Introduction

This paper examines empowerment and gender information systems in microfinance, as well as practices of several Microfinance Institutions (MFIs) in the Andean Region. Much of the information has been provided by the MFIs, based on their participation in regional events and virtual communication networks as part of the gender justice programme known as Women's Empowerment Mainstreaming and Networking for Gender Justice in Economic Development (WEMAN). The purpose of the paper is to review the progress that has been made and challenges that remain in the area of economic development with gender justice.

Empowerment through microfinance programmes

Measures for reducing gender discrimination have contributed greatly to poverty reduction and expansion of economic development, but there is still a large gender gap in human development statistics in most countries. As a result, more and more development organisations are trying to mainstream gender equity in economic development. Initiatives and demand from member organisations of Oxfam Novib, other Dutch NGOs and other organisations led to the development of a gender justice network known as Women's Empowerment Mainstreaming and Networking for Gender Justice in Economic Development (WEMAN). The process is based on the premise that poor women and men have constructive ideas about change, but usually lack opportunities to express them and influence decisions about economic development interventions.

1 WEMAN is a long-range, worldwide process initially promoted by Oxfam Novib, which includes livelihood activities from its Justice and Gender Programme and gender mainstreaming from its Economic Justice Programme.
The economic development areas addressed by WEMAN include microfinance. In discussing the importance of involving microfinance programmes in WEMAN, an Oxfam Novib paper\(^2\) states that these programmes not only give poor women and men access to credit and savings, but also have the advantage of reaching millions of people worldwide who are organised in groups. The paper also mentions “virtuous spirals” of economic empowerment among women and their families, which have broad implications for social and political empowerment. It notes that these interventions, which involve groups of men who can change their attitudes and behaviours, are an important step toward gender equality. Because the vast majority of microcredit clients are women, microfinance has also done more than any other type of intervention to adapt products to the needs of low-income women.

According to Linda Mayoux,\(^3\) increased access to microfinance has been perceived as contributing not only to poverty reduction and financial sustainability, but also to a series of “virtuous spirals” of economic empowerment, increased well-being, and social and political empowerment for women, meeting the gender equality and empowerment goals of the organisations involved. Although many examples indicate that these spirals are occurring in many parts of Asia and Africa, other examples show that there is still a long way to go before women have equal access to financial services or are able to benefit to the intended extent, especially in rural areas. Evidence also indicates that despite the unquestionable contribution made by microfinance, none of the connections between women’s access to financial services and empowerment can be automatically assumed. Addressing all components of the gender issue requires strategic mainstreaming of gender justice\(^4\) for gender equality in access, as well as strategies to ensure that this access translates into empowerment and increased well-being, instead of merely leading to the feminisation of debt or capturing women’s savings to sustain financial programmes. It is crucial to link microfinance with broader economic development, to


\(^4\) According to Mayoux, gender justice means allowing women to fulfil their potential by eliminating the inequalities and discrimination that limit them at all levels. It also implies affirmative action to enable both women and men to promote and benefit from this change. Equal gender opportunities and women’s empowerment are widely recognised as an integral, inseparable part of any sustainable strategy for economic growth and pro-poor development, as women statistically are the majority worldwide. Equal gender opportunity and women’s empowerment are essential components of poverty-reduction strategies, and many governments and cooperation agencies have signed international agreements on women’s human rights, which call for equal opportunity and women’s empowerment as goals rooted in the affirmation that “women are also part of humanity.”
keep women and their families from becoming over-indebted, which would have serious consequences not only for the families involved, but also for local and national economies.

**Progress and pending tasks**

The WEMAN programme has begun to establish networks of microfinance entities that consider gender a key aspect of their work.

The WEMAN process in Latin America has made it possible to:

- Identify progress in and prospects for including gender-related economic justice as a key area of economic development interventions by national and international organisations and networks in the region.

- Foster development and capacity building among experts to encourage gender mainstreaming in MFIs and other participating organisations, providing them with tools for learning-action and monitoring on gender issues, with a participatory approach that allows the women targeted by the services— including those who cannot read or write – to express and implement their own strategies for improving their living conditions and achieving gender justice, working side by side with men in their families and communities.

- Consolidate the use of the WEMAN and GALS Web sites in Spanish, for sharing tools, methodologies and concept papers, and for active discussion and networking support, maximising capabilities for dissemination of the global WEMAN process (being implemented simultaneously in Asia and Africa).

According to organisations that work for women’s empowerment, there is a pending agenda of interventions that are necessary before it will be possible to speak of the impact of empowerment in its fullest sense. Concentrated efforts are needed in the areas of:

**Growth and capitalisation**

Promoting loan products that help grow businesses and enhance the business skills of women entrepreneurs.

**Legislation and policy**

Advocating for modification/elimination of policies and norms that perpetuate and exacerbate gender differentiation, which results in under-recognition of women’s contributions to the economy: e.g., farm labour legislation that allows women to be paid less than men for the same work; lack of standards for economic activities that would make it possible to categorise and rate women’s skills and capabilities to determine higher pay, such as selection of grains, etc. This means working with development processes and macro policy design.

**Measures/infrastructure to enable women to facilitate tasks and save time**

Measures that reduce the workload of productive and reproductive tasks that limits women’s entrepreneurial and social capabilities.
EMPOWERMENT AND GENDER INFORMATION SYSTEMS IN MICROFINANCE

Technological innovation
Design, pilot testing and dissemination of new products and services using cutting-edge technology, with gender mainstreaming.

Elimination of gender violence and domestic violence
Interventions to alleviate/eliminate gender violence and domestic violence related to restrictions on women’s freedom of movement and freedom to make decisions.

Strengthening of organisations
Interventions to consolidate teams and procedures for gender mainstreaming within MFIs and strengthen women’s organisations.

Some approaches to women’s empowerment and economic development with gender mainstreaming mentioned above were included in the Quito Declaration issued at the second WEMAN Network Workshop on Gender Justice in Economic Development: Alternative finance with gender mainstreaming, held 29 SEPTEMBER TO 3 OCTOBER 3, 2008. The following table shows the proposals outlined in the declaration:5

<table>
<thead>
<tr>
<th>QUITO DECLARATION PROPOSALS – OCTOBER 2008</th>
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<tr>
<td>• FOR WORK to promote women’s empowerment in the microenterprise sector and improve their standard of living</td>
</tr>
<tr>
<td>Establish priority strategic areas for change: education and training, including formation and awareness raising about women’s rights.</td>
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<tr>
<td>Promote inclusive microfinance, with emphasis on gender mainstreaming and empowerment, respecting cultural diversity, with access and impact goals set in a participatory manner.</td>
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<tr>
<td>• FOR MICROFINANCE INSTITUTIONS</td>
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<tr>
<td>Incorporate gender policies into institutional mandates, with expert guidance and a commitment from top management.</td>
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<tr>
<td>Innovate in the design of financial and non-financial products for business development, with gender mainstreaming and empowerment, including products that promote equal participation by women in the development of production and market chains.</td>
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<tr>
<td>Promote the sustainability of interventions with gender mainstreaming through implementation of diverse mechanisms for women’s personal and economic empowerment, such as reallocation of resources, cross subsidies and strategic alliances.</td>
</tr>
<tr>
<td>Include incentive systems to upgrade staff skills for gender mainstreaming, ensuring high quality and performance standards.</td>
</tr>
<tr>
<td>Introduce systems for monitoring client retention, with indicators broken down by gender to determine why women leave.</td>
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5 The Quito Declaration was signed by 45 institutions from 10 Latin American countries at the second WEMAN workshop.
Integrate means for preventing and reducing over-indebtedness, considering policies and design of financial products, financial literacy, and efficient use of risk centres

- **FOR REGULATORY, policy-making and development bodies**

Encourage the use and dissemination of best practices for competition in the supply of different types of services with gender mainstreaming, with an emphasis on excellence, discouraging inappropriate use of information to increase market share.

Design regulations and legislation with provisions for transparency and access to credit information with respect for clients’ rights.

Encourage the ethical commercialisation of financial instruments for microfinance, using alternative funding mechanisms that encourage access, depth and the best rates for clients, perfecting and expanding guarantee mechanisms for client portfolio, captured funds and bond issues, as well as support for the design, rating and insurance of other safe financial instruments.

Raise awareness about gender justice among key staff in government and regulatory bodies responsible for microfinance.

Develop policies that encourage local development to foster direct contact between producers and consumers, including credit services conducive to such a relationship.

Encourage active participation by civil society, reallocation of resources, solution of problems related to property ownership and titling for women, access to justice, and prevention and elimination of violence against women, all of which are essential for eliminating gender inequalities, ensuring women access to microfinance without discrimination, and promoting their economic, personal and family development.

Researchers, academics, donors and organised networks committed to microfinance with gender mainstreaming must monitor progress on these proposals in Latin America.
Definitions of empowerment originated before microfinance interventions began in Asia and Latin America in the 1970s. In general, most definitions are related to changes in poor and vulnerable people who, with certain stimuli, acquire greater autonomy over their lives.

The philosophy of empowerment is rooted in participatory population education, which in Latin America is based on the work begun by Pernambuco native Paulo Freire in the 1960s. It is important to emphasise this, because many development interventions nowadays, including microfinance interventions, ignore the education of beneficiaries as a key element of empowerment, assuming that the same result can be obtained through efficient, sustainable loan technologies accessible to the poorest people. Regarding this, Frei Betto - co-author with Freire of “This School Called Life,” a book coordinated by journalist Ricardo Kotscho, which critiques educational planning in the region – states that while popular education helped bring

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6 Microfinance in Latin America originated with some experiments in microcredit in Brazil in the 1970s (Proyecto Uno in Recife), the Dominican Republic (a project that later gave rise to Banco Ademi) and El Salvador (the Fedecrédito cooperative). The Grameen Bank, the world’s most famous microfinance institution, began in Bangladesh around the same time. In the mid-1970s, a group of women leaders launched Women’s World Banking as a result of a UN conference and in preparation for the “Decade of Women.” This international network supports many microfinance institutions in developing countries, including Colombia, the Dominican Republic, Bolivia and Brazil.

7 This paper is not intended to provide an exhaustive list of definitions of empowerment. For a set of conceptual frameworks, models and contrasting lists, see Gender Equity, Equality and Women’s Empowerment? Principles, Definitions and Frameworks, by Linda Mayoux, 2005, prepared for the Aga Khan Foundation website on Microfinance for Women’s Empowerment. This work reviews the conceptual frameworks outlined by Longwe (1989, 1991), Process Framework for Empowerment; Kabeer, (2003), Levels and Dimensions Framework; and Rowlands (1997), Power Relations Framework (based on Kabeer (1994) and Nelson and Wright (1996)). A series of indices used in microfinance, especially in Asia and Africa, can be found in: Empowerment Index, by Schuler, Hashemi and Riley; Loans Control Index by Goetz and Sen-Gupta; Empowerment Framework by Chen (Chen, 1997); Conflict Co-operation Model by Osmani; and Empowerment Matrix by Cashe, in India. This paper is also available at: http://groups.yahoo.com/group/WEMANNetwork_English/files/Gender%20and%20Empowerment%20Frameworks/.

8 The key to Freire’s philosophy is that all people, regardless of social status or formal education, accumulate knowledge and skills that enable them to develop an educational plan consistent with their situation. This enables people from the poorest communities to regain their self-esteem, which often is undermined by cultural prejudices, and begin to free themselves from oppression individually and collectively.
EMPOWERMENT AND GENDER INFORMATION SYSTEMS IN MICROFINANCE

democratic progress to Latin American societies, currently “too much emphasis (is placed) on new technologies,” to the detriment of “paradigms, values, ethics.”

Murgualday et al. note that while empowerment applies to all vulnerable or marginalised groups, the strongest emphasis and greatest theoretical development have focused on women. The term was first used in the 1980s by DAWN (1985), a network of women academics and activists in the South, to refer to the process by which women gain access to resources (material and symbolic) and reinforce their capabilities and roles in all areas. From a feminist standpoint, women’s empowerment includes both individual and collective actions and implies radical change in processes and structures that perpetuate the subordination of women as a gender.

In recent years, however, the term “empowerment” has been used more neutrally, without the overtones related to power and the distribution of power. Given the bridges between this concept and others used by development planners and programme implementers, such as “participation,” “capacity building,” “sustainability,” or “institutional development,” these terms can easily become just another way of ignoring or concealing the realities of power, inequality and oppression that are part of everyday life for poor and excluded people in the communities where they live.

There is a risk that the concepts of participation and representation, among others, may become self-centred circular references in the limited world of projects, ignoring strategic issues related to power conflicts. This tends to occur when analysis of the historical factors influencing broader social dynamics in a region are ignored. Despite critiques of current usage of the term “empowerment,” however, development professionals cannot realistically stop using the term.

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9 Rosa María Torres: Interview with Brazilian pedagogue Frei Betto, colleague of Freire: “La pedagogía de la liberación es más necesaria y urgente que nunca,” Rebelion, 09-05-2007.
11 Development Alternatives with Women for a New Era (DAWN) was founded in Bangalore, India, in 1984. In Spanish, it is known as Alternativas de Desarrollo con Mujeres para una Nueva Era (MUDAR).
12 Jo Rowlands, Questioning Empowerment, Oxford: Oxfam, 1997
13 See the exhaustive description of viewpoints of authors who disagree with the way the concept of empowerment has been used by various development groups in INTRAC, Seguimiento y evaluación del empoderamiento, Oxford, November 1999.
Empowerment remains a key goal in a broad range of development interventions in which the challenge for planners and implementers is to deepen understanding of the term, recognising its complexities, scope, strengths, and limitations. Another key aspect is the operational definition, which determines how to evaluate whether “empowerment” has occurred. Any analysis of empowerment in a development intervention requires precise use of the term within the broad range of possible meanings. If the concept of empowerment is used explicitly and precisely, it can help guide development planning and action.

**Do microfinance interventions promote empowerment?**

Yes, but not to the extent necessary

Since the 1990s, empowerment has become a key concept in development discourse and practice, including in microfinance initiatives. The concept of empowerment is widely used by NGOs and is part of multilateral and bilateral bodies’ policies and programmes. As noted above however, it is a complex term that is difficult to define and lends itself to a wide variety of interpretations.

When the term empowerment is used in economic development proposals, the emphasis is on increasing people’s ability to become more autonomous and self sufficient, depending less on government-provided services or employment, and acquiring more entrepreneurial capabilities so they can create and engage in business activities, moving up the pyramid of entrepreneurial development. This implies better access to markets and political structures, so they can participate in economic and political decisions. In many cases, this involves certain forms of participation and collective association.

The problem with this approach is that it generally does not question the fact that many people are left out, because of mechanisms of exclusion and structures of subordination that exist at all levels, in families, communities and society as a whole.
EMPOWERMENT AND GENDER INFORMATION SYSTEMS IN MICROFINANCE

Microfinance programmes have reached large numbers of low-income women worldwide.\(^{14}\) Of the 6.56 million loan recipients and 4.13 million savers served by intermediary entities in 2007 only with USAID funds for microenterprises in developing countries, 53 percent were women. Although that fell short of the 60 percent target set by USAID for that year, according to the Microenterprise Results Report submitted to the US Congress,\(^{15}\) the results show significant participation by women. Nevertheless, the question posed by Cheston and Kuhn in 2002 remains: Is it possible to assume that as the service reaches a larger percentage of poor women, women’s empowerment and other gender issues will solve themselves?\(^{16}\) Can access to credit be expected to enable women to increase their autonomy, gain access to markets, develop more entrepreneurial characteristics and increase the level of development of their economic enterprises? It is also worth asking whether, once all those things are attained, women will be guaranteed a better position in their families and communities. If that were the case, microfinance interventions would, as many argue, give rise to extensive circuits of development.

The authors found that while women’s access to financial services increased substantially during the 1990s, their ability to benefit from this access was still largely limited by gender-related disadvantages. The authors found that some MFIs were offering consistently a smaller percentage of loans to women, even though they had grown and had new loan products. They also found that in many MFIs, the average loans to women were smaller than those to men, even when they belonged to the same credit programme, community and group of borrowers. Although some difference in loan amounts could be expected to be a direct result of the women’s greater poverty or their businesses’ more limited capacity to absorb capital, the gap could indicate a lack of strategies for making opportunities available to women. According to the authors, programmes for development through microcredit should consider making a greater effort to address these issues, and MFIs should consider designing credit services and non-financial services aimed at empowering women in a cost-effective manner, avoiding negative credit-related impacts. The report cites several examples of successful interventions, demonstrating that fears about the sustainability of MFIs that focus on empowerment are unfounded.

\(^{14}\) By the end of 2006, microfinance services had reached 79 million low-income women worldwide (Daley-Harris, in the 2007 Microcredit Summit Campaign Report).

\(^{15}\) Microenterprise Results Reporting (MRR).

\(^{16}\) The authors estimated that in 2002, 32.7 million women living in extreme poverty had access to microcredit. Susy Cheston and Lisa Kuhn, *Empowering Women through Microfinance*, paper for the Microcredit Summit, New York, 10-13 November 2002.
A study published recently by Women’s World Banking (WWB)\(^\text{17}\) examined 27 microfinance organisations (in Latin America, Asia, the Middle East and Northern Africa) that have taken the regulatory path toward “transformation,” comparing them with 25 that have not. After five years, the microfinance institutions that had become commercial enterprises in the traditional sense found that their number of active clients had increased by an average of 30 percent annually, compared to a 15 percent increase in institutions that had remained NGOs. The regulated microfinance institutions had increased savings accounts by an average of 45 percent, compared to a control group of non-regulated institutions offering savings accounts, which had increased by only 28 percent. One problematic result of the study that confirms, at least partly, the findings of Cheston and Kuhn in 2002 is the decrease in the percentage of female clients served in the years after the transformation. After five years, the proportion of women had dropped from an average of 88 percent to 60 percent.\(^\text{18}\)

**Definitions and practices for empowerment in microfinance interventions in Latin America**

There is evidence that profitability in the microfinance field is greater in Latin America than in other regions of the world, even though the size of the field is smaller.\(^\text{19}\) Experience has also shown that although economies of scale are important, small institutions can achieve financial viability and profitability. Because barriers related to the institution’s size can be overcome,\(^\text{20}\) more institutions have entered the microfinance field, creating healthy competition that energises the sector.

Many of today’s large, regulated microfinance institutions began as NGOs or as loan programmes within NGOs. The importance of operating on a larger scale is clear, as it allows access to poorer sectors; to fully attack poverty, and not merely scratch the surface, an institution must meet two criteria: it must have an impact on large number of people, and it


\(^{18}\) In *Microfinance: Women Being Cheated?* Barbara Kiviat, April 2008, as part of conversations between Mary Ellen Iskenderian, president of Women’s World Banking, and Jeremy Caplan of *Time* magazine, December 2008.

\(^{19}\) *El modelo Latinoamericano de microfinanzas: una mirada desde adentro*, paper by Tomas Miller-Sanabria, 2005, for publication by the IDB, edited jointly with Marguerite Berger and Lara Goldmark.

\(^{20}\) Although some people believe this is possible, as small MF clients are absorbing fairly high interest rates.
must do so consistently.\textsuperscript{21} NGO microfinance interventions, however, tend to pay more attention to gender mainstreaming, both in terms of access and in equitable, integral benefits for women as individuals and as economic and political subjects. The entities most interested in addressing the issue of empowerment with their clients are non-regulated institutions, which target the poorest clients, serving them in groups largely or exclusively consisting of women, using village banking models or some variation. Some of these organisations have parallel programmes in areas such as local economic development, rural development, and reproductive health. One challenge for the future is to build bridges between entities providing gender-sensitive complementary services and regulated institutions that seek to adopt gender-sensitive technologies without distracting from their financial mission.

**Gender mainstreaming in collective bodies**

Regulated and non-regulated microfinance entities have developed partnerships in which social performance and gender mainstreaming are increasingly important. Social performance and social responsibility in microfinance networks are being encouraged by international cooperation agencies that promote the development and sustainability of national financial systems.

There is widespread interest in serving low-income women. MFIs are aware that more and more women are becoming clients. Participation in solidarity-based microcredit programmes has made women entrepreneurs ideal potential clients for financial institutions and banks seeking to expand their portfolios.

There are concerns about this growing participation, however. In some places, MFIs find their clients are also clients of other institutions, and believe that over-indebtedness is a risk to the microfinance system as a whole (not only to the extent that it could force the smallest, less efficient institutions out of the market).\textsuperscript{22} This is an even greater concern given the international financial crisis.

\textsuperscript{21} In his presentation, *Microfinanzas: movilizando mercados para combatir la pobreza la experiencia de América Latina* (seminar on broad-based economic growth at the 47th annual meeting of the Inter-American Development Bank, Belo Horizonte, Brazil; 31 March 2006), Michael Chu mentions the importance of commerce in microfinance, noting that the problem affects 3 billion people who live on US$2 a day or less, and that poverty will not be eradicated in a single generation.

\textsuperscript{22} Many MFIs consider the excessive supply of personal consumer loans from large financial institutions a greater threat.
Studies of some MFI activities have also found inequalities in women’s productivity, economic empowerment, and empowerment in social and political participation. For example, a recent study of women microentrepreneurs with individual loans from a savings and loan in Huancayo,23 in central Peru, found that while autonomy for women was more solid at business level,– 93.6 percent of women have decision-making power over access to and use of credit, and a similar percentage has control over investment of loans and profits – little progress has been made in finding equality at household level. Asked about the distribution of household responsibilities, 90.4 percent of the women interviewed said they had sole responsibility for domestic tasks. This contradiction reflects a domestic pattern that causes women to continue to take sole responsibility for reproductive tasks, giving them less of a chance to increase their business skills (more than 80 percent would like to have opportunities for training) and play an active civic role in their communities.

Gender mainstreaming and empowerment of clients in the main microfinance networks in the Andean Region

In Ecuador, the most representative of the main microfinance entities is the Rural Financial Network (Red Financiera Rural), which includes 40 regulated and non-regulated institutions, including NGOs, savings and loan cooperatives, and banks serving small businesses and microentrepreneurs in urban, peripheral urban and rural areas. The banks serve the largest number of clients, both male and female. Most of the clients served by NGOs are women.

The Red Financiera Rural, which established a Gender Commission in June 2008, considers gender a key aspect of its social performance policy, and has begun a special effort to gather data for decision making and the design of development measures as part of its strategy for gender mainstreaming among its affiliates, taking into account the institutions’ “impact.”24 Some organisations participating in the network have reached advanced levels of gender mainstreaming in their institutional management and programmes, and it is hoped that they will have significant influence on the strategy.

23 Acceso de las Mujeres a los Servicios Microfinancieros en la Región Junín. Study of CEPEMA “LULAY,” Huancayo, July 2008, for the project of Competitive Funding for Gender Mainstreaming in Microfinance, Movimiento Manuela Ramos/Ford Foundation.
Peru has several associations of non-regulated microfinance entities. The Consortium of Private Organisations for Promoting Development of Small Business and Microenterprise (Consortio de Organizaciones Privadas de Promoción al Desarrollo de la Micro y Pequeña Empresa, COPEME) includes microfinance institutions that provide services using village bank methodology or individual loans, solidarity group loans, and small farming loans with educational services and training, giving women and men living in poverty access to credit. COPEME has an active Gender Commission, established approximately five years ago, which has implemented various projects and prepared documents about gender mainstreaming. The Consortium for Promotion of Women and the Community (Consortio de Promoción de la Mujer y la Comunidad, PROMUC) is a network of NGOs dedicated partly or exclusively to providing microfinance services, mainly using village bank methodology. The Peruvian Federation of Municipal Savings and Loans (Federación Peruana de Cajas Municipales de Ahorro y Crédito, FPCMAC), which represents the system of municipal savings and loans (Cajas Municipales de Ahorro y Crédito, CMACs), provides advisory, training and computer support services, and the goal of the Association of Microfinance Institutions (Asociación de Instituciones de Microfinanzas, ASOMIF Perú) is to establish a sound image for the microfinance system and develop partnerships among private microfinance institutions.

The importance of gender is reflected in COPEME’s manual, which indicates that one key problem for the microenterprise sector, in the area of gender and economic justice, is that most women are self employed in non-specialised subsistence businesses, without profits, with loss of capital and goods, and with an income lower than the legal minimum wage (see following figure).

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25 Peru’s formal microfinance sector consists of one specialised bank, one financial company, 13 municipal savings and loans (Cajas Municipales de Ahorro y Crédito, CMACs), 11 rural savings and loans (Cajas Rurales de Ahorro y Crédito, CRACs) and 13 Edypmes, all under the supervision of the Office of the Superintendent of Banking and Insurance (Superintendencia de Banca y Seguros, SBS) and the Central Reserve Bank of Peru (Banco Central de Reserva del Perú, BCRP). They mainly differ in the services they can provide. There are also 99 savings and loan cooperatives, whose members are their only clients. They are supervised by FENACREP, which provides partial oversight.

26 Noteworthy examples include Políticas de género y microempresa, Marfil Francke, Marisela Benavides et al., COPEME, 2005; and Guía para la incorporación del enfoque de género en las propuestas institucionales de las asociadas de COPEME, Sara Pait, COPEME, 2006.
The COPEME Manual notes the importance of ongoing monitoring of the percentage of women who are self-employed or who have microenterprises, by productivity segment, as a key indicator of the degree of equality attained by women entrepreneurs in their economic development.

Describing trends in microfinance in Peru, Elizabeth Ventura, executive president of the Edpyme Confianza, notes that the number of entities targeting low-income clients, especially women, is increasing, because of profitability goals or social responsibility. Entities affiliated with the Fundación BBVA and even Mibanco have developed loan products (copying the village bank or solidarity group models) to serve low-income women entrepreneurs. It is hoped that more of these women will be incorporated into the banking system in coming years and the cost of financing will decrease, implying (potentially, as noted in preceding chapters) that more women will be able to lift their families out of poverty.28

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27 See first chapter of the Guía para la incorporación del enfoque de género en las propuestas institucionales de las asociadas de COPEME, ibid.
In regulated MFIs associated with ASOMIF, a significant percentage of the portfolio consists of women microentrepreneurs and/or producers (approximately 50 percent), but there are apparently no formal gender-sensitive or affirmative-action policies or programmes for access to credit.

Through COPEME, entities in Peru, especially NGOs, are promoting methodologies for evaluating impact and/or social performance, including gender (as part of three main projects currently under way in the region, managed by FORO LAC FR, INAFI Latinoamérica, and Programa Misión). As an entity associated with Programa Misión, COPEME has developed tools for assisting MFIs, particularly a self-assessment tool, a social auditing tool, a guide for gender mainstreaming in MFIs, and a guide for processes within MFIs. Some NGOs that promote gender-aware local economic development also include gender indicators and components in their strategic plans, although implementation is often limited.

In Bolivia, there have been efforts to promote microcredit since the 1980s. The growth of the microfinance market’s institutions, methodologies and regulatory framework has made Bolivia a model for other countries. The “Bolivian model” includes transformation of some finance-oriented NGOs and Development Finance Institutions (Instituciones Financieras de Desarrollo, IFDs) into regulated Private Financing Funds (Fondos Financieros Privados, FFPs).

Development microfinance entities in Bolivia are represented by the Association of Financial Institutions for Rural Development (Asociación de Instituciones Financieras para el Desarrollo Rural, FINRURAL), which has 14 members, mainly financial NGOs (associations and foundations specialising in microfinance).

Most FINRURAL members use a comprehensive approach combining various loan technologies. Bolivia’s development finance institutions have a large number of clients, although they have small portfolios. Nevertheless, there is a significant growth trend in MFIs in comparison to other entities in rural areas.

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29 See the article, *Desempeño Social en Latinoamérica*, by Jack Burga Carmona, director of Programa Misión (Catholic Relief Services/Ford Foundation, 2007).

30 This was a conclusions of the process of developing the winning projects in the competition for “Competitive Funds for Gender Mainstreaming in Microfinance Proposals in Peru,” sponsored by the Movimiento Manuela Ramos with support from the Ford Foundation in 2007-2008.

31 According to data provided by María Elena Gutiérrez, national training coordinator for Pro Mujer Bolivia, at the end of 2008, two development finance institutions specialising in community banking (CRECER and PRO MUJER Bolivia) were serving 195,129 clients, 182,959 of whom were women.
FINRURAL’s mission of promoting microfinance programmes as a key strategy for poverty alleviation and women’s empowerment was highlighted when it helped organise the international workshop on “Microfinance Programmes and Women’s Empowerment” and in its commitment to impact evaluation, which takes women’s empowerment into account. At the WEMAN workshop in Lima in September 2007, some participants planned to establish a gender commission in FINRURAL, but the plan has not come to fruition yet. FINRURAL currently has a committee that performs audits using social performance indicators as part of the FORO LAC-FR’s Social Performance Programme in Latin America. SPI-CERISE’s methodology considers entities specialising in village banking and solidarity models with “predominant gender mainstreaming.” Of all the MFIs implementing SPI in eight countries, 25 percent were found to have this level of gender mainstreaming.

Colombia has a significant number of microfinance institutions that have focused for years on low-income clients, many of whom are women. There are currently 98 MFIs, mainly cooperatives, corporations and foundations; 64 of the MFIs are regulated, including 50 cooperatives and one bank.

In March 2008, microcredit represented only 1.23 percent of total loans in the financial system. Asobancaria, a Colombian financial sector trade group, insists that the annual usury

33 Since 2002, FINRURAL has had an area specialising in impact evaluation and market research, originally sponsored by the Imp-Act Programme (www.imp-act.org), ICCO, and PROFIN/Cosude. This area has assisted with impact evaluations, market studies and monitoring of MFI clients in Bolivia, Nicaragua and Honduras, often using gender indicators (such as in CRECER and PROMUJER).
34 In 2008, the issuing of non-homogeneous regulatory provisions in Bolivia’s microfinance sector caused concern and drew the attention of analysts and people working in the field (as discussed by Jorge E. Torres Obles in his article, Subcampeones en microfinanzas: http://www.lostiempos.com/noticias/22-10-08/22_10_08_pv2.php. The IDB and CAF “Microscope” report ranking microfinance in Latin America and the Caribbean states that “special attention is due the recent measures designed to create a subsidised line of credit with interest rate ceilings to NGOs and Development Finance Institutions, as well as the fact that these institutions can become regulated deposit institutions with minimum capital requirements much lower than those of private financing funds or other regulated institutions.” With so much uncertainty in the sector, is gender likely to be a priority?
35 For more about the SPI-CERISE methodology and its implementation in Latin America, see: Sintesis N°8: Sistematización regional Construyendo Capacidades Locales para la Medición y Monitoreo del Desempeño Social en América Latina, Forolacrf/CERISE: http://www.cerise-microfinance.org/pdf/DP-8B-SPI-AmLat-Forolac%20ES.pdf. The methodology does not provide a comprehensive picture of gender mainstreaming or performance; instead, it compares social performance by category and sub-category (one of which is empowerment), according to “predominant approach” (integral, gender or agricultural) and “geographic focus” (rural, periurban or urban). One limitation of the methodology’s ability to measure gender performance is that it assumes gender mainstreaming in certain entities, mainly based on the type of loan technology used.
certification for microcredit has discouraged banks from lending more in this sector. Another reasons why banks are being so cautious about these loans is the delinquency rate, which was 6.09 percent in March 2008.

There was, however, an increase in loan disbursements in 2008. A June 2008 report on bringing people into the banking system notes that microcredit continued to grow, especially in remote areas of the country, with more than 673,000 people having microcredit with the financial sector, an increase of 15 percent over June 2007. Only 28 percent of the microcredit recipients were in the country’s three largest cities (Bogotá, Medellín and Cali). 37

As in other countries in the region, working women in Colombia are mainly self employed (2,752,70638). Most food production in the country is done by women. In recent years, the armed conflict in Colombia has had a major impact on economic performance and the country’s political and social situation, affecting social investment programmes, infrastructure, private-sector investment, food supply and other sectors in rural areas. Rural women, like their counterparts in urban and peripheral urban areas, are involved in activities in the domestic, productive and community spheres, and credit plays an important role in enabling them to organise their livelihoods.

There are several networks of financial entities in Colombia, including the Microcredit Network (Red de Microcréditos) in Medellín, Antioquia, with 16 entities specialising in loans to production sectors; Emprender, a second-tier cooperative established in August 1990 by ACCION International and members of the Solidarity Groups of Colombia Association (Asociación Grupos Solidarios de Colombia), which currently includes 34 NGOs serving microenterprises in social strata 1, 2 and 3, working with associations in specific financial and non-financial areas; and the International Alternative Network of Financial Institutions (Red Alternativa Internacional de Instituciones Financieras), part of INAFI, which involves four entities from Medellín, Cali and Bogotá. Other networks operating in this field include Women’s World Banking (Banco Mundial de la Mujer), 39 ACCION International, FOLADE and AGROSOLIDARIA.

The 2008 WEMAN event in Quito prompted several organisations to propose forming an MFI network with an emphasis on gender mainstreaming and women’s empowerment, which would give new impetus to this approach in existing associations.

39 In October 2008, the new microfinance bank Bancamía S.A began operating in Colombia as a result of the merger of the Corporación Mundial de la Mujer Colombia and Corporación Mundial de la Mujer Medellín, in association with the Fundación Microfinanzas BBVA.
Gender information systems
What to measure and how to measure it

Moser 40 notes that while measurements in general are considered a mere technical exercise, the decision to measure progress toward gender equality is political, because gender is usually considered a marginal issue. The process of deciding what aspects of gender equality to measure is also political, as it reflects the priorities of decision makers and not necessarily those of the beneficiaries of the interventions. Finally, as noted in the first chapter of this paper, the definition of empowerment is complex, and implementing it involves changes that are identified as priorities in the interventions, the strategy chosen for promoting those changes in the target groups, and an integral methodology for monitoring and evaluating results.

What to measure must be included in the goals and targets of the interventions. This involves various levels. An MFI’s programme may exclusively target its clients, but bringing about change in the target population through interventions and processes also implies changes in the organisation implementing the intervention, and probably in the macro environment in which it operates. Gender information systems can incorporate all these areas. Some projects emphasise outcomes and impacts in the final population. Others emphasise strengthening their institutions, including gender mainstreaming in the organisation implementing the interventions. Whatever the priorities, the changes must be considered in the various levels of a project’s design: objectives, outcomes and outputs.

Besides deciding what changes to expect, it is important to choose types of variables and indicators that allow progress to be measured. Other considerations include the methods to be used and the type of data to be gathered. The choice of quantitative or qualitative methods involves weighing their advantages and disadvantages. To measure changes, “hard” quantitative data are appropriate for determining observable progress in gender gaps (for example, the indicators suggested by the COPEME Manual41 for evaluating changes in the gender gap among people managing self-employment enterprises and microenterprises, by productivity: the lower the productivity, the greater proportion of establishments run by women). Qualitative methods provide an in-depth look at family relationships and other aspects that cannot be easily measured with quantitative data (for example, autonomy in deciding how to invest in a business and spent the profits). In this case, participatory observation, in-depth interviews, and other methods are used to ensure rigorous measurement. Finally, if participatory data-gathering methods are used, monitoring and evaluation not only fulfil the original purpose, but also allow learning, empowerment and self-control individual and collective progress.

41 Guía para la incorporación del enfoque de género en las propuestas institucionales de las asociadas de COPEME, op cit.
Measuring impact: What MFIs are doing and how they are doing it

<table>
<thead>
<tr>
<th>MFI ANALYSED</th>
<th>LOAN TECHNOLOGY AND COMPLEMENTARY SERVICES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FACES – Ecuador - NGO</strong></td>
<td>- Financial products; Credit plus: training (in business management and personal growth and gender for empowerment) + health services + focus on violence against women.</td>
</tr>
<tr>
<td>Community and Social Assistance Foundation of Ecuador (Fundación de Apoyo Comunitario y Social del Ecuador, FACES). Its mission is to help combat poverty and unemployment in the urban and rural economy, promoting microenterprise development through sustainable financial services adapted to microentrepreneurs' needs. It focuses especially on women microentrepreneurs, so that by developing their business potential they can attain higher levels of personal growth and empowerment. At the end of 2007, FACES had 2,668 clients, 78 percent of whom were women (Source: MIX MARKET, Profile of FACES).</td>
<td>- Various types of loans: individual, communal bank, home improvement, associative, for people with disabilities, for emergencies.</td>
</tr>
<tr>
<td><strong>PROMUER Bolivia – ONG</strong> Member of ProMujer International, with 92,650 active clients in 56 focal points in urban, peripheral urban and rural areas of Bolivia (end of 2008). Besides financial services (credit and savings), it provides human development services in training (various topics, depending on the clients’ interest in strengthening organisations, health and business skills), basic health care, and other services (Rincones, computer centre youth programme).</td>
<td>- Public campaigns promoting women’s rights and their role in society (four times a year).</td>
</tr>
<tr>
<td><strong>Movimiento Manuela Ramos – MMR - Peru - NGO</strong></td>
<td>- Credit and other opportunities for integral development, such as: financial education, computer skills, health care module and services, child care services, decision-making in productive roles, society, family and personal life, human rights, etc.</td>
</tr>
<tr>
<td>Non-profit Peruvian feminist organisation that has been working for 30 years to improve the situation of women. Interventions are organised around four thematic areas: the right to a life without violence, economic rights, political rights and citizenship, and sexual and reproductive rights. The CredíMUJER financing service began with individual loans in 1993. A communal banking service was established in 1995 and operates in five regions of the country, with 12,160 clients (at the end of 2007) in urban, peripheral urban and rural areas.</td>
<td>- Works with communal associations (communal bank methodology).</td>
</tr>
<tr>
<td><strong>EDPYME CONFIANZA S. A.</strong> A regulated financial entity serving microenterprises and small businesses. Founded in 1992 through the Business Development Programme of the NGO SEPAR in Junín. Currently has about 20 branches in 15 localities. At the end of 2007, Confianza had 51,775 active loans. It is in the process of becoming a specialised microfinance entity.</td>
<td>Communal Bank. Variety of products integrated into communal banks. Other financial services: Promotion of savings; life micro-insurance.</td>
</tr>
<tr>
<td></td>
<td><strong>Capacity building:</strong> Sessions for: information and discussion of gender/own module; use of GALS/WEMAN tools (initial experience); organisation and management of communal banks; business management for better sales (partnership with Freedom From Hunger); encounters of communal bank members: sports, health care, reinforcement of administrative aspects of communal banks, participation in contests to increase women’s visibility in the community and appreciation of their role, etc. Technical/production workshops, social services (health, psychological assistance, etc.) through partnerships with other entities.</td>
</tr>
</tbody>
</table>

42 The following tables summarise the empowerment variables used to measure impact in some microfinance interventions in the Andean Region, taking into account changes perceived in and by the women participating in microfinance programmes and complementary services.
Data-gathering methods and empowerment variables for comparison

<table>
<thead>
<tr>
<th>ORG.</th>
<th>DATA-GATHERING METHOD</th>
<th>VARIABLES /INDICATORS OF EMPOWERMENT MEASURED</th>
</tr>
</thead>
<tbody>
<tr>
<td>FACES – Ecuador NGO</td>
<td>- Planning systems, monitoring and evaluation with a gender approach; - Periodic impact evaluation; - Monitoring of clients’ self-perception and perception of role of women.</td>
<td>- Self-confidence and increased self-esteem - Greater independence in managing credit - Confronting domestic violence through legal complaints, dialogue, ultimatum, termination of relationship. - Greater freedom of movement without oversight from partner. - Use of a contraceptive measure. - Sharing decisions about contraceptive use with partner.</td>
</tr>
<tr>
<td>PROMUJER Bolivia NGO</td>
<td>Impact evaluations, until 2000: AIMS tools, simplified version, every two years.(^{43}) Included: focus groups, surveys, interviews. Compared results between older and newer clients. 2002-2006: Impact evaluation with IMP_ACT programme(^{44}) with eight other organisations in Latin America: evaluation of economic, social and individual empowerment impacts, using surveys of experimental and control groups.</td>
<td>- Participation and group leadership skills. - Financial autonomy: greater earnings and/or new sources of own resources. - Confidence in the future: goals (vision of the future) related to family prosperity. - Development of “social goods”: interaction, organisation of activities, problem solving, mutual support. - Increased knowledge and awareness of issues related to women’s health and child care. - Knowledge and use of management tools and identification of opportunities for increasing income. - Greater self-esteem and internalisation of concepts related to gender equality, women’s rights, etc.</td>
</tr>
<tr>
<td>MMR Peru NGO</td>
<td>Qualitative studies. Impact evaluation.(^ {45}) Inductive methodology for constructing variables and indicators (focus groups). Use of surveys: perceptions before and after.</td>
<td>Consider four dimensions of gender gap: personal, family (reproductive), business (productive) and community.(^ {46})  <strong>Personal changes. Variable:</strong> Autonomous woman with personal well-being (health, personal care, use of time).  <strong>Changes in relationship with partner. Variables:</strong> Participation in child care and household tasks, recognition of partner, non-violence.  <strong>Changes in family and children. Variables:</strong> Children’s professional aspirations. Family harmony (joint participation in activities).  <strong>Changes in relationship with community. Variables:</strong> Civic action and participation in community organisations.  <strong>Changes in business. Variables:</strong> Growth of business and benefits, and adoption of growth strategies.</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>EDPYME CONFIANZA S. A. Peru Regulated financial institution</th>
<th>Recovering the Word (Recuperación de la Palabra): Ability to sign name and give word as a commitment to guarantee credit.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gathering testimonials.</td>
<td>Access to and negotiation of financing: Progressive access to various loans, with more advantageous interest rates, terms, amounts and requirements. Having more than two or three loans simultaneously for different activities.</td>
</tr>
<tr>
<td>Focus groups to define new products.</td>
<td>Mobility in public spaces: Ability to move around and take part in local markets for commercialisation of products and purchase of inputs and tools. Approaching different public and private institutions not only for matters related to family economic activities, but also about ideas related to community and social matters.</td>
</tr>
<tr>
<td>Monitoring and analysis of portfolio of clients, by loan product.</td>
<td>Transmission of a culture of credit-worthiness: Older children able to manage credit.</td>
</tr>
<tr>
<td></td>
<td>Ability to choose best-quality services: Access by clients to diversity of MFIs. Development of own criteria for design of better financial products. Ability to evaluate most appropriate alternatives for individual or group loans.</td>
</tr>
<tr>
<td></td>
<td>Sense of value of women’s economic contribution (perception of women themselves and others): Through women’s access to and use of credit, and greater control over their investments and use of income.</td>
</tr>
</tbody>
</table>

Source: Data presented in WEMAN workshops in Lima in 2007 and Quito in 2008, and the various documents cited in footnotes to this table, depending on the case.

As the preceding table shows, the variables studied mainly refer to changes in the individual in his or her various roles. Prompting changes in these areas, in both the public and private spheres, and measuring them is a complex task, but many people involved in the sector consider it indispensable. In some cases, testimonials such as the following, reported by the Edpyme Confianza’s “Women’ Word” programme, are considered sufficient indication that changes are occurring:

“Irene Castro Quilca is a 54-year-old farmer with four children. She is a widow, and attended school until the first year of high school. She was born in Pazos, Huancavelica. Irene has received 34 loans for agriculture, animal husbandry and commerce. The first loan was for US$170 and the most recent was for US$7,400.”

Changes are occurring for some people and will continue to occur for many others. Nevertheless, the Edpyme’s top management understands that overall, women as borrowers obtain smaller amounts for commerce and service activities, without yet looking forward to loan products that enable them to grow their businesses and enhance their entrepreneurial capabilities.

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47 See comments by Elizabeth Ventura of Edpyme Confianza; Patricia Cisneros of FACES; Maria Elena Gutiérrez of PROMUJER Bolivia; and Gloria Díaz of the Movimiento Manuela Ramos, in Reports on the Start-up of the WEMAN project in Latin America – GALS Pilot. First WEMAN Latin America Workshop, S. Pait, October 2007, and Alternative Financing with Gender Mainstreaming, Report of the Second WEMAN Latin America Workshop, Sara Pait, Lima, October 2008.
Measuring the process and its effects

Measuring indicators of effects implies verifying intermediate outcomes stemming from the project’s products and services. These are medium-range changes that together contribute to achievement of the impact, such as changes in knowledge levels (of men and women) as a result of technical assistance and training; equal access to loan products and services; and enhanced individual and group capabilities.

Process indicators allow measurement and verification of changes occurring over the short term as an immediate, direct result of the activities implemented by a project or programme. They correspond to the level of activities according to logical frameworks for the intervention, and indicate progress in intervention plans. Process indicators are operational and are used for routine monitoring. For example, some gender-oriented process indicators involve monitoring average loan amounts to women clients, compared to the average for men in MFI microenterprise programmes; loans approved for men and women, as a percentage of total applicants, by loan type (individual, men’s group, women’s group, mixed group); and percentage of women receiving non-financial services, by type of service, compared to the total number of women receiving financial services.

Case study: monitoring process, effect and impact indicators

CRECER\(^48\) uses a methodology combining credit and client education, which allows monitoring of common quantitative indicators for credit and education services (members’ age, educational level, number of sessions attended, number of members participating, and number of groups – village banks – participating). In her presentation at the WEMAN workshop in Lima about mechanisms for monitoring CRECER’s outcomes, Isabel Rueda suggested the following success factors:\(^49\)

1. A defined system for impact monitoring and evaluation (M&E), which establishes the frequency of monitoring of the process (monitoring-information included in financial information system, with periodic reports); outcome studies (medium-term effects), and impact studies (long-term changes).

2. Use of graphs for simple visualisation and comparison of complex and aggregate data (such as performance stars or diamonds).

3. Use of process indicators for monitoring progress. Among other things, CRECER measures progress in educational productivity (advisers’ performance, by number of clients); quality of education (assessment of advisory services at lending and educational events); degree of progress in educational sessions, by client (“educational delinquency rate”); and complementary educational activities and referrals to other services in the community.

4. Periodic information for strategic decision making: targeting (areas of intervention, clients’

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\(^{48}\) CRECER is a non-profit organisation launched in 1985 with assistance from FREEDOM FROM HUNGER (FFH). In 1999, it became a fully Bolivian organisation providing integrated financial and educational services for poor women and their families. By the end of 2008, it had 102,479 women clients in rural and peripheral urban areas in seven regions of Bolivia.

education level, average portfolio of clients), and capacity building for staff and clients (client dropout rate, staff turnover).

5. Use of a monitoring system, such as CRECER’s, which allows comparative assessment of management performance based on financial and social indicators from offices and regions.

At the time of the workshop, pending challenges for CRECER included a) monitoring indicators for gender and empowerment within the institution itself (gender mainstreaming); and b) defining and implementing an M&E system for assessing effects (annually) and impacts of goals and mission (every five years), and market studies of exit, retention, client satisfaction and competition (every two years).

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**A return to empowerment through gender information systems with a participatory approach**

Returning to the source of the concept of empowerment – which originated in Latin America, as noted at the beginning of this document – offers the opportunity and challenge of developing new systems for learning, action and gathering gender-related information using a participatory approach.

Through the WEMAN Programme, efforts are under way to develop capabilities for encouraging gender mainstreaming in MFIs and other organisations offering non-financial services, relating them to the issues covered by GALS (Gender Action Learning System), PALS (Participatory Action Learning System) and GAM (Gender Audit Mainstreaming) tools, with a participatory approach that enables the women targeted by the services – including those who cannot read or write – to express and implement their own strategies for enhancing their livelihoods and obtaining gender justice, working hand in hand with men in their families and communities. These tools also facilitate monitoring and evaluation of individual, group and organisational action plans.

The GALS methodology was designed by Linda Mayoux, based on exploratory implementation of the methodology in Africa and Asia in the past five years, and has been adapted in Latin America since 2008, thanks to assistance from several institutions in the Andean Region and Central America. GALS is a community-directed methodology for empowerment that will be the foundation of the WEMAN process.

GALS is the application of the PALS system to gender-related areas, especially targeting efforts by women and men to develop their vision of change, appreciate their strengths and accomplishments, and analyse and address gender inequalities within the family and community as challenges for fulfilling that vision. The main principles, processes and tools of the PALS and GALS systems are based on a series of methodologies for communal empowerment, such as Paulo Freire’s communal awareness raising, Action AID’s REFLECT literacy methodology, Consulta Apreciativa, Helzi Noponen’s Internal Learning System, and
methodologies for participatory learning and action (PLA) developed by Robert Chambers et al. The system’s innovation lies in adapting and combining methodologies for community-driven change and advocacy, based on individual and group life planning and the use of new tools, such as the “Road of Life” and the “Diamond,” for analysing various dimensions of personal, group and organisational life. The methodology uses tools including diagrams, graphs and symbolic drawings that are easy to use, even for people who cannot read or write, and who have never used a pen or marker. GALS system tools combine specific aspects of broader methodologies, such as SWOT analysis (strengths, weaknesses, opportunities and threats) for strategic planning; the tree of challenges for analysis of problems/challenges, causes and solutions (based on ZOOP methodology or the Metaplan); and Venn diagrams for analysing inter-organisational relationships. In each context in which the tool is used, there is also adaptation of contributions from different methodologies and conceptual frameworks used by development organisations, enriching the versatility of the tools and the participatory training of facilitators/trainers, which exponentially enhances the initiative’s replicability.

The methodology being adapted in Peru by FINCA-Perú and MMR with women involved in village banks has required adjusting a series of GALS tools for identification of key gender-related problems in the personal, domestic and business spheres, and planning of vision and lifestyles with concrete commitments for integral development, which will be monitored throughout the year of project implementation.

The following figure shows a possible model presented by Mayoux for a village bank year-long intervention programme (30-45 minutes for each session):

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This methodology’s innovations and adaptations will offer new prospects for gender information systems in microfinance programmes. Besides being adaptable for monitoring progress and impact in the target group, GALS tools are also useful for identifying challenges and monitoring progress in gender mainstreaming in microfinance organisations.