



# Financial Inclusion and Gender under AFP

## An Assessment of Gender in Households and Village Banks



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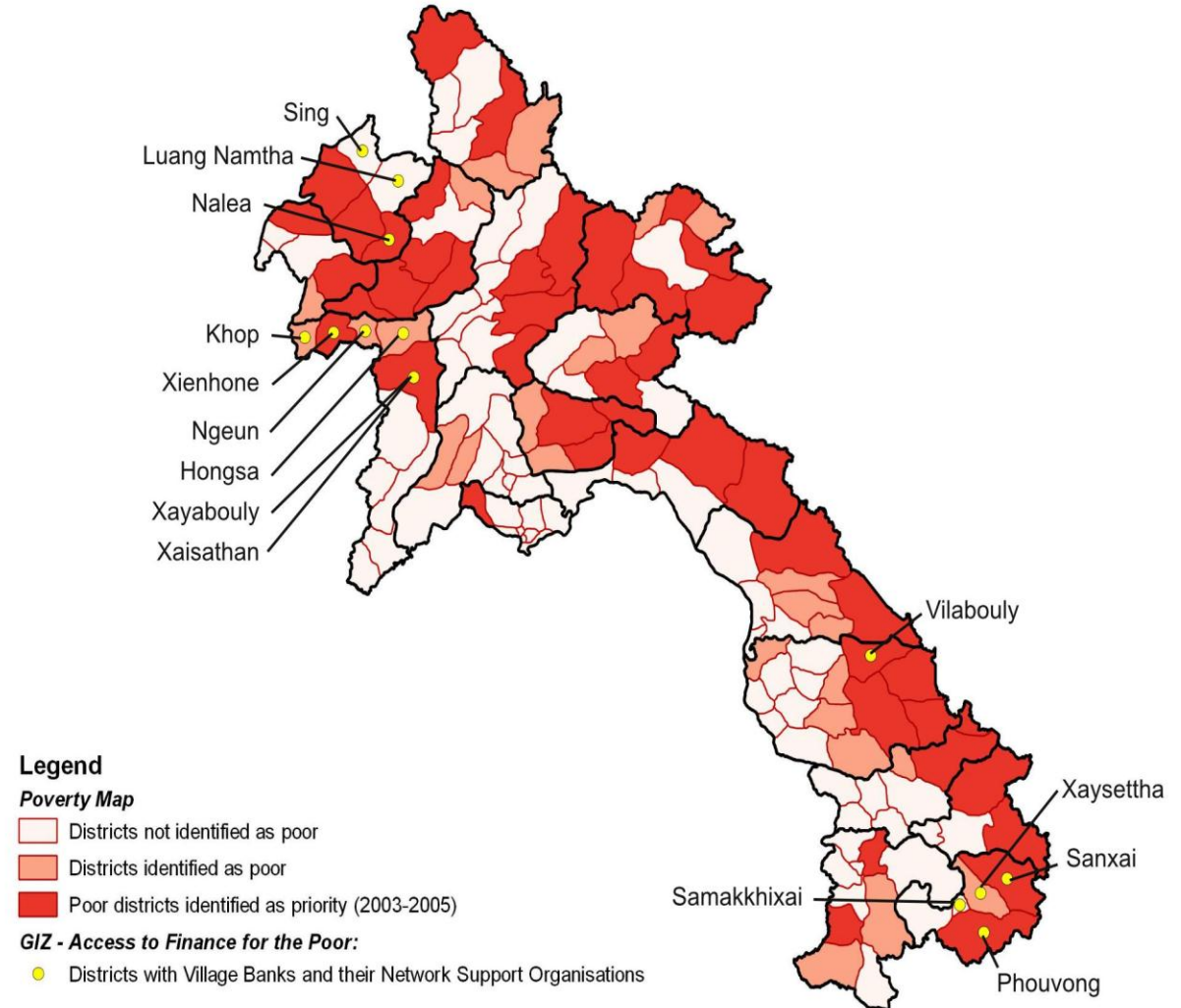
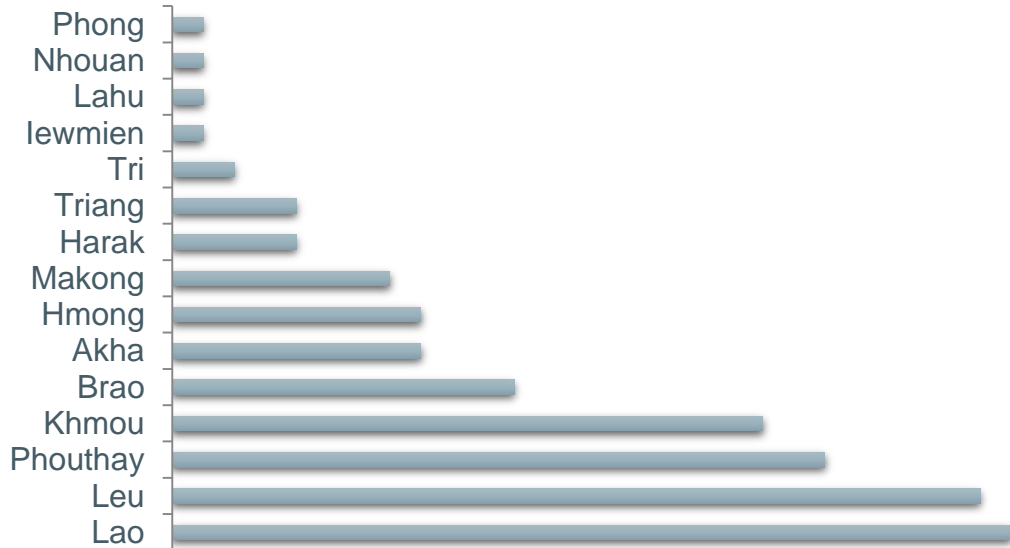
## III. Key Takeaways





# I. What female villagers say: The survey

- AFP interviewed 141 women from villages that participate in the project
- The sample of women was balanced between poor, average income and better-off
- More than three quarter of the sample belong to ethnic minorities!



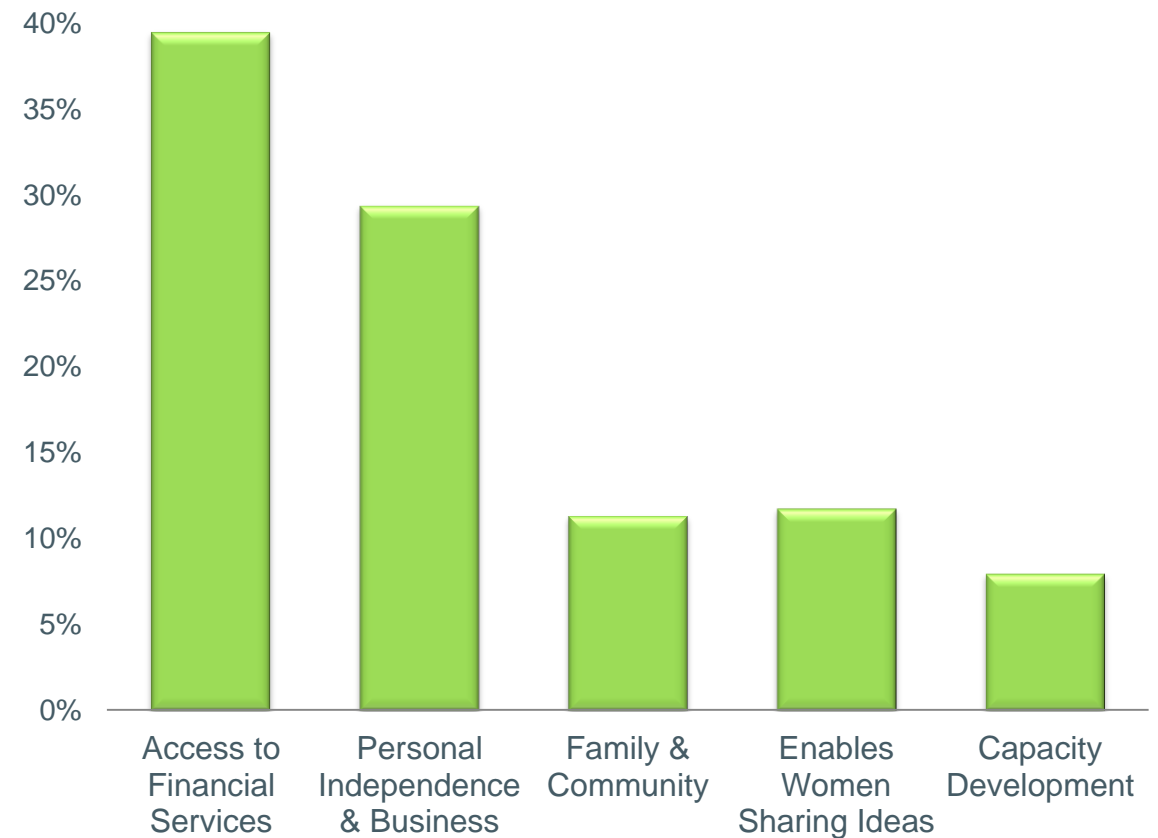


# I.I Main benefits of village banks for women

Academic literature suggests **significant benefits for women by financial inclusion**

**Women** are said to be **better financial managers** who prioritize family matters like health and education for their children.

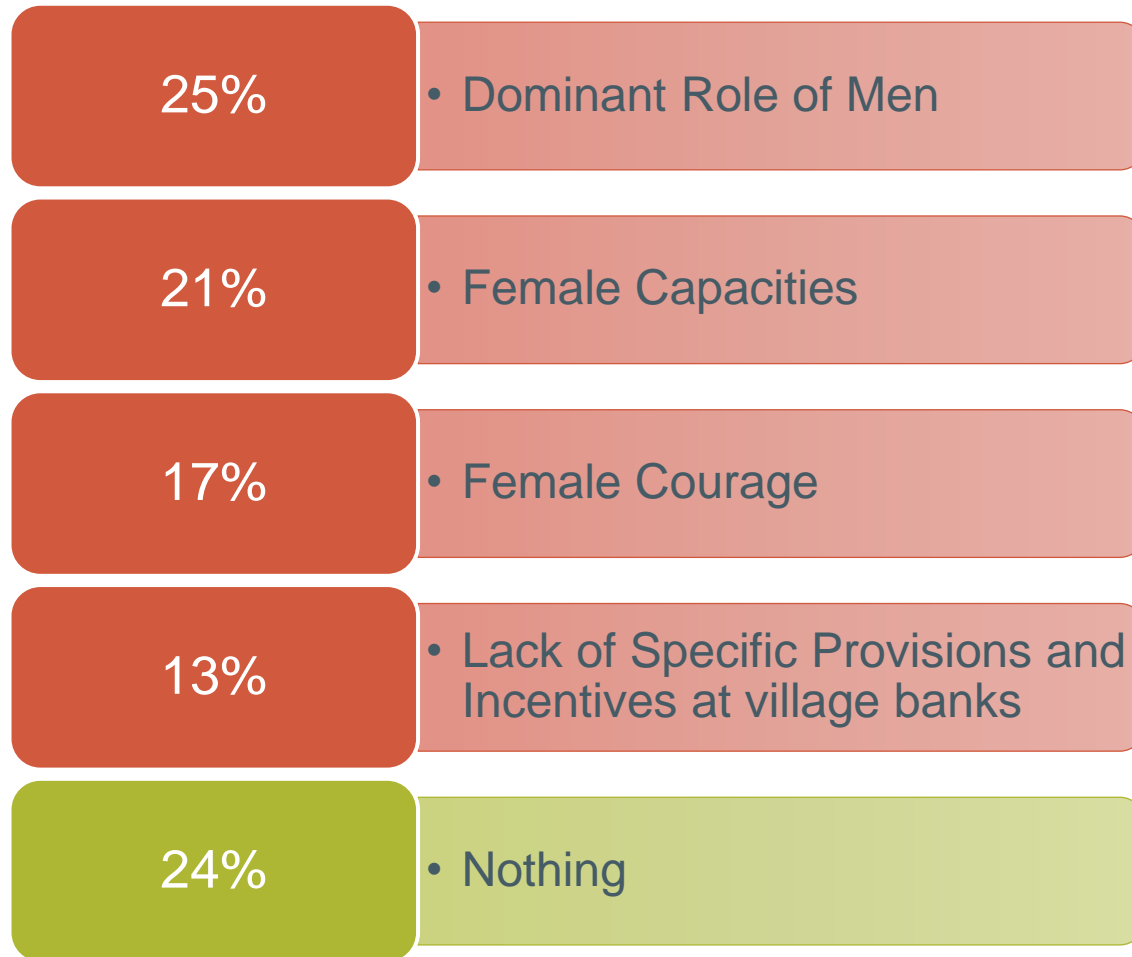
## Benefits expressed by female clients:







## I.I Main problems of village banks for women

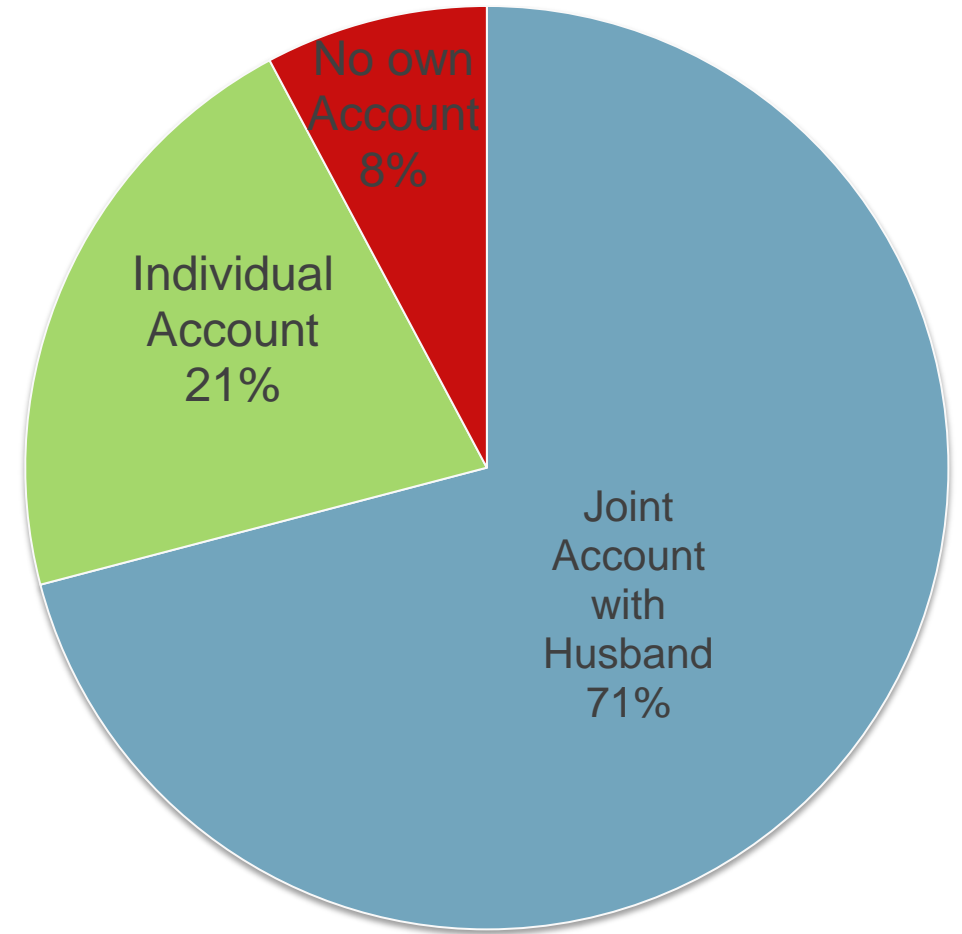


- **Main problem is capacity and courage (38%)**
- **Illiteracy and innumeracy** is prevalent among female villagers
- Women from **ethnic minorities face Lao language barriers**
- Courage is a function of capacity
- **Men often drive meetings** i.e. propose ideas and make decisions



## I.II Account ownership of women

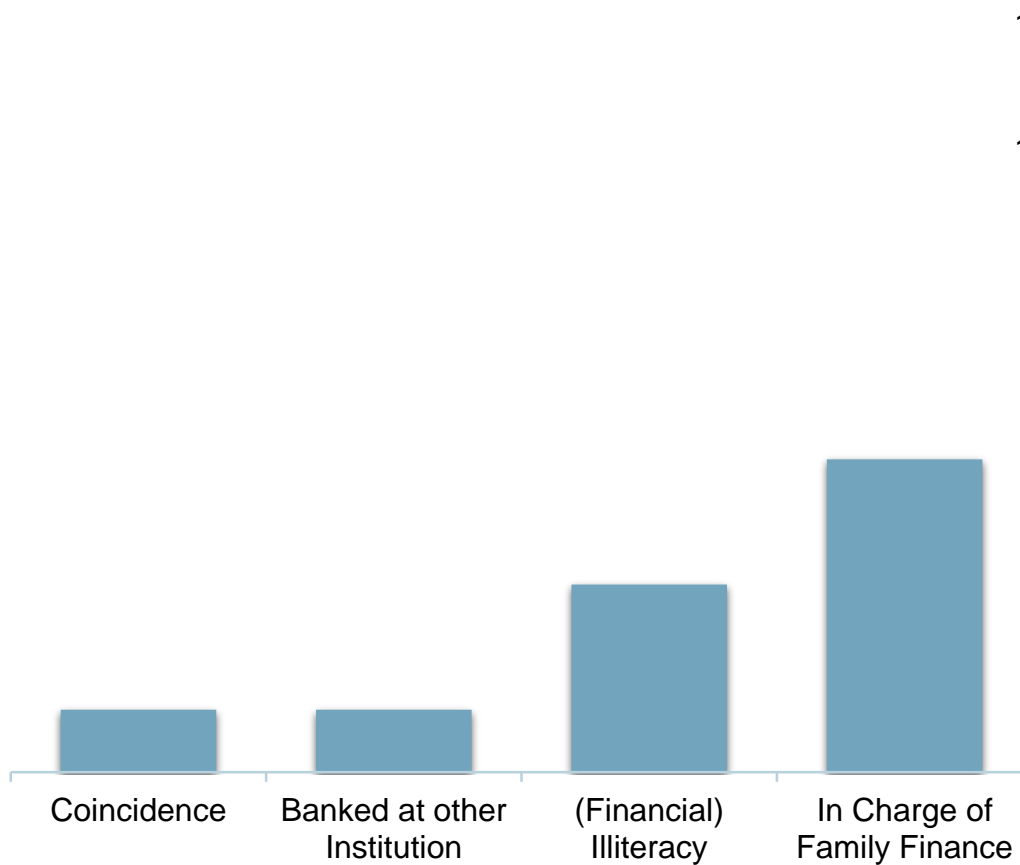
- **92% of women have access** to village bank accounts
- Account ownership has different reasons and should not be over-interpreted
- Reasons for account ownership:
  - **Institutional regulations** that promote female account holding inherited from previous project
  - Some village banks were **taken over from the Lao Women's Union**
  - Individual preferences/circumstances



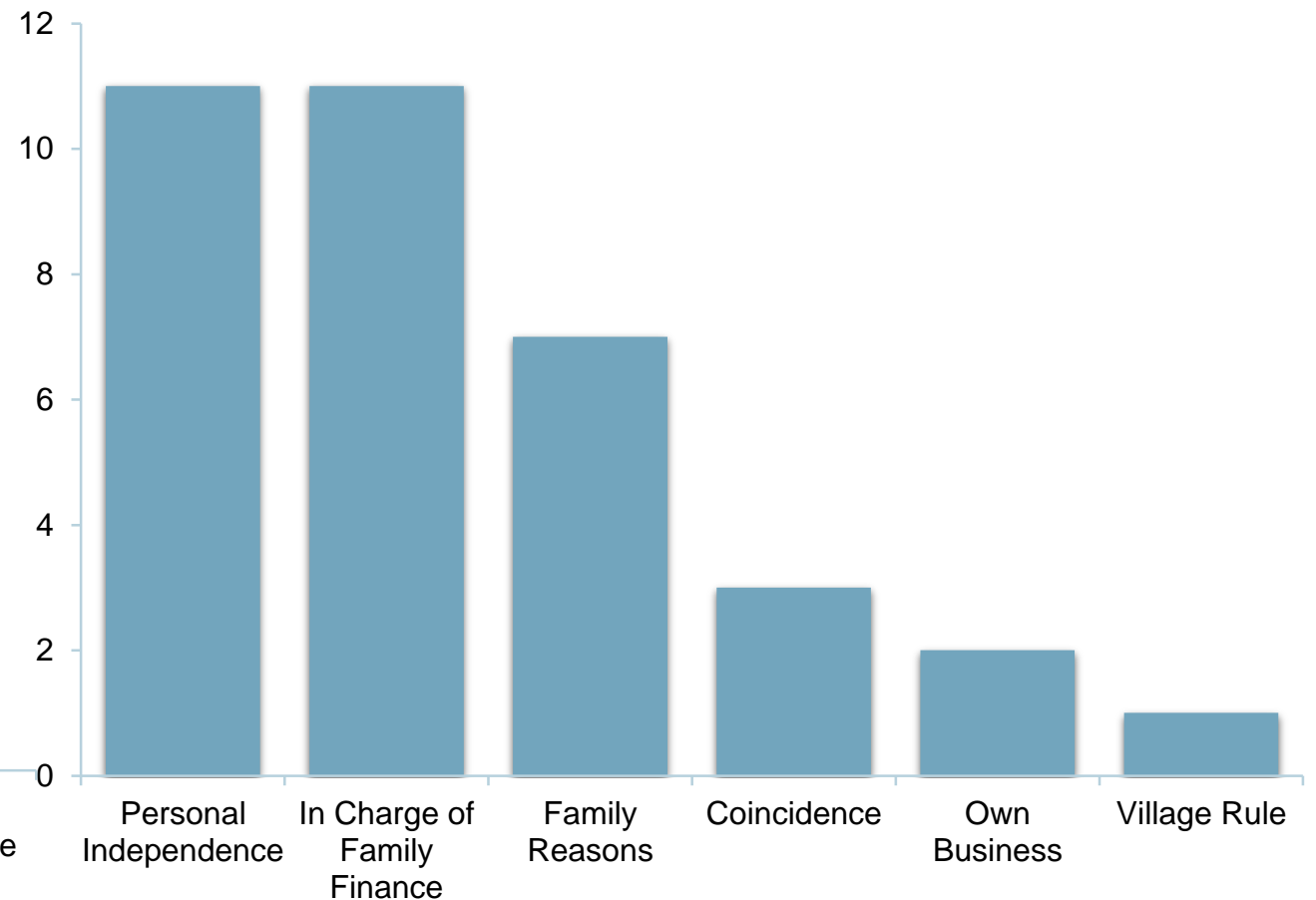


# I.II Reasons for individual account ownership at village banks

## Male Account Ownership



## Female Account Ownership



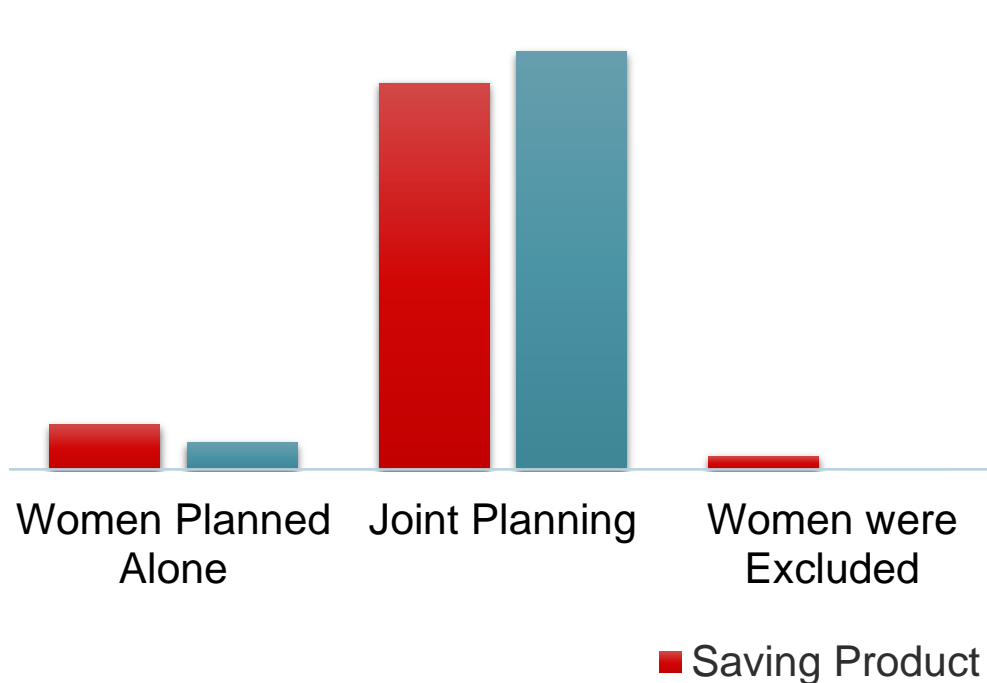


# I.II Household Financial Decision Making

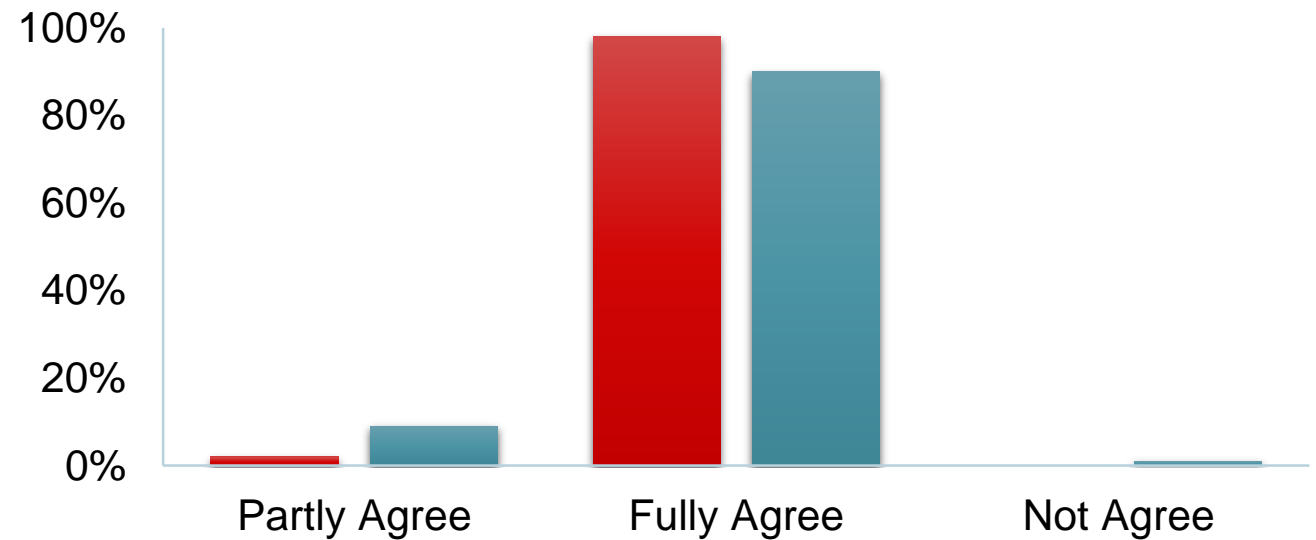
Women and men make their financial decisions together!

Only 1% did  
not agree  
with loan  
decision

The Planning Process



Level of Support on the Decision

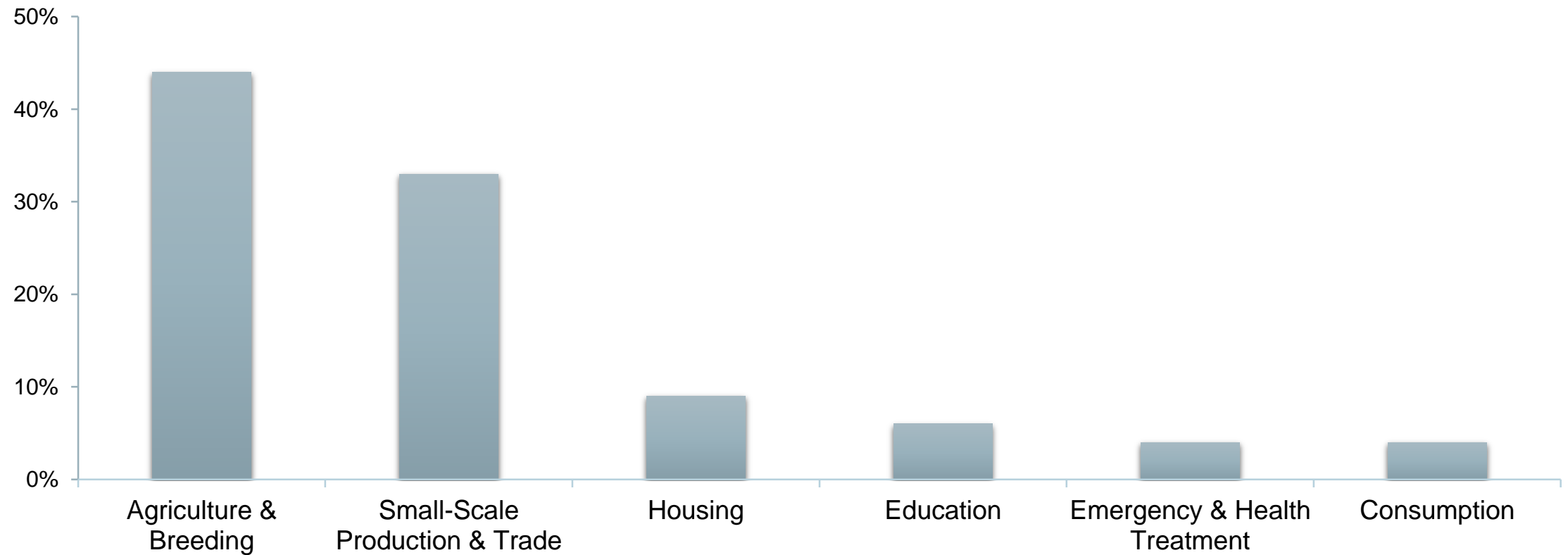






## I.II Additional credit demand by women:

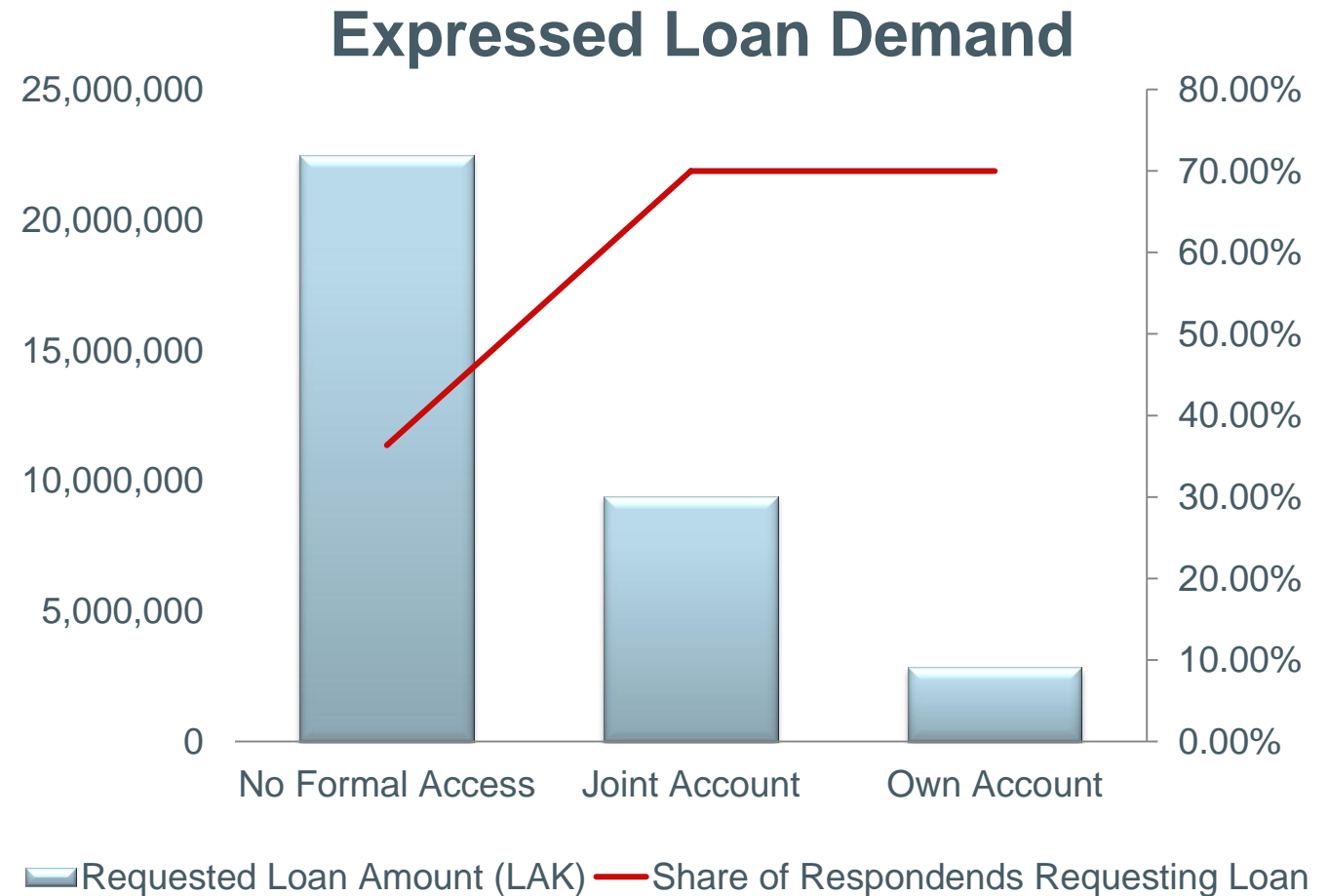
Two out of three women want an additional loan for:





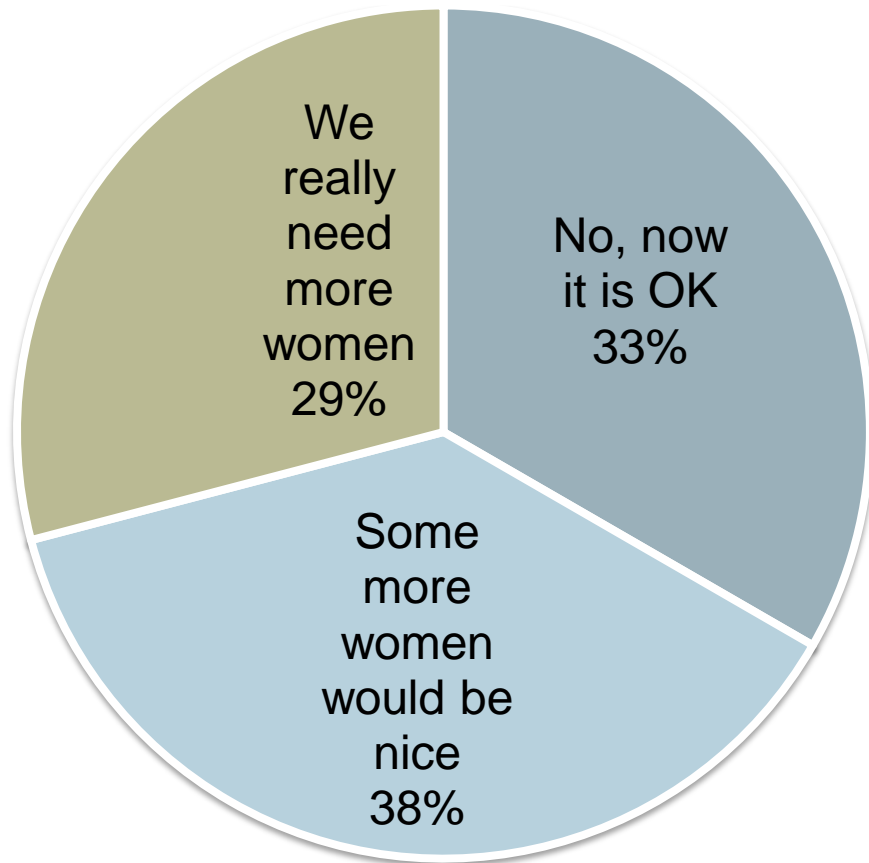
## I.II Effects of account ownership on loan demand

- Women without account are **less likely** to express demand for credit
- But if they do, the requested amount is more than **eight times higher** than that of women with individual accounts
- How do we interpret this data?
  - Real demand or lack of understanding?





## I.II Demand for more women in village bank committees



- Currently 22% of committee members in AFP are women.
- Two thirds of women would like to see more women in village bank committees.

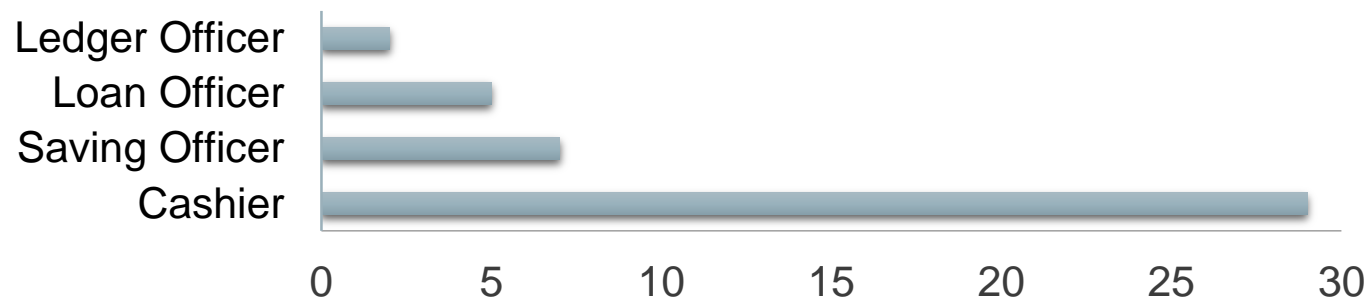


## II. What female village bank committee members say:

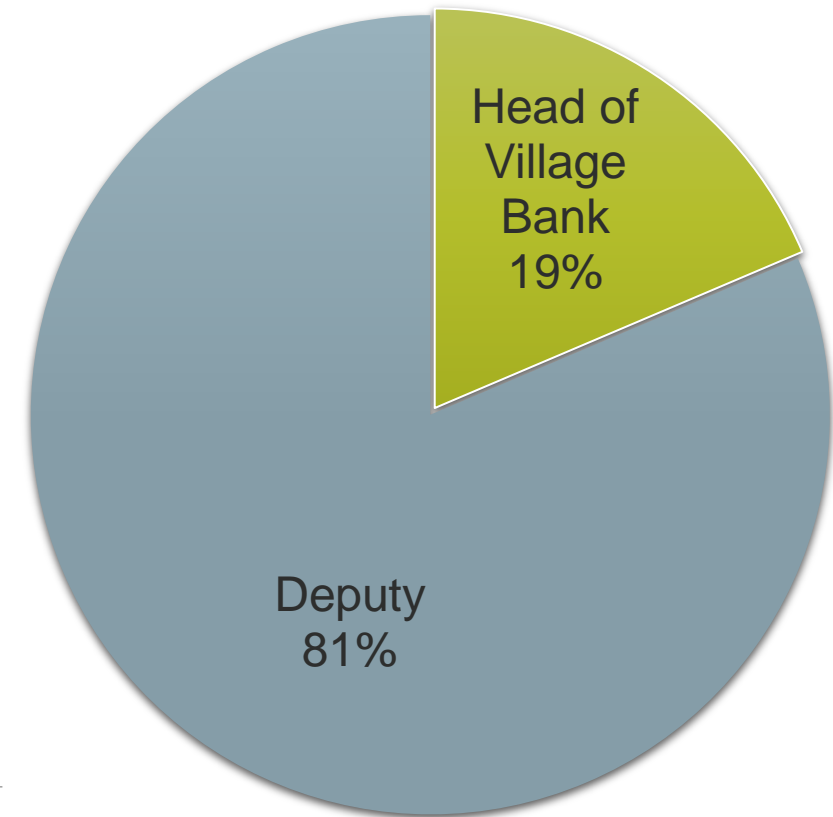
We interviewed 43 female village bank leaders about:

- Their own challenges in the decision-making process
- General challenges of women in village banks

**Position at village bank**



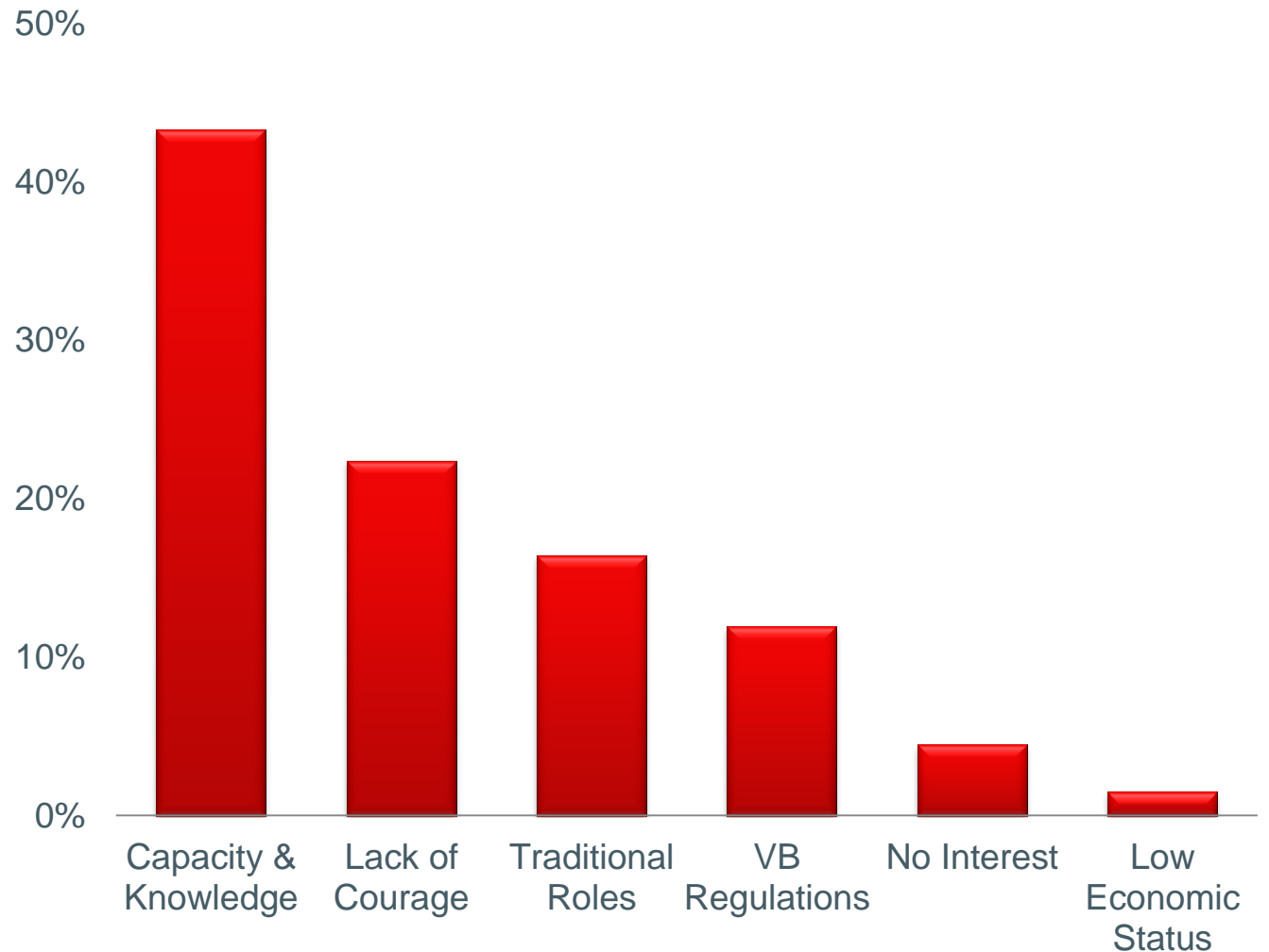
**Position at village bank**





## II.1 Obstacles to female leadership perceived by female leaders

- **Capacity and courage** are the **main factors** that keep more women from becoming village bank leaders!
- **Traditional roles** are a **secondary** obstacle

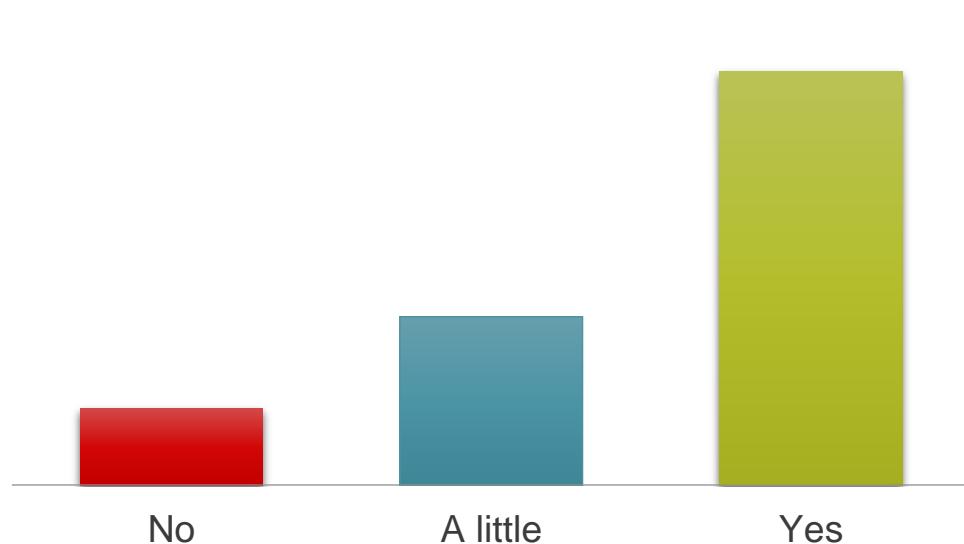




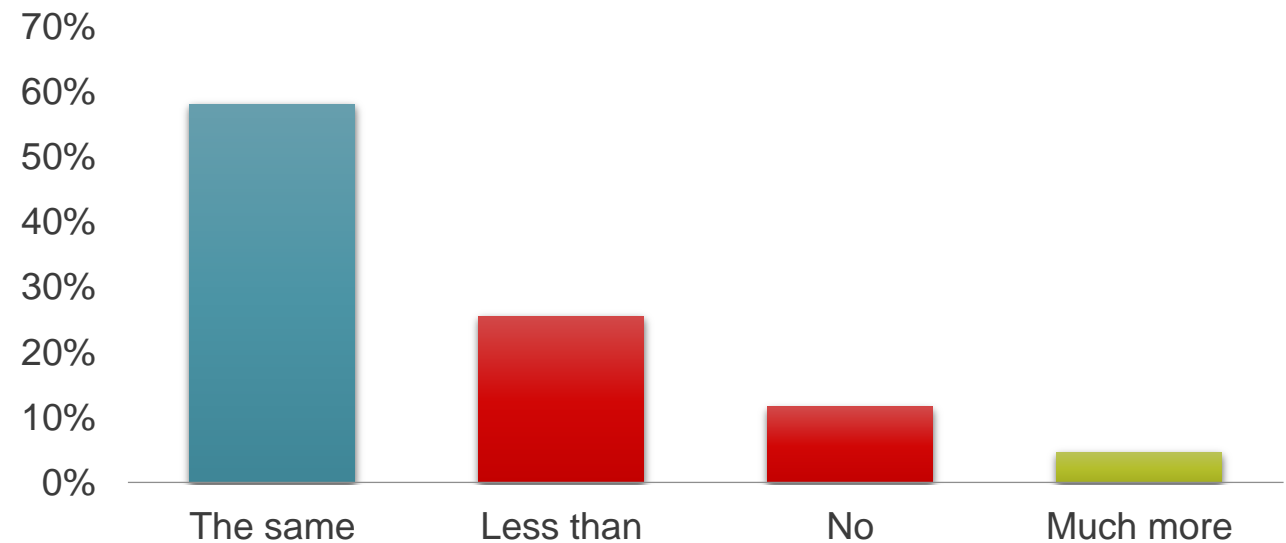
## II.I Decision-making processes in village banks

While voice is not guaranteed, more than 50% of women committee members feel well integrated in the decision making processes

**Did you have voice during the last committee meeting?**



**Did you have same decision-making powers as male committee member?**



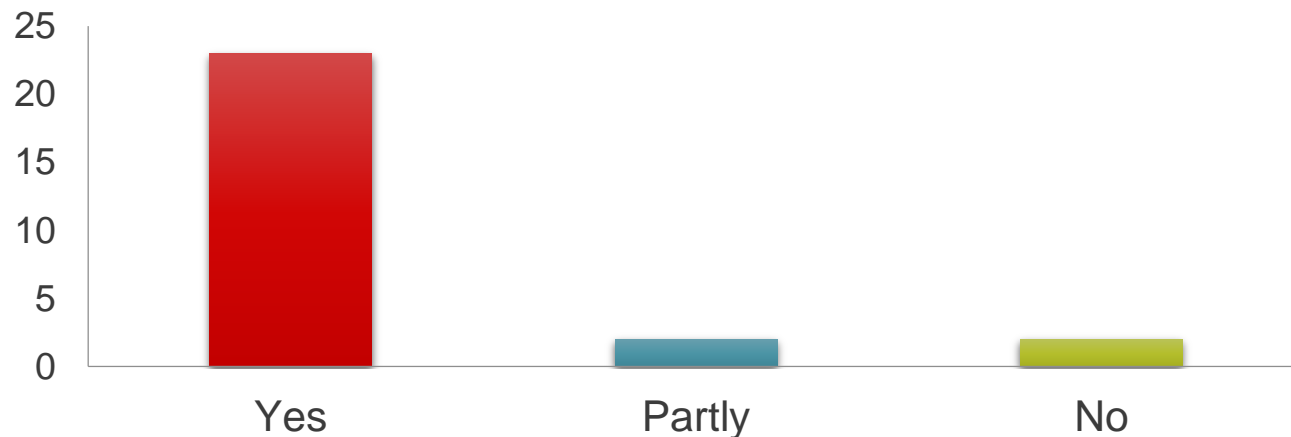




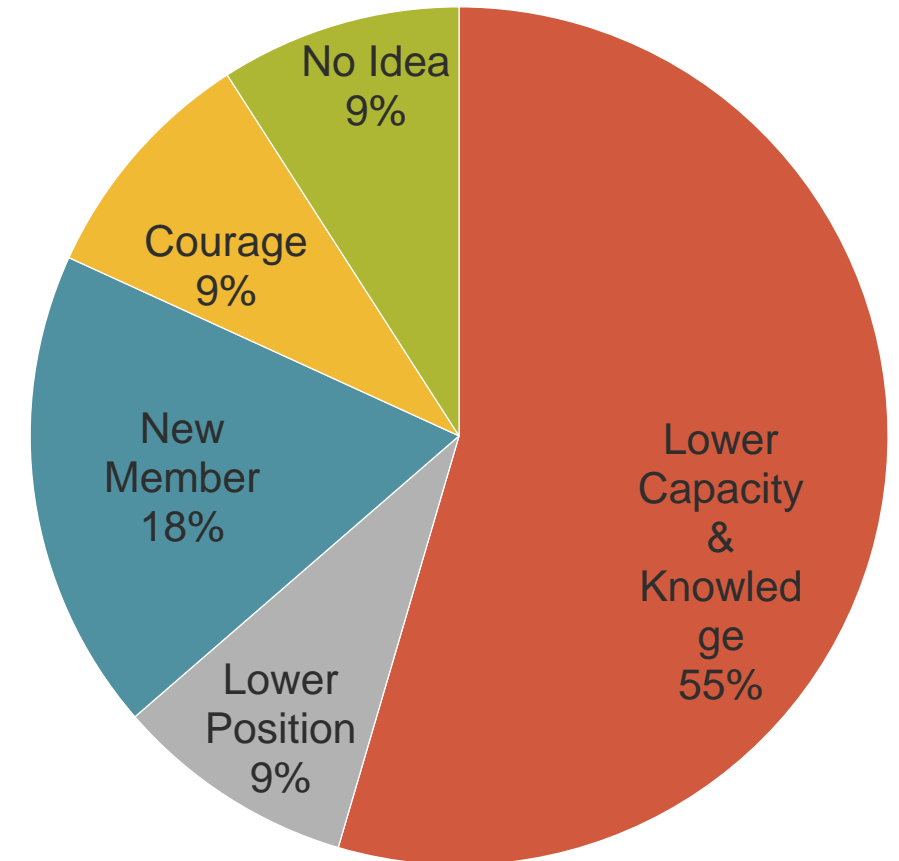
## II.I Why female leaders feel disadvantaged versus men

- When women have less voice, they often ascribe it to the fact of being a woman
- Female leaders do **not** blame **direct exclusion** by men
- **Capacity and knowledge** is the **main problem**

If you have less voice, is it because you are a woman?



Main reasons preventing equal voice

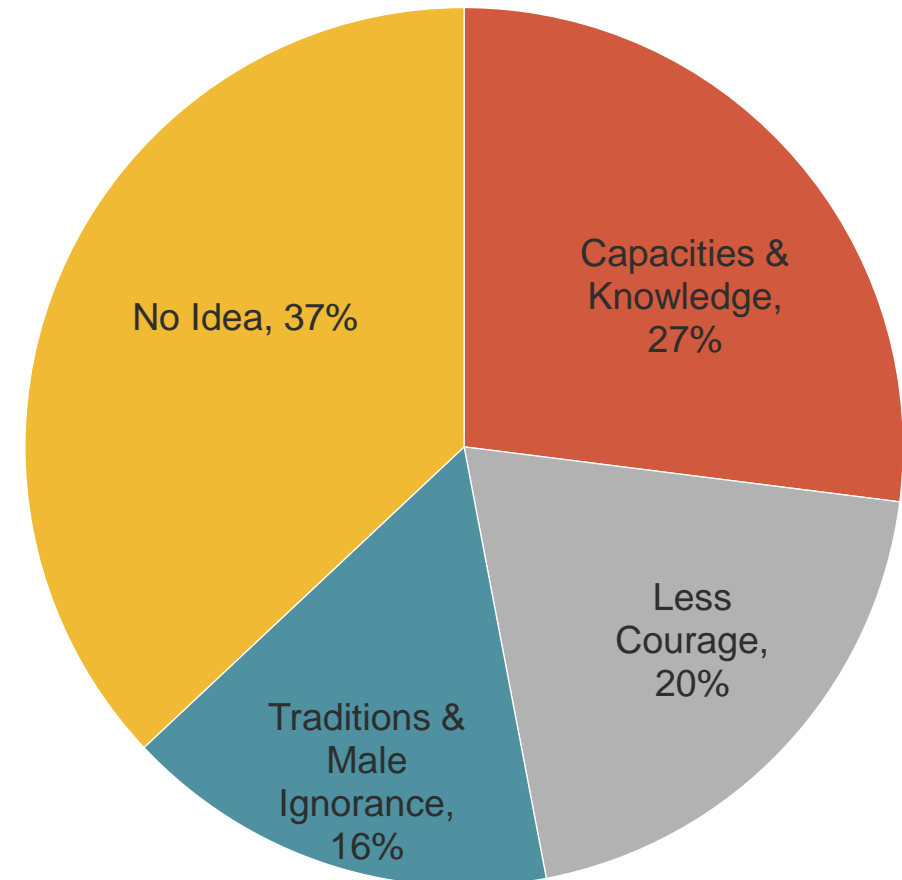




## II. Female leader's view on women's situation in general

- Not all female leaders consider women to be disadvantaged
- **Main factors are female capacity knowledge and courage**
- Only one out of six women perceives traditional roles and male behaviour as decisive impediments

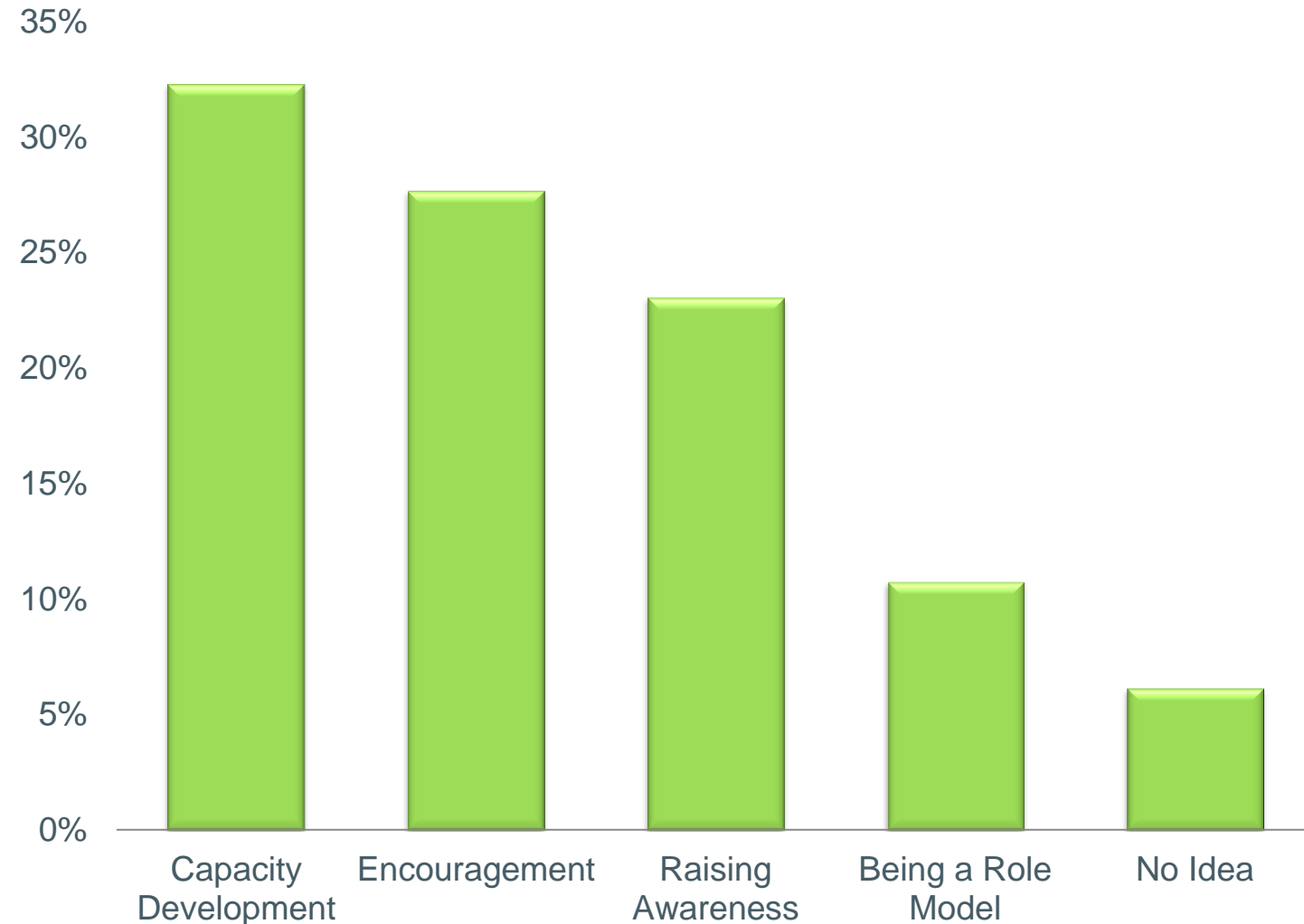
**Are women disadvantaged in any ways, concerning the Village Bank?**





## II. Measures proposed by female leaders

- Building of **capacity and confidence**
- Female committee members emphasize their own importance as **role models**





## Key Takeaways

- The **picture** of financial inclusion of women in rural Laos is **mixed**
  - Women are very well integrated in financial decision making of the household
  - But female participation in village banks is not ideal
- **Low capacity and a lack of courage** is the biggest problem for women to play a more active role as clients and leaders of village banks.



**Thank you very much for your attention**



**Published by:**

Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH

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Bonn and Eschborn, Germany

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