

Microfinance *and*
Inclusive Development
- an Alternative Summit



Microfinance and Inclusive Development – an Alternative Summit

Globally, microfinance has come a long way in achieving the objectives of impacting poverty. Millions and millions of poor people have access to savings and credit and there is a perceptible reduction in poverty where people have access to microfinance services. Beyond savings and credit, insurance and remittance services are also being increasingly accessed by the people. Some even talk about/initiated micro pension schemes.

Two distinct approaches characterize the delivery of microfinance – minimalist or financial system approach and poverty school approach. The financial system approach seems to relegate microfinance as a means of addressing poverty. This has led to a debate in many countries as to the mission drift and the decreasing focus on developmental outcomes for microfinance interventions. Beyond finance, microfinance programmes have generated social capital which provides excellent scope for synergy to initiate and intensify a larger developmental process involving livelihoods, education, health and MDG related goals.

Microfinance as a hub for inclusive development:

Poverty is multi dimensional and one of the key challenges Asian nations face while pursuing economic development is how to address poverty by bringing excluded poor segments of the society as a part of the development process. Despite more than a decade long microfinance programmes, it is a matter of grave concern that most poor people in Asia still lack access to sustainable financial services including credit, savings and insurance. The access to banking system provide affordability and in many countries in Asia focus is on financial inclusion with objective of connecting the poor to the formal financial system and the potential of microfinance to aid and advance financial inclusion towards inclusive development is promising. Success stories of Inafi members in effectively utilizing microfinance for social and financial inclusion which sets up an enabling environment to trigger the development process touching wide range of issues of livelihood, food security, health, education, women empowerment, etc. It is this development focus which combines the three pillars of inclusion namely social, financial and economic which calls for Alternative Summit for Microfinance. Inafi (International Network of Alternative Financial Institutions) as a network committed to the development outcome through microfinance is joining hands with the SERP (Society for Elimination of Rural Poverty), a development institution of Government of Andhra Pradesh and NRLM (National Rural Livelihoods Mission), Government of India with shared philosophy and agenda in proposing the Alternative Summit in Asia for Inclusive Development through microfinance.

Alternative Summit

The Theme - Microfinance and Inclusive Development

The expanding microfinance eco system with larger social capital has not been leveraged adequately for advancing inclusive development, even as we find gaps and constraints in

strategies for sustainable access to financial services, innovative financial products for livelihoods, synergies in coordination and collaboration in different agencies in addressing health and education issues and not to speak of technology as an enabler in this process. Inafi and SERP/NRLM seek the engagement of development stakeholders with the larger canvas of development process through microfinance in the Alternative Summit. The Summit would be for three days with each day having distinct focus on the topical issues in microfinance.

Day 1: Community/client ownership of microfinance and Social Capital

Day 2: Beyond microfinance - engendering development process and outcome

Day 3: Savings led development microfinance services

Objectives of the conference

- 1) To look at different but effective approaches in the microfinance interventions based on the client/community ownership and disseminate best practices in such approaches across the sector.
- 2) To bring out the positive fall-out of the community owned and managed microfinance models in building social capital and its larger benefits for development.
- 3) To provide a platform for sharing successful experiences in engendering development outcomes through microfinance interventions encompassing livelihoods, MDGs (health and education), women empowerment, networking, and financial inclusion, etc.
- 4) To take stock of the larger development impact triggered by microfinance work in different contexts and to disseminate widely.
- 5) To examine and appreciate the role of savings in mobilizing the local capital from the poor and low income families and building sustainability.

When and where

June 21-23, 2011 @ Hyderabad, India.

Venue

**Dr. Marri Chenna Reddy Human Resource Development
Institute of Andhra Pradesh**

Road No -25, Junilee Hills, Hyderabad-500169, Andhra Pradesh, INDIA.

Ph: 91-40-2354 8487, 2354 3727 Fax : 2355 7584

Email: mcrhrdiap@gmail.com Website: <http://www.hrdiap.gov.in>

For whom

Microfinance practitioners/NGOs and MFIs, Governments, Policy makers/Apex institutions, Commercial Banks, Insurance Companies, Regulators, Academia, Donor agencies, Philanthropies and other development stakeholders.

About NRLM

National Rural Livelihoods Mission (NRLM) is the initiative of Ministry of Rural Development, Government of India to promote sustainable rural livelihoods. The Mission is underway across India to reduce poverty through building grassroots institutions of the poor to enable the poor households to access gainful self employment and skilled employment opportunities on sustainable basis. The Mission seeks to achieve universal financial inclusion and provide infrastructure support for the livelihoods.

About SERP

Society for Elimination of Rural Poverty (SERP) is an autonomous institution of Government of Andhra Pradesh implementing the Indira Kranthi Patham (IKP), a statewide community driven rural poverty reduction project to enable the poor to improve their livelihoods and quality of life through their own organizations. It promotes and nurtures community based microfinance programmes particularly for the poor to access financial services. SERP is touching the lives of poor in 11 million households in Andhra Pradesh.

About Inafi

Inafi (International Network of Alternative Financial Institutions) is a global network of Development Organisations involved in enabling and supporting micro finance programmes of the member organizations in Asia, and Latin America. Inafi brings together micro finance NGOs/MFIs at three levels: international, regional and country level as in India, Philippines, Bangladesh, etc. in Asia context. Inafi members – over 250 organisations in three continents address poverty of client groups comprising of disadvantaged poor women and other vulnerable segments of the society through Microfinance with the collective outreach of more than 40 million clients across a globe. Inafi recognizes the critical role of micro finance interventions as part of the development strategy in eradicating root causes of poverty.



NRLM
National Rural Livelihoods Mission
Ministry of Rural Development
Government of India
Krishi Bhavan, Dr.Rajendra Prasad Road
New Delhi - 110 001



Society for Elimination of Rural Poverty
Government of Andhra Pradesh
5-10-192,3rd 4th Floor, Hermitage Office Complex,
Huda Building,Hill Fort Road,
Nampally,Hyderabad-500004.
Telephone : +91-40-23298665 Fax : 23211848
Email: vsreddygopidi@yahoo.com
Website: <http://www.serp.ap.gov.in/>

International Network of
Alternative Financial Institutions-India
New No.65, First Floor 3rd Street, Harvey Nagar
Madurai - 625 016. Tamil Nadu, INDIA
Tel: +91-452-2300490 Fax: 4358490
Email: indiainafi@airtelmail.in & inafiindia@gmail.com
Website: <http://www.inafiindia.in>