

## Increasing Access to Financial Services in Taikkyi Township

### FY20 Annual Report

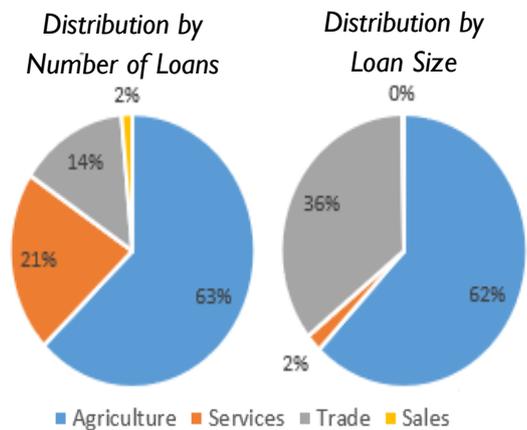
#### Project Profile

<b>Project name</b>	Promising Futures for Burmese Children through Integrated Microfinance Programmes
<b>Project location(s)</b>	Taikkyi, Myanmar
<b>Project Goal</b>	Increase access to financial services in Taikkyi Township
<b>Project Outcomes</b>	Expand outreach and scale up access to financial services for underserved community, specifically women in rural areas that have much greater difficulty accessing financial services.
<b>Primary Sector</b>	Economic Development
<b>Number of beneficiaries</b>	Direct beneficiaries: 1,069 people Indirect beneficiaries: 3,656 people

#### Project Impact

##### **Impact on Economic Development Before Leverage**

- **70 people were provided with loans** to support their economic livelihoods
- **84%** of the loan recipients were women
- **US\$36,723 was disbursed** with an average loan size of US\$524.63.
- All clients were provided basic financial literacy trainings on financial management and other relevant topics to avoid over indebtedness.



##### **Impact on Economic Development After Leverage**

The funding provided by the project was also leveraged by borrowing from institutional lenders to increase the impact of the gift. During the project period, VisionFund Myanmar served 1,069 active clients in the township of Taikkyi, disbursing loans amounting to US\$439,657 and impacting over 4,700 beneficiaries (direct and indirect). Key impact included:

Indicators	
% of women served	89%
% of rural community	62%
Average loan size	\$411
# of active clients	1,069
# of jobs sustained	1,390
# of children impacted	1,946
# of beneficiaries	4,725

- Nearly half of the clients (45%) took agricultural loan while 34% took commerce loans.
- Taikkyi Branch also promoted savings culture to boost family resilience and as of September Taikkyi clients have deposited a total savings of \$111,222 (from 10,495 savings accounts).

## Responding to COVID-19

- Handwash facilities installed in Taikkyl branch
- Posters and flyers were posted and distributed through the Taikkyl branch, and COVID information were posted in VisionFund's social media.
- Taikkyl branch is also planning to invite a health specialist from the Ministry of Health and Sport to provide COVID-19 awareness to clients and staff.
- To support clients during this difficult period, VisionFund also made the following adjustments to its loan process and requirements:
  - Loan repayments were rescheduled to accommodate the government restrictions and economic downturn.
  - Grace periods were granted ranging from one to three months depending on clients' repayment capacity.
  - Penalty fees were removed for all loans.
  - One-month notice to withdraw savings was also removed so clients can easily access their savings.

## Impact Story

Daw Swe Swe Win (37) lives with her parents, two elder brothers and their families in the village of Gyo Phyu in Taikkyl. She oversees the family's small business selling handmade bamboo hats, at the same time sells salt, oil, spices, snacks and clothe items to augment income to support a family of eight and ensure her four nieces and nephews attend school. Her two younger sisters are migrant workers in Thailand and sends money home to support the family.



*Daw Swe with her niece and employee's children*



*An employee making a bamboo hat*

Daw Swe Swe believes she can grow her bamboo hat business if only she has the capital to buy production materials and hire more workers. A piece of handmade bamboo hat costs 500 MMK (40 cents) and the family is able to produce only 1,000 hats per month with her limited capital and with the help of two workers.

She came across VFM during one of their visits and loan presentation in her village, she got interested and applied for her first loan of 400,000 MMK (USD300). She used this loan to buy more raw materials. Daw Swe Swe was a responsible microfinance client and her succeeding loans enabled her to increase production of bamboo hats with the capital available to buy materials. From two workers, she now has five workers helping her.

“With the growing business, we are finally able to build an extension of our house where we set up a grocery store. I've always wanted to do this to make things convenient for the village. People don't have to go to town to buy essentials, this is especially helpful during monsoon season when roads to town is very muddy and inaccessible. This will also augment our family's income” says Daw Swe Swe.



*Mother of Daw Swe Swe helping to make bamboo hats*

She is now on her fourth loan cycle and she is also proud to share the improvements in the family's well-being. They made some improvements in the house, especially with the bathroom and toilet which are now concreted. They also didn't have to worry about money for her father's eye surgery.

"Most importantly, my nieces and nephews can attend school without worrying about the costs. I really want them to finish school – and not be like me who had to drop out of school at a young age because of financial hardship. I don't want that to happen to them. I always tell them the importance of education," shares Daw Swe Swe. She added that the children help in the family business on their free time.



*Daw Swe's niece helping to make bamboo hats*

### **Moving Forward: Microfinance for COVID-19 Recovery**

Microfinance is a key strategic intervention with the potential to filled a gap in community resilience and relief efforts by financially empowering individuals and community groups to restore livelihoods, markets and value chains by providing meaningful amounts of finance needed to restore an economic activity; or diversify to a new one if needed.

Moving forward, World Vision Singapore aims to provide more affordable financial services including credit, savings and financial literacy to **over 2,600 individuals in Taikkyi Township in Myanmar over the next three years**. These microfinance services will enable them, particularly the women, to increase productivity, create wealth, improve livelihood and increase resilience to economic, social and environmental shocks and disasters such as COVID-19.