

Improving access to microloans for the rural population and small businesses through Belarusian non-profit microfinance organizations

The project will develop the necessary procedures and pilot a village-based microfinance program in Belarus using modified village banking methodology as a way to expand access to credit in rural areas (small settlements and villages) in Brest and Minsk oblasts. The microlending activities will be implemented by the three RMC member - non-banking microfinance organizations. At least six loan officers from the designated Belarusian MFIs will be trained in the CEE countries in rural finance methodologies with the technical assistance from MFC.

Before and in parallel to lending, RMC will conduct 2-days seminars for the groups of lenders on rural self-employment and small business technologies. These seminars will promote effective use of the disbursed loans and their timely and duly return.



Advocating for improved microfinance policies and regulations in Belarus, as well as promote best international practices in microfinance

Over the course of the project, RMC will strengthen its capacity and position as the national microfinance network, will advocate to the national level authorities for the improved legal and regulatory environment for microfinance, such as the development of specialized legislation for MFIs' operations, MFIs' supervision, leveling operational conditions for the not-for-profit MFIs and commercial banks, and establishing the SME guarantee fund.

In the framework of the project the following outputs will be reached:

- RMC policy and advocacy program outlined and approved in broad consultation with the stakeholders;
- at least four policy workshops on key challenges organized, which suggested improvements to microfinance regulations;
- systems for distributing the knowledge and practices gained/developed within the project established, including seminars, workshops, master classes, distribution of materials on microlending policies and procedures based on international best practices.

Project Contact Information

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‘INCREASING ACCESS TO FINANCE FOR THE RURAL POPULATION IN BELARUS’ PROJECT, IMPLEMENTED BY THE REPUBLICAN MICROFINANCE CENTER (BELARUS) WITH FINANCIAL SUPPORT FROM USAID

The Project is registered in the database of projects and programs of foreign technical assistance under No 1/13/000620 as of August 6, 2013

'Increasing Access to Finance for the Rural Population in Belarus' Project, implemented by the Republican Microfinance Center (Belarus) with support from USAID, is aimed at broadening economic opportunities of the rural population in Belarus through improving their access to credit, raising financial literacy, and strengthening entrepreneurial skills. This goal will be achieved through implementation of the project activities on support of microenterprise development in rural areas of Minsk and Brest oblasts and facilitation of policy and regulatory environment improvements for microfinance. The project will increase investment opportunities in rural areas, support rural microenterprises' role in supply chains, expand rural development, and facilitate economic growth by supporting private enterprise and entrepreneurship, as well as contribute to an increase in household incomes and strengthen and revitalize the rural communities. In addition, as a result of this project, the Republican Microfinance Center (RMC) should improve its technical capacity and strategic position as a countrywide microfinance network to advocate for reforms within the state authorities, and contribute to the institutional development of other microfinance providers.

Project duration: 4 years

Budget: 1 million 475 thousand US Dollars



Foto: Aleksandr Naumchik

Project Objectives



Improving organisational and technical capacity of the Republican Microfinance Center and RMC members, participating in the project

The project will support strengthening the capacity of RMC as a national microfinance network, which will gradually acquire skills and capabilities to advocate for the improved access to finance policies, in particular with regard to the rural microfinance and microenterprise development.

Capacity-building activities will also target specific technical areas of microlending, including: loan portfolio analysis and projections; interest rate determination; borrowers' assessments; financial and organizational sustainability plans; reporting system for microlending institutions; financial sustainability plans; etc.

Adoption by the RMC and its members of Social Performance Management (SPM) system, including strategy, objectives and reporting tools should help improve MFIs social performance standards, increase transparency of their operations and help position them in the international funding markets.

Enhancing financial literacy and entrepreneurial skills of the rural population

To support this objective, the project will organize the regional dissemination of the 'Plan Your Future' course. This course is already adapted to the Belarusian context, and includes training and methodological materials for trainers and training audience in five issue areas: 1) long-term financial planning in the household; 2) systematic savings, 3) sensible borrowing and prevention of financial crisis, 4) finance organizations and services, and 5) negotiating loans from a finance organization.

The planned project outputs:

- 80 trainers of the course 'Plan Your Future' trained by master trainers from Microfinance Center for CEE & CIS (Warsaw) (MFC);

- at least 90 personal finance workshops held in all administrative regions of Belarus by the above Belarusian trainers for at least 1,850 persons;

- 28 seminars with consultations held on basics of entrepreneurship and elaboration of business ideas in rural areas to the rural population of Minsk and Brest oblasts.



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