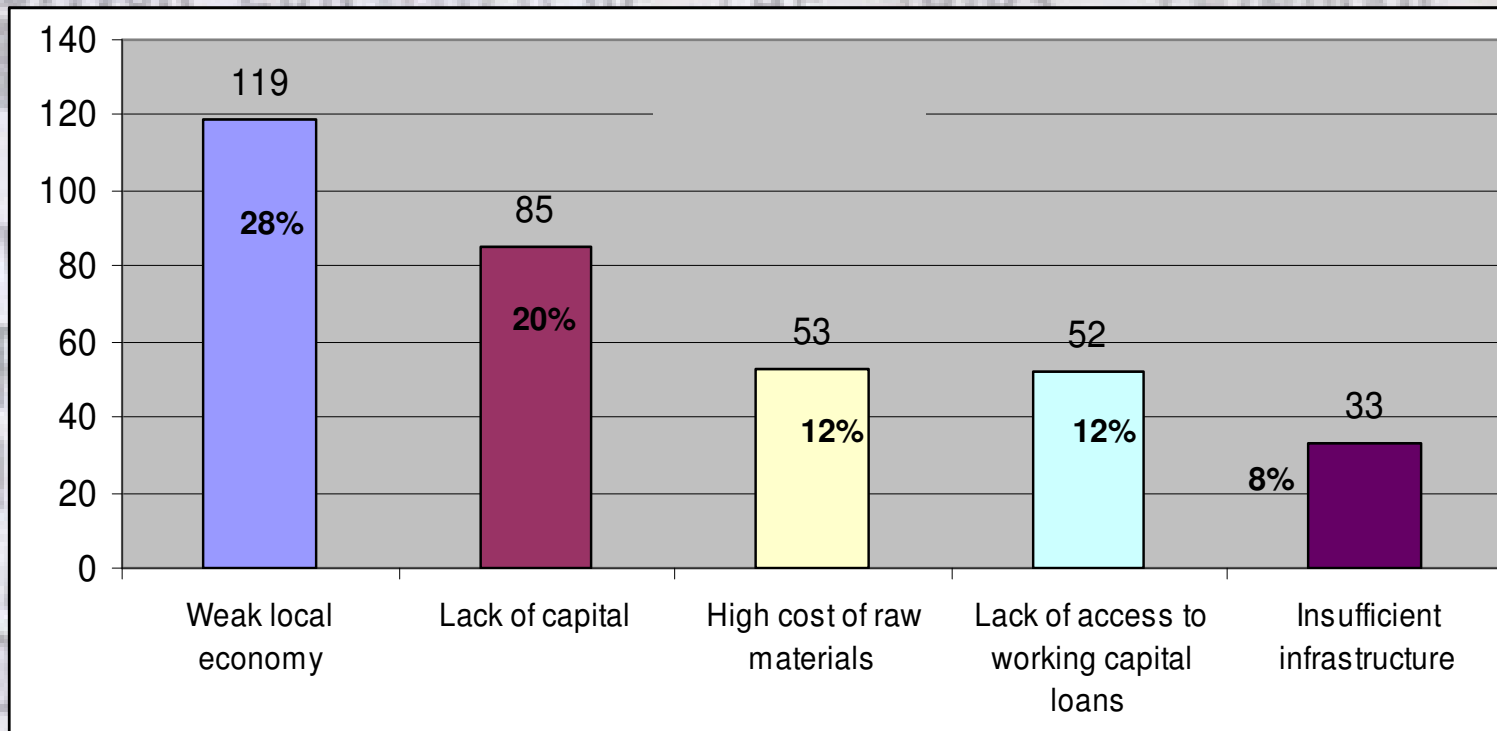


# **Typical Client of MFIs in Frontier areas**

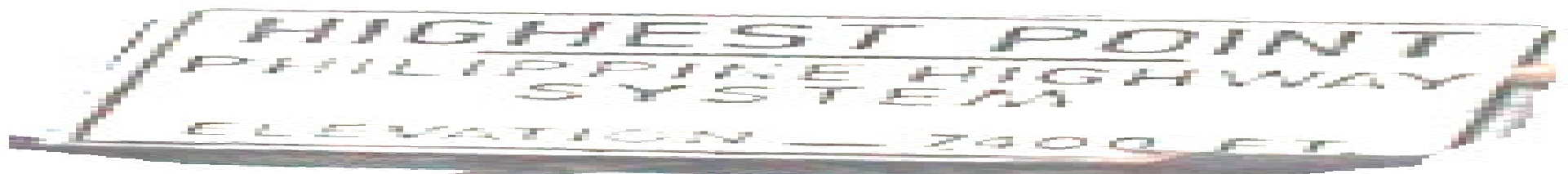
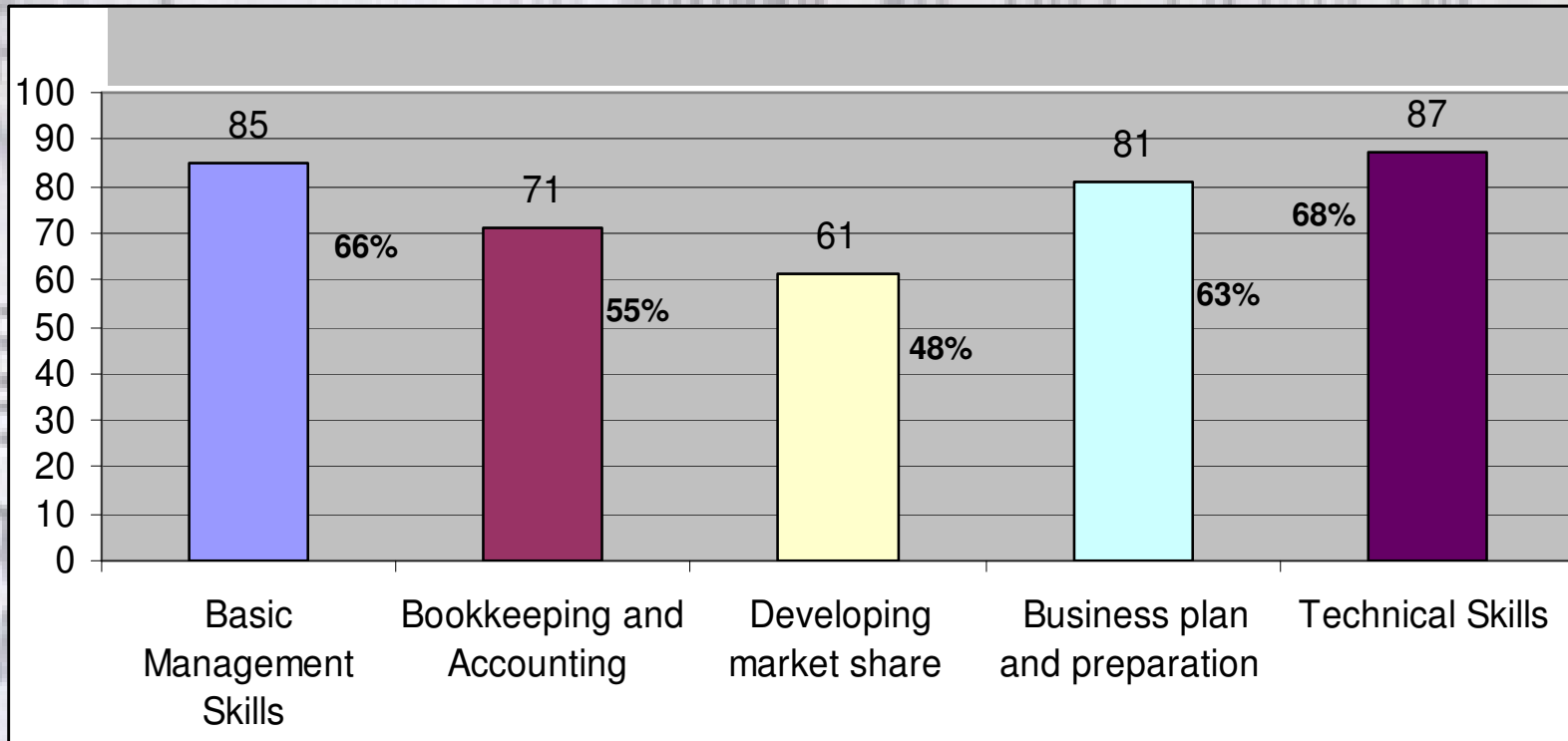
- Women aged between 36-50 years old
- Usually resides near center of economic activity
- Has access to basic infrastructure and communication facilities
- Runs a micro-business for about ten years with a starting capital of PhP2000 or less
- Earns about PhP50,000 a year from typical retailing activity
- Has access to and avails a variety of financial services such as savings, microinsurance, money transfers



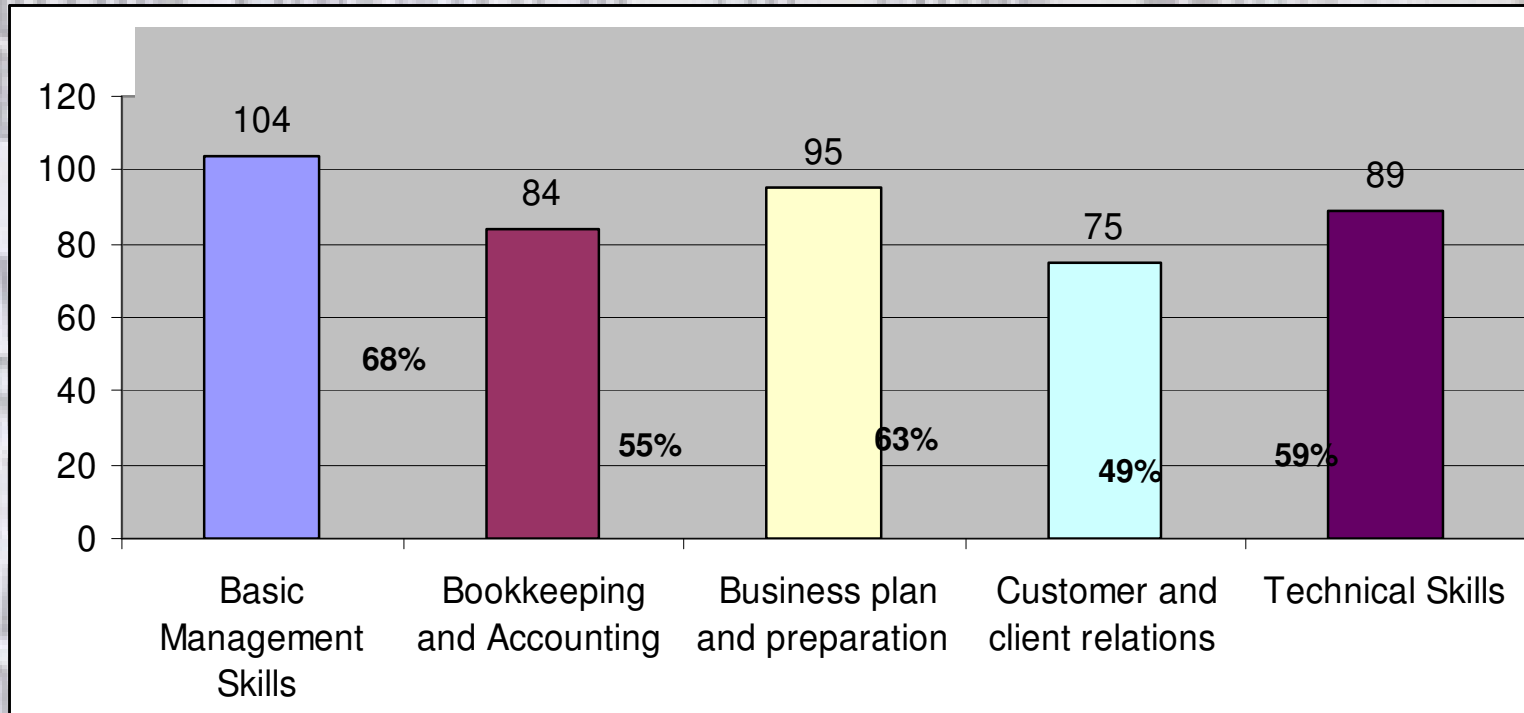
# Major Problems in running business.....



# Coops Clients' Training needs...



# Rural Banks Clients' Training needs...



# NGOs Clients' Training needs...

