

Press Release

Rio de Janeiro, 15th of August, 2011

Microfinance & Education

PlaNNet Finance starts a financial education project intended for the community of Indian origin in Belém, Amazonia

Following the signing of the financing contract June 15, 2011 with the European Union, PlaNNet Finance Brasil began in early July and the project Microfinance Financial Education in Belém, State of Pará, Amazonia.

After teaching the basics of financial management to micro-entrepreneurs in South Africa, Senegal, Ivory Coast, Mali, Cameroon, Central African Republic, Madagascar, Colombia, Egypt, the Philippines, China, PlaNNet Finance is now reaching out the microentrepreneurs in Amazonia.

Brazil is experiencing a remarkable economic growth, but that does not benefit the entire population. Indigenous communities in particular often remain in poverty and social exclusion, particularly in the North where they are most numerous. This project arose from the following observation: the Indians in urban areas, without access to capital, develop small businesses, generally precarious and informal, that keep them in a very vulnerable situation. The Financial Education Project aims to allow 500 people of Indian origin living in Belém to have access to credit and appropriate training.

To this end, PlaNNet Finance Brasil for two years will work in partnership with AmazonCred, a microfinance institution in Brazil, which PFB will provide technical assistance to enable it to develop financial products tailored to specific needs of this population.

The Microfinance and Financial Education Project in Belém will unfold in three phases. Currently the diagnostic phase is in progress. The analysis of socio-economic conditions of the Indian population referred will enable AmazonCred to develop financial education modules adapted. Then the training will be developed and implemented during a year and a half. It includes two main areas: development of entrepreneurial skills and management of a microenterprise. Finally the project beneficiaries will have access to microfinance products specially designed for them by AmazonCred, thanks to the expertise and monitoring of PFB.

The project financial education is a fundamental model of intervention because it includes training not only technical but also focused on individual empowerment of marginalized people. PlaNNet Finance Brasil has decided to focus on financial education because it is a complement to the microcredit: it is a necessary prerequisite for the proper use of loans delivered to people in precarious situations or excluded from traditional banking system. The needs for financial education have been identified in many other regions in Brazil. This project could be extended to new populations.

About PlaNet Finance

PlaNet Finance's mission is to help poor people develop income generating activities, in order to sustainably improve their living conditions. PlaNet Finance has a worldwide Network of 110 experts and is active in more than 60 countries. It offers advisory services and technical assistance to microfinance actors so as to improve their financial and social performance as well as supporting microentrepreneurs in their endeavours.

PlaNet Finance also contributes to the improvement of knowledge and spreading of good practices in microfinance. PlaNet Finance is member of the PlaNet Finance Group.

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