

Inclusion of disabled people in microfinance institutions: Where does Bangladesh stand?

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Abstract: This article constitutes a summary of the literatures and practices on the microfinance industry and its contribution, the status of people with disabilities (PWDs), and the case studies for financial inclusion in Bangladesh. Many Microfinance Institutions (MFIs) are operating to serve all segments of the clients for financial inclusion. People with Disabilities encounter several exclusions in the mainstream microfinance institutions in Bangladesh. At the same time, MFIs faces numerous challenges to serve these people. Even if it is not a formal analysis, it is still found that PWDs encounter tremendous discrimination such as social, political, physical, cultural, environmental; serious barriers including formal and self-employment, less access to credit, government support and social safety net system. On the other hand, these people often put themselves into 'benefit traps'. Microfinance institutions do not realize that many disabled people are economically active, that disabled customers expect service, and do not know how to adapt products for disabled people. The profitable partnership between MFIs and Disabled People's Organization (DPOs) are absent in practice. The government's social safety nets program is also very limited. Economic rehabilitation would come into progress when integration happens by blending social protection and necessary resources for income generation.

Keywords: Microfinance, PWDs, Disability, Poverty, Discrimination, Barriers, Financial Inclusion, Bangladesh

1. INTRODUCTION

Microfinance institutions (MFIs) in Bangladesh have been offering numerous financial and social services to the poor with the aim to alleviate poverty over the last three decades (MRA, 2014). Donors endorsed microfinance as an anti-poverty tool as it targets and reaches the poor-especially women and small producers and entrepreneurs-who have limited access to formal financial institutions (Khandakar and Samad, 2014). Microfinance including other services such as credit, savings and insurance received tremendous concerns from the development as well as donor organizations (Lewis, 2004). Microfinance is providing poor people with opportunities for financial inclusion and also claimed to serve the poorest of the poor and unbanked people in the world (Handicap International, 2006). Some people argue that it works for poverty alleviation, whereas others disagree with this statement and state that it is not a 'magic bullet' for fighting against poverty or a solution to all problems. Other practitioners articulate microfinance as a new phenomenon of an old version which is reframed and glorified (Armendariz, and Labie, 2011). One of the criticisms still exists that MFIs mostly work for well-off clients, that they do not serve poorest of the poor, for instance, disabled people. Many reasons appear in the literature, including exclusion mechanisms such as prejudice, or the inability to include these people due to diverse challenges, such as identifying disabled people. MFIs do not want to invest on this group, and avoid risking handling them as the transaction cost would be too high. At the same time disabled people put themselves into 'benefit traps'; negative confidence leads them to be non-productive. However, microfinance has evolved as a powerful tool to enhance economic empowerment focusing on underprivileged entrepreneurs, and suggested to enhance financial rehabilitation among disabled people

(Mersland, 2005). It is evident in many studies that disabled people are economically active, generating their self-sustainability (Mersland, 2005, Handicap International, 2006, Sarker, 2013). Bangladeshi MFIs are not that much concerned about the financial inclusion of disabled people; they rather focus on generalization. A smaller number of their customers are disabled, but they are unable to give an exact figure. Moreover, MFIs do not have “disabled clients- friendly” policies and never scale up their activities for financial inclusion in Bangladesh. In a nutshell, the aim of this paper is to see how disabled people are financially included in the mainstream microfinance intuitions in Bangladesh. In order to do so, the rest of the paper is structured as follows: Section 1 will discuss about microfinance, the microfinance industry and disability; Section 2 will represent areas and forms of discrimination on disabled people; Section 3 will focus on barriers for disabled people for financial inclusion; Section 4 will share a field level practice and its outcomes; finally, Section 5 concludes and suggests avenues for future research.

2. BANGLADESH, THE MICROFINANCE INDUSTRY AND DISABILITY

Bangladesh, with more than 150 million people, is one of the poorest countries in South Asia. Almost 15% of the population, which thus represents 22.5 million people, has a form of disability. These people are often excluded from the government’s development programmes. In Bangladesh, around 49.6% people live under the international poverty line of US\$1.25 per day. However, almost 30000 NGOs are working for many social causes including microfinance, human rights, disaster, health etc. Besides other NGOs, around 300 are working with limited resources for the disabled people inside the country (Handicap International, 2013). According to the Microcredit Regulatory Authority (MRA) of Bangladesh, currently more than thousands of MFIs (formal and informal) are running where 90% of total lending is funded by only 10 MFIs. State-owned commercial banks, Grameen bank, Non Governmental Organizations (NGOs), private banks, cooperatives, and specialized programme of some ministries of the Government of Bangladesh are some of the providers of microfinance in Bangladesh. In this sector, only Grameen bank and 10 large MFIs have 87% of total savings and 81% of total outstanding loan. NGO-MFIs are creating employment for 200,000 people including Grameen Bank and 30 million poor people (borrowers) are directly benefiting from this programme in the industry. With the help of financial services of microcredit, poor people become more active in numerous income- generating activities (Quayes, and Khalily, 2013; MRA, 2013). When the global microfinance sector faces the crisis of recession and over indebtedness, Bangladesh has shown tremendous resilience and enhances macroeconomic growth. Bangladesh is in the maturity stage of the microfinance sector with only 3% contribution of Gross Domestic Product (GDP) in 2011 (MRA, 2013).

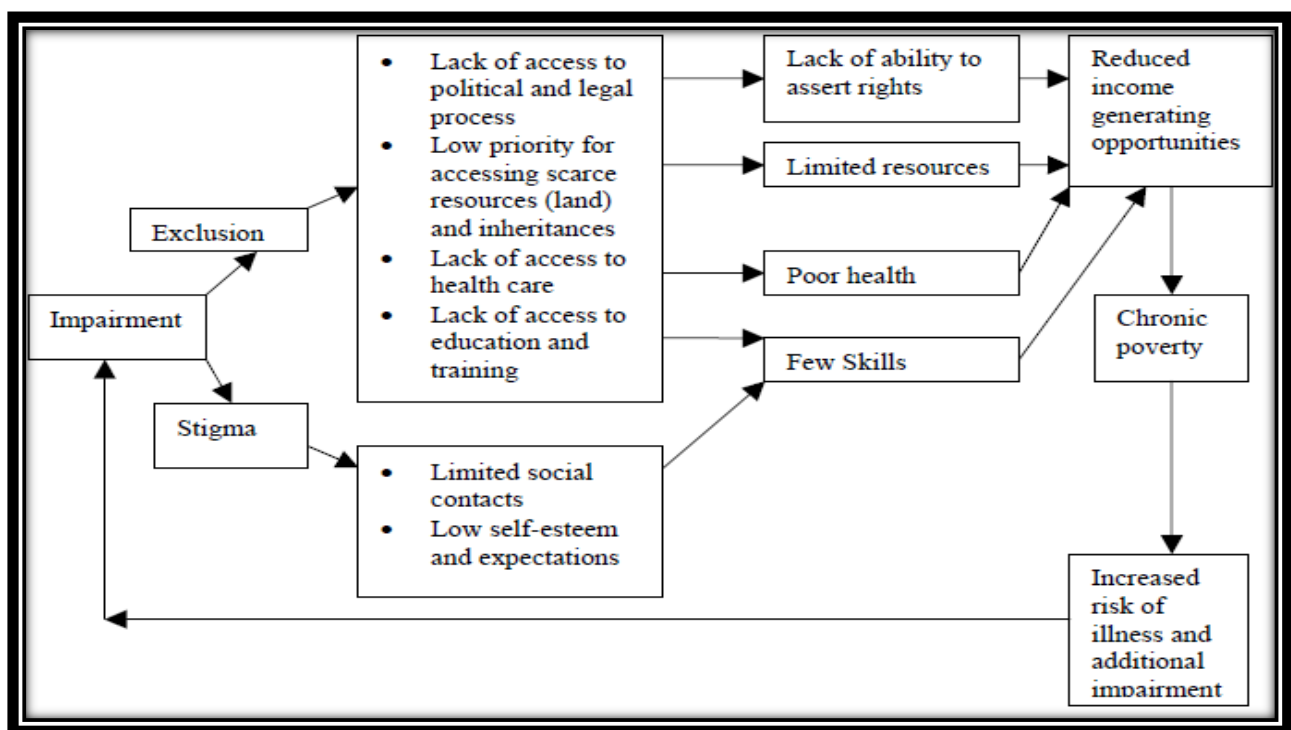
Disability and disabled people have come to the centre stage of the international and national development discourses in recent years. The government has limited coverage for the disabled people in Bangladesh. Some organizations are run by disabled people, and some are dealing with disability issues, but this is not enough: more focus is needed (Hussain, 2008). The negligence over People with Disabilities (PWDs) becomes mountainous as there is shortage of available services from government and NGOs that include disabled people in the normal development initiatives. (Anam, 2002). The constitute of Bangladesh guarantees basic human rights for each and every citizen of the country, irrespective of color, sex religion, races etc. It does not allow any kinds of discrimination even for disabled people. In 2001, the Bangladesh Parliament enacted the Disability Welfare Act to protect and promote the rights of disabled people. Considering the affirmative action, government has also introduced a 10 percent quota for disabled people in government jobs, and a national action plan on disability issue is also developed. (Hussain, 2008) Some common features exists in all developing countries, mostly on some basic issues such as the nature of disability, poverty and disability dimension, as well as inadequate intervention of the programmes for disabled people. A study conducted in Malta (National Commission for Persons with Disability, Malta, 2003) found some basic characteristics of disabled people in developing countries. These are mainly as follows: The first one is the rural dimension of disability; The lack of interventions to improve the economic integration of disabled people and interventions are quite costly; The third characteristics is the poverty dimension of disabled persons.

Women with disability had limited access to education and employment and participation in the decision making and social gathering process in their families. It also comes to the knowledge that these disabled women have limited awareness regarding policies and legal provisions (Hussain, 2008). Estimations revealed that 33 million people will be living with dementia in Asia-Pacific by 2030, and they will be 61 million by 2050. Higher disability at the older age combining with an aging population will require social policy approach and innovative policies that simultaneously address both ageing and disability related concerns (ESCAP, 2012; Conroy, and Mangan, 2004). The concern of economic empowerment of these people will become more vital in the future, especially in Bangladesh. Bangladesh Bank (The Central Bank of Bangladesh) also stresses appointing a “focal person” at each branch for all the scheduled banks for making more accessible banking services for the physically incapable people in Bangladesh. (Islam, 2011) Many disabled people in the communities face tremendous barriers for social inclusion (European Union, Bangladesh Government and International Labor Organization, 2012). Four state-owned banks (Sonali, Janata, Rupali and Agrani bank limited) and two specialized banks (BRB and RAKUB) are advised to disburse agricultural credit with priority among the PWDs individually or jointly and follow regulations for special microcredit to make self reliant and get them into mainstream economic activities. Banks have to adopt the correct monitoring system so that physically disabled people are out of all hassle and compliant and Bangladesh Bank will monitor regularly on the issue (Islam, 2011).

POVERTY, SOCIAL SAFETY NETS, INFORMAL EMPLOYMENT AND PWDS

Disability and poverty are interlinked and reinforce each other in Bangladesh like other developing countries. A major portion of disabled people are out of social and economical activities which could help them to graduate from the poverty. This exclusion could be reduced thanks to a blend of social protection and necessary resources for income generation.

IMPAIRMENT-DISABILITY-POVERTY VICIOUS CIRCLE:



Source: Adapted from Rebecca Yeo and Karen Moore, 2003, cited in Bonnel, R. 2004, p.7

Safety net programme is one of the key components of the government's social protection strategy. Compared to the given level of vulnerability, coverage is extremely poor for disabled person which is very surprising. Research shows that only 31% of extremely poor disabled people households received the benefits of government safety nets whereas about one half of these received disability benefits. The study also showed that major discrimination against disabled people in Bangladesh creates unnecessary but serious barrier for those who are extreme poor (Nokrek, 2013).

Any form of economic participation is really significant for the disabled in Bangladesh since they have very limited access to social security system. Economic participation including formal and informal economic activities can enhance the life standard of disabled people. Many people are self employed in Bangladesh compare to formal employment (Ministry of Planning, 2001). Paid work seems to be more important for disabled people and members of their family (Turmusani, 2001). Disabled people are excluded from the work as they are viewed as unable to work due to their physical impairment or psychological consequences (Barnes, 1992). These people are the poorest of the poor in the society of Bangladesh (Ahmed, 1999). Some of the studies done in Bangladesh revealed that prejudice against disabled people stimulate the lower number in paid work (Momin, 2004; Dulal, 2000; Ministry of Social Welfare, 1995; Uddin 1995). Many institutions are denying disabled people any access to microcredit for income generation. In many senses, informal employment provides a good source of income for individuals. It is generally characterized by low pay, poor working conditions, absence of social protection and low productivity in Bangladesh (ILO and International Institute for Labor Studies, 2013).

Some of studies find that there is a positive relationship between poverty and informality (Maurizio, 2009). Some are confused about the exact relationship between informality and poverty but it is exposed in the consensus that a greater portion of workers in the informal economy compare to formal one are from the poorer households (ILO and International Institute for Labor Studies, 2013).

CHALLENGES FOR PWDS IN GENERATING INCOME

Finance generally affects both the size and scale of an enterprise (Ciaian and Falkowski, 2012). This is how finance contributes to growth and development (Gupata 1984; Levine 2005; Beck et al., 2004; Koivu 2002; Coriceli and Masten 2004). When entrepreneurs operate in an imperfect credit, then access to finance is a major factor in enterprise development. When firms face credit constrains, in that case, eventually credit-constrained firms have less productivity (Barry and Robinson 2001; Briggemen and Morehart, 2009; Carter 2008, Ciaian and Falkowski, 2012). In Bangladesh, the scenario is similar: firms are highly credit-constrained. The large and medium enterprises have higher access to bank credit, whereas micro and small enterprises have more access to microcredit. Access to credit has an impact on starting up and scaling up enterprises. Around 23% of the enterprises in Bangladesh have access to credit for starting up. We can justify that access to credit as a policy for scaling up when we see that it has higher contribution in the productivity (Khalily, and Khaleque, 2013). Disabled people might be involved in the income generation arrangement but they still need to face abundant challenges.

Income Generation Arrangement and Challenges

Income generation arrangement	Challenges
Self-operated income generating activity	Inability to do physical work for long periods
	They need to rely on others which increased labor costs
	Lack of assistive devices
	Lack of appropriate income generation capital or equipment
	Difficulties travelling to work
Income generation with management supported by family or relatives	Difficulties selecting appropriate supporter and Income Generation Activity (IGA)

	Inadequate support from support provider
	Lack of formal savings plan for the disabled person
	Old age of caregiver (for example when they were parents)
Challenges common to both arrangements	Lack of employment opportunities or lower wages due to discrimination
	Lack of access to health services or inadequate quality of health services
	Vulnerability to natural disasters
	Social and cultural exclusion, stigma and marginalization

Source: Adapted from Shiree Working Paper (Nokrek, P., et al 2013, p.22)

Employment creation and income generation seems to be the success factors for inclusion of disabled people in the society (DFID, 2000). Some of the studies (for instance DFID, 2000 and WHO, 2011) have illustrated that people with disabilities have proven their capabilities in different sectors. They are entrepreneurs, self-employed, doctors, teachers, bus drivers, shop assistants and computer technicians (WHO, 2011). People with disabilities are not interested to enter the work force which is directly related to the “benefit trap”. (National Commission for Persons with Disability, Malta, 2003)

2. AREAS AND FORMS OF DISCRIMINATION ON DISABLED PEOPLE

The population of disabled people is very diverse and measurement of disability discrimination is widespread. (Turner, et al., 2005) Compared to other vulnerable, poor and marginalized groups, people with disabilities get insufficient support service in their communities, experience short of resources and economic opportunities as well as some barriers including attitudinal and physical which restricts them for equal participation in the society (Dudzik, and McLeod, 2000).

Different studies in the literature revealed that disabled people suffer from different sets of discrimination in their daily lives. One of the studies done in Bangladesh demonstrates that disabled people experience wage discrimination in the workplace. PWDs with learning difficulties and higher education are discriminated regarding the underpaid attitude and workplace discrimination (Nokrek, et al., 2013). Housing seems a hard thing for disabled people to deal with for living especially in the urban areas, they face extreme vulnerability as they do not have sufficient money in their bank account and face social obstacles (Hussain, 2008). The systematic discrimination against people with disabilities is higher than net measured of the discrimination based on race and ethnicity (Turner, et al., 2005). Despite different forms of marginalization and social exclusion, people with disabilities face tremendous obstacles to exercise their vote. (Lang, and Upah, 2008) When disabled people are in crisis and displacement, they encounter a magnified discrimination (United Nations, 2011)

In Bangladesh, people view disability as a curse and it is a cause of embarrassment for the family. Fewer alternatives exist in Bangladesh for systematic awareness creation at the community level. The situation of disabled women is really the worst, as they face double vulnerability and negligence. People with disabilities are usually excluded from existing government and nongovernmental development programs (Turner, et al., 2005; CREA, 2012). Women with disability and young girls suffer a lot from the negative attitude compared to their male counterparts, which critically affects their physiological or social health (Hossain, et al., 2002). In Bangladesh, People with disabilities who are working earn less and are often dismissed from their jobs. Disabled women ‘cannot marry’ or more “breakdown” occurs compared to their male counterparts (Hossain, et al., 2002). Unfortunately there are no clear and specific statistics, but a UNESCO report indicates that only 2% of disabled people receive any kind of services in developing countries (Haider, undated). The poorer families suffer more from negative attitudes towards the disabled, compared to the richer disabled people. This trend is due to the growing financial pressure by the increasing burden of disability (Hossain, 2002).

Women with disabilities face regular and continuous discrimination within the society. Women are more vulnerable than men (Labie et. al., 2011; Nokrek, et al., 2013; Immigration and Refugee Board of Canada, 2004). Women with disabilities, who are outside of mainstream of South Asian Society including lesbians, sex working women, women with physical or mental disability, suffer extreme rates of violence and are unable to ask protection from state agencies (ESCAP, 2012). It comes out that adjusting to social attitude is most difficult for the disabled people, and non-disabled people are reluctant to get in touch with disabled people (Hossain, 2002). Women and girls with disabilities are seriously affected by sexual violence and are more vulnerable to HIV and AIDS transmission (Eide, and Jele 2011). Women with disabilities come from rural area, Lesbians, young and old, indigenous, sex trade workers, refugees and migrant women, women with disabilities get less priority (Lewis, 2004). Disabled people get lower loan amounts even if there is no income indifference (Lewis, 2004). Exclusion of people with disabilities during displacement could be unintentional or decisive; in either case, nevertheless, it is discriminatory (United Nations, 2011).

Many philosophers, health economists and respondents in empirical studies agree that because of the lower priority for the vulnerability of the disabled people in the society, they experience rigorous discrimination (Bognar, 2011). Quota system for disabled people in the national employment system is mostly popular in developing countries; but this might be a source of discrimination as many people may think that disabled people are getting jobs regardless their merits (National Commission Person with Disability, Malta, 2003).

Bangladesh has increased per-capita income and decreased percentage of population below the poverty line but few groups of people- especially disabled people and their family members with disabilities-could not get access to the leading lending sources in the country simply because of discrimination and stigma (Haque, 2007). The diverse discrimination against disabled people and the exclusion from the main society might force to economic hardship and missing their creative capabilities. Human beings want to get equal rights from the country, society and institutions (Sultana, 2010). Most of the Bangladeshi people are poor, and traditional financial institutions are reluctant to provide financial access to poor clients. The poor become more efficient when they get collateral free working capital loan to initiate their small and medium enterprises (Ahmed, 2012). Microfinance institutions virtually never serve the poorest of the poor, such as physical and mental disabled people, street children, the destitute and refugees, or the elderly (Davi, 2011). Moreover, Bangladesh has not been able to pass any discrimination law on disability (ESCAP, 2012; Sultana, 2010). Social model of disability is the basis of the international disability movement which comes from the attitudinal, institutional or physical barriers that systematically exclude disabled people from fully participation in the society (Lang and Upah, 2008). When disabled people want to get access to permanent financial services and to be included as mainstream clients, they are expected to pay the same price as non-disabled clients do (Mersland, 2005).

Disabled people can not earn as much as non-disabled people do. It is also challenging for MFIs to include disabled people into their mainstream programme. MFIs are committed to reach disabled people but they actually have no more than 1-3% of disabled clients (Mersland, 2005). One kind of discrimination sometimes exists based on the purer discrimination such as ethnical, religious, or physical criteria where disabled people are very illustrative. MFIs do not officially oppose the idea of serving disabled people, but they rarely do in practice. Different papers explain assorted mechanisms but Cramm and Finkenflugel (2008) reveal that standard MFIs staff can indeed be a source of discrimination (Labie, et al., 2009). MFIs do not take attempts to serve disabled people who are in poverty, as they do not consider the greater cultural mechanisms of discrimination and therefore, they are not constructively dealing with these people. Disabled people encounter different programmes that ignore their context and confront the belief of discrimination (Chowdhury and Wright, 2005; Hoque, 2004).

People with disabilities (PWDs) are not denied by MFIs if they meet the necessary requirements. Some of the determinants of adequate savings or collateral as well as perceived trustworthiness of disabled people are needed for getting loans. Minor changes or consideration in designing of the products and financial policies could increase financial inclusion of this group. However, PWDs might improve their skills, knowledge, attitudes to become clients and at the same time, microfinance service providers should focus on their skills and knowledge to handle PWDs (Nuwagaba et al., 2012).

3. BARRIERS FOR DISABLED PEOPLE FOR FINANCIAL INCLUSION

Microfinance institutions typically do not consider disabled people into their mainstream programme. Bwire et al. (2009) state that only 0.5 percent of customers are disabled in the microfinance institutions. Cramm and Finkenflugel (2008) and Martinelli and Mersland (2010) exposed that very few PWDs have access to microfinance. It does not align with the statement of United Nation Convention of the Rights of Persons with disabilities (2008) where equal opportunities for PWDs are ensured. Accessing credit and savings would have specific value to the men and women with disabilities. Lewis (2004) states that access to credit not only helps PDWs to build assets but it also enhances their self-esteem and social acceptance in the society.

Simanowitz (2001) and Bwire et al. (2009) identified several barriers preventing disabled people from getting access to credit including exclusion by staff due to the negative attitude, non-disabled people in the credit groups, disabled people themselves due to low self-esteem and rejection for the microcredit, and credit design as well as communication disadvantages from the disability itself. So far these barriers come out from the anecdotal evidence and expert observations (Handicap International, 2006; Cramm and Finkenflugel, 2008; Bwire et al., 2009; Martinelli and Mersland, 2010; Beisland and Mersland, 2012)

However, the biggest barrier is that most of the MFIs perceive PWDs as financial "risk". PWDs are not well informed about the MFIs; they generally do not understand the advantage and disadvantages of microfinance loans, shortage of savings habits, and they perceive MFIs offices as a social office, not a banking institution. Similarly, MFIs have their misconceptions towards PWDs (Lee, 2012). In terms of demonstrated business skill and knowledge, disabled people are similar to non-disabled population but they do not know how to get any start up funding (Handicap International, 2006).

Boylan, and Burchardt, (2002) found that disabled people face the following barriers in getting access to finance:

Real difficulties to obtain startup capital, lack of self-financial resources or homes, shortage of information regarding loan, discriminated by banks or other related institutions

Disabled people fear of losing regular benefit of other sources. For getting external benefits from different stakeholders, for instance, donors, DPOs, government, NGOs or relief fund, they usually hide real information.

Non cooperative attitude of business advisers as they think that it would be really hard to open a business since it will be stressful. They do not want to hear the capacity of disabled people what they can do or not.

Lack of appropriate training and other support like advertising of service availability, shortage of transport and fund to mobilize from center to office, accessing facility to center, inadequate training or training materials.

Handicap International (2006) recognized mainly two barriers for PWDs in their global study such as personal level: due to lack of self-esteem and motivation, self exclusion, lack of educational qualification, shortage of technical know-how, depend on charity as well as some special conditions. The second one is environmental level: mainly concerned about attitudinal barriers, designing products, architectural barriers. (Lang & Upah, 2008) The added category of barrier might be the technical barrier especially financial products design, group methodologies, weekly repayment, compulsory savings and credit history.

Research (Titumir, and Hossain, 2005) done in Bangladesh shows that disabled people encounter several barriers including:

PWDs could not receive any treatment or visit doctors just because of their economic hardship.

They are handicapped since they face physical, social and cultural barriers that prevent them from complete and equal participation in social, economic, political and cultural activities.

The number of disabled people in Bangladesh is believed to be high due to overpopulation as well as extreme poverty, lack of awareness, illiteracy and above all lack of medical care services. Social taboo is one of the major causes for Bangladeshi people to suffer from insufficiency of knowledge about disability. Perceptions over disabled people are also influenced by stigma, ignorance, impairment-based definitions.

Exclusion mechanisms are almost alike to what can be found in some other developing countries, for instance, in Ethiopia. PWDs in Ethiopia encounters a "double barrier" for not finding a job because of lack of awareness and not eligible as a trustworthy borrower to the mainstreaming financial institutions. In Colombia microfinance institutions (Oportunidad Latinoamerica) found higher rate of PWDs and started serving this target group as a specific market segment. For achieving this goal, few changes took place, for instance, flexible methodology; smaller loans are offered for startup which is uncommon for the rest of the clients. Average loan was ranging from US\$ 190 with a monthly interest of 1.89 percent and now represent 6% of their client base (Lee, 2012).

Most of the disabled people in the developing countries live in rural areas. Many mainstream microfinance institutions (MFIs) and development organizations say that disabled people are not their target population while others say that it is difficult for them to know the extent to which they served disabled people as this was not a variable they recorded (Leymat, 2012). One of the main weaknesses of many MFIs is that they do not reach the most vulnerable groups, especially disabled people, as their presence is weak in rural areas especially in Africa. (Klerk, 2008)

The common difficulties including people with disabilities in the savings and credit groups are that non-disabled persons do not accept disabled persons easily, and that disabled persons expects charity funds rather than operating a savings scheme. Moreover, PWDs have lower credit worthiness, lower motivation, lower source of earning, most of them are poor and unable to save, their families are not very supportive; it takes time to include them in the programme; their mobility is restricted; the ability to market product is limited; and display PWDs lower attendance in the groups compared to others (Thomas, 2000). Microfinance clients are required to save a certain amount before they can get access to credit, which also impedes the participation of the very poor (The SEEP Network, 2006). Disabled people are generally less prioritized in accessing scarce resources, such as subsidized credits, agricultural inputs and land along with accessing courts for enforcing their legal rights (Bonnell, 2004).

4. CASE STORY FOR FINANCIAL INCLUSION OF PWDS: EVIDENCE FROM BRAC, BANGLADESH

BRAC Microfinance Programme initiated a project in 2011 for the PWDs in partnership with of one of the DPOs in Bangladesh. Some loans are provided to the spinal cord injured patients with the same interest rates and regular conditions as those offered to others. The outcome of the project was noteworthy in terms of repayment (99 percent), as well as savings (mostly higher than average savings). This is the kind of example that shows that economically active PWDs have the capacity to repay the loan, which empowers them socially and economically. Many disabled people disagree to get a loan due to their lack of confidence to repay, or fear losing benefits from the government or donors.

Reaching PWDs was really challenging as they are geographically scattered and locating them is too costly. The Staff's mindset is another challenge; they need to get sensitivity training, to be patient, and to analyse clients' situations in depth. Getting data to learn from the experience is the third challenge because when DPO provided a list of more capable clients, it was really impossible to see what happens to others more vulnerable clients.

Recognizing the gap of knowledge and views between MFIs and DPOs is important in this partnership. DPOs might not agree to analyze the project as MFIs wish to; they are often dissatisfied with the MFIs interest rate as well as other features (though regular offer worked well in this piloting). The asymmetric

information between 'disability world' and 'microfinance world' hinders vital communication (Sarker, D., 2014).

WHAT HAPPENS WHEN DISABLED PEOPLE GET ACCESS TO CREDIT?

Most of the PWDs believe that they could earn some income and pay back the loan if they had the necessary equipment. This is a basic prerequisite for further steps to start microfinance for this group of potential clients (Daher, & Flessa, 2009). Studies report that individual, social and economic outcomes and changes within the community are resulting from access to microcredit (Handicap International, 2006; Dyers, 2003; Lewis, 2004). But more research is needed to explore evidence and weight of these factors (Cramm and Finkerflugel, 2008). Here is the summary of the main outcomes as found in the literature (Paauwe, 2010; Thomas, 2000):

- Increased self-reliance, self-confidence and self-esteem
- Changing status in the family (decision-making or a leading role)
- More social integration
- Improved business skills, strengthening of capacities
- Increased regular and household income (reduced vulnerability), being able to access (better) health service easily to buy food and nutrition
- Being able to cover needs of the children (medication, school, uniforms etc.), voted in the election
- Community members treated them well and some of them felt that it was their responsibilities to look after them

5. CONCLUSION

Developing strategic partnership between MFIs and DPOs might be very useful for serving PWDs. It is vital to improve the skill set, knowledge base and attitude of PWDs. MFIs should keep their focus on the ability of the economically active disabled people. If MFIs start providing the same service to PWDs and if DPOs set up a guarantee fund against the failure of the payment then it would be a win-win situation for both. MFIs will have their new client base and serve most vulnerable groups at the same time. Extensive market research would be needed to understand more about the size, scope and nature of the population with disabilities, and how best to tap its financial potential. The industry needs to develop social performance and disability inclusion indicators. They might launch prizes for the most "disability inclusive" MFIs (Golstein, 2010). PWDs might be included in the mainstream programme if there are some initiatives exists specially by raising awareness, simple adaptations, training professionals, new rules and policies, establishing partnerships for global change of the service. There should be urgent steps for supporting plentiful actions of social and political activities in order to challenge the stigmatization and exclusion of extremely poor disabled people in rural Bangladesh. For protecting the future of PWDs in Bangladesh, MFIs, NGOs, DPOs, the government and social safety net programmes could contribute to financial inclusion (Sarker, D., 2014). However, more study needs to see the impact of microfinance interventions on PWDs, identify market size of economically active disabled people, how effective partnership with MFIs and DPOs work for financial inclusion, how to adapt microfinance products for disabled people.

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