

VISIONFUND UGANDA REDUCES THE BARRIERS TO FINANCIAL INCLUSION THROUGH PRODUCT TERM CHANGES

VisionFund Uganda works to provide “sustainable, gender-sensitive microfinance.” Though the institution aims for 60% of its clients to be women, actual outreach to women had dropped to 32%. Through Oikocredit’s SPM mentoring program, VisionFund realized that this decline was linked to two operational decisions:

1. emphasizing group loans while decreasing individual lending, and
2. requiring clients to present land title deeds as collateral for loans.

These product features created barriers to women clients as men in the areas of operations of VisionFund generally discourage their wives from joining borrower groups and Ugandan women do not generally hold land titles. VisionFund therefore reviewed its balance between group and individual lending, explored other collateral that women could use, and systematically tracked its outreach to women. Eighteen months after tailoring product terms to women’s needs, VisionFund Uganda’s outreach to women had risen to 42% of clients.