

Financial Inclusion of Micro and Small Enterprises in Northern Regions in Peru (BL)



Contribute to reducing regional disparities and poverty through financial inclusion of micro and small enterprises

Purpose

To improve access to finance for micro and small enterprises in Peru especially in the northern regions by financing Mibanco. This will contribute to reducing regional disparities in the country.

Key points of the Project

1. Support for the people facing the vulnerable finance access

Mibanco, the Project's partner, focuses on small and micro enterprises among the microfinance institutions. Through the loan for Mibanco, JICA is able to reach the enterprises facing the higher financial access barriers.

2. Reduction of the rural disparities

Due to the economic and social disparities between the metropolitan and rural areas, more people in rural areas move to the metropolitan area, and the poverty in rural areas become more severe as the population is hollowed out and the economy remains sluggish. Mibanco lends to micro and small enterprises in rural areas, contributing to re-vitalize rural industry.

3. Reduction of the poverty

Northern Peru is a relatively poor region which includes some of the most vulnerable states in the country. Micro and small enterprises significantly contribute to employing people in the low-income segment, and the Project expects to reduce the poverty by creating the jobs.

