

Innovative practice 2017 on employment, work, and vocational education and training: 1999

TITLE

Initiating microfinancing and micro-enterprises for a whole city sub-district

Bangladesh: Sitakund sub-district of Chittagong – Young Power in Social Action (YPSA)

PROJECT SUMMARY

Young Power in Social Actions (YPSA) is a non-profit social development organization working in Bangladesh. Together with the Disability Rights Fund (which acts as the organization's advocacy partner) and the Sitakund Federation, YPSA provides microfinancing opportunities and vocational training for people with disabilities living in the Sitakund sub-district of Chittagong. In 2015, YPSA surveyed 1,250 persons with disabilities, 250 of whom were selected for an interest-free micro-financing programme based on their socio-economic condition and personal interests

FACTS & FIGURES

From 2015 to 2016:

- 1,250 persons with disabilities were surveyed and organized into 50 self-help groups
- 250 persons with disabilities were selected for interest-free microfinancing and vocational training
- 100 persons with disabilities started small businesses, such as tea stands

PROBLEMS TARGETED

People with disabilities living in the Sitakund sub-district of Chittagong have very limited job opportunities and almost no microfinancing options.

SOLUTION & METHODOLOGY

YPSA surveyed 1,250 persons with disabilities and organized them into 50 self-help groups, where they contribute part of their income to a general pool to create a fund from which group members can borrow as needed, such as for supporting their healthcare, education, and housing. Based on their socio-economic background and personal interest, 250 persons were selected to receive interest-free loans of US\$250 each. These persons also received vocational training courses and were given technical support and guidance to establish their own businesses, such as tailoring, cow rearing, poultry and dairy farming,

and tea stalls. Some engage in the production of handicraft items made out of bamboo, cane, and other local materials. They meet their customers – mostly from the local community – in a market once a week, where no rent is charged for their sales stands. To date, approximately 100 of the micro-enterprises have proven successful, and some have even taken a second loan to expand their business.

OUTLOOK & TRANSFERABILITY

This initiative has a total annual cost of US\$47,000 and is partly funded by the Government of Bangladesh and the Disability Rights Fund. YPSA itself has contributed US\$16,387. After the current funding expires in 2017, YPSA intends to secure funding for another two years, and is planning to replicate the project in other areas.

QUOTE

“YPSA gave me money, but it also gave me the mental strength to create my own business. Now I am a self-sufficient small entrepreneur in my society and I get a lot of respect.”

— Mr. Nurul Absar, a physically challenged person operating a small department store

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