ADRA Case Study
Learning about clients and measuring progress
Executive Summary
Project Background

ABOUT GLOBAL PARTNERSHIPS

Global Partnerships (GP) is an impact-first investor whose mission is to expand opportunities for people living in poverty. GP invests in social enterprise partners that deliver high-impact products and services that enable people to earn a living and improve their lives. GP’s portfolio is comprised of a growing number of investment initiatives that are designed to address various facets of poverty.

GP is dedicated to understanding the outcomes achieved through its investments. They employ an iterative impact management practice that draws on qualitative and quantitative data from various domains to gain deeper insight into what works, why, for whom, and under what circumstances. As part of its ongoing learning program, GP launched a case study initiative with partners across several of its focus areas. This report describes the results from a case study conducted by Microfinance Opportunities (MFO) in partnership with the GP-investee ADRA in Peru.

ABOUT ADRA

ADRA is an international non-profit institution working in more than 130 countries and across nine crucial impact areas to implement region-appropriate solutions for positive and sustainable change. In Peru, ADRA operates a microfinance program for vulnerable, female micro-entrepreneurs that live in peri-urban and rural areas. Its microfinance program uses a village-banking methodology, where groups of 15 to 35 women collectively receive a loan from ADRA and guarantee its repayment, managing the distribution of the loan and repayment internally. ADRA is aligned with GP’s Women Centered Finance with Education initiative, as they offer education programs in conjunction with their village-banking program.

Research Objectives and Design

GP and ADRA entered into this study with the goal of learning more about ADRA’s clients and the effectiveness of its education programs in order to support the development of ADRA’s products and services. Specifically, the partners aimed to answer three research questions:

- What is the poverty profile of ADRA’s clients?
- How resilient are ADRA clients to fluctuations in their cash flow and to economic shocks?
- Do clients demonstrate knowledge, attitudes, and behaviors aligned with ADRA’s education programs, specifically the over-indebtedness module and the personal health module of its education programs?

MFO, in consultation with GP and ADRA, designed a survey to provide insight into these questions. The survey collected descriptive data from clients on a diverse set of socioeconomic indicators. It also collected data on knowledge, attitudes, and behaviors related to over-indebtedness and health education.
The study took place in ADRA’s Pucallpa branch, located in the Ucayali department, in the Amazon rainforest of eastern Peru. At the time of the study, the Pucallpa branch office served roughly 3,700 clients in 179 village groups. MFO selected groups that had completed either one or both education modules as well as groups that had not participated in either module in order to allow for an analysis of the education programs’ effectiveness. In total, MFO surveyed 406 clients:

<table>
<thead>
<tr>
<th>50</th>
<th>220</th>
</tr>
</thead>
<tbody>
<tr>
<td>Received Health Education, but no Over-indebtedness Education</td>
<td>Received Both Health and Over-indebtedness Education</td>
</tr>
<tr>
<td>82</td>
<td>54</td>
</tr>
<tr>
<td>Received No Health or Over-indebtedness Education</td>
<td>Received Over-indebtedness Education, but no Health Education</td>
</tr>
</tbody>
</table>

Results

MFO’s survey showed that at the time of the study, ADRA’s clients had a poverty profile consistent with individuals living in moderate poverty in Peru. They reported having reliable livelihoods but sometimes these were not enough to cover their expenses.

Clients worry about the ability to respond to shocks. While they are likely to be able to respond to such shocks if they occur, some may have to turn to particularly stressful strategies like taking on more debt in order to do so.

With regard to the education programs, there was evidence of ADRA clients displaying knowledge and behavior associated with over-indebtedness and health education. However, the data showed only slight differences in knowledge and behavior between clients who had received the education and those that had not, after controlling for other factors, such as tenure with ADRA, whether the clients had received education through other institutions, clients’ education, and clients’ poverty level.

For example:

- **Over-indebtedness Education**
  
  In evaluating the effectiveness of the over-indebtedness module, the data suggest that clients who had received the education were better able to recall the interest rate on their loan than clients that did not receive the education.

- **Health Education**
  
  In evaluating the health module, econometric models suggested the education had a positive effect on clients’ outlook on life.
Key Insights

Microcredit has demonstrated the capacity to reach those living in poverty; however it can be harmful for those who don’t have the capacity to repay. Knowing this, Global Partnerships invests in MFIs, like ADRA, that demonstrate strong financial inclusion and client protection, going beyond credit to provide clients with the information they need to make informed decisions. This case study indicates that ADRA’s clients by and large demonstrate basic credit knowledge and have the capacity to repay. It also points to areas where ADRA might lean into deeper inclusion and/or a more robust education curriculum.

Progress out of poverty is not linear. Households experience shocks and setbacks along the way. While clients’ monetary poverty levels may not appear severe, they remain economically vulnerable and carry that stress with them. Without access to appropriate financial tools, households may resort to negative coping mechanisms such as taking out a loan to pay off another loan. Microfinance is one of many tools that households utilize to increase their economic resilience.

To evaluate the efficacy of ADRA’s education program, this case study used statistical methods to control for external factors such as clients’ education and poverty levels. In doing so it aimed to determine whether changes in client knowledge, attitudes and behavior can be attributed to the education delivered by ADRA. The results indicate that by and large clients demonstrate the desired knowledge and behavior but with the exception of a couple of areas, it is difficult to attribute this to ADRA’s education program. From a business perspective these findings present an opportunity for ADRA to focus their curriculum on areas where client knowledge is weakest.
Project Background
Impact Objectives

GLOBAL PARTNERSHIPS

Global Partnerships’ (GP) provides working capital loans to partner-enterprises to strengthen and scale the delivery of goods and services that enable households living in poverty to earn a living and improve their lives. Through access to financial services and education GP aims to empower women with the resources and information they need to make informed decisions, smooth their income and consumption, build assets, and better absorb economic shocks.

ADRA

In Peru, ADRA operates a microfinance program for vulnerable, female micro-entrepreneurs that live primarily in peri-urban and rural areas. Its microfinance program uses a village-banking methodology, where groups of 15 to 35 women collectively receive a loan from ADRA and guarantee its repayment, managing the distribution of the loan and repayment internally. In addition, ADRA offers women access to a variety of education programs.

Broadly, ADRA’s economic growth programming, which includes its microfinance activity, operates with the belief that if ADRA can provide better access to financial tools, namely working capital loans, and couple that with technical assistance (from education programs to market access initiatives), ADRA can enable households to improve their incomes and reduce their vulnerability to economic shocks.

Theory of Change

<table>
<thead>
<tr>
<th>INPUTS &amp; ACTIVITIES</th>
<th>SHORT-TERM OUTCOMES</th>
<th>MEDIUM-TERM OUTCOMES</th>
<th>LONG-TERM OUTCOMES</th>
</tr>
</thead>
</table>
| Working capital loans via village-banking method | • Alleviate short-term cash flow shortages  
• Increased business investment | • Income smoothing  
• Consumption smoothing  
• The building of assets  
• Enterprise growth | • Improved economic resilience |
| Financial education | • Improved knowledge of loans, their management, and the use of other financial tools | • Demonstrated attitudes and behaviors associated with better money management | • Improved economic resilience |
| Health education | • Improved knowledge of healthy behaviors | • Demonstrated attitudes and behaviors associated with healthy behaviors | • Improved health |
EDUCATION PROGRAMS

This study was designed in part to assess two of ADRA’s education modules: “Over-indebtedness,” a sub-module of its financial education program, and “Caring for My Health,” a sub-module of its health education program.

The over-indebtedness module was given to some community bank groups between the end of 2015 and beginning of 2016. Its main objective was to educate clients about the dangers of over-indebtedness by teaching them to assess their credit alternatives and consider the consequences of taking too many loans. During initial rollout, ADRA offered the over-indebtedness module in five sessions and later consolidated it into three sessions.

ADRA was also offering the “Caring for My Health” module at the time of the case study in 2017. Its objective was to educate participants about the importance of establishing healthy habits such as a healthy diet, managing one’s breathing, drinking enough water, and engaging in recreation and exercise activities. It also aimed to promote the uptake of preventive health measures at clients’ workplaces, such as avoiding direct sun exposure and preventing ergonomic risks from lifting heavy objects.

Learning About Clients and Measuring Progress

HYPOTHESES AND RESEARCH QUESTIONS

GP and ADRA entered into this case study with the goal of learning more about the clients that ADRA serves. Specifically, the study aimed to provide quantitative socioeconomic data about clients as well as data about their economic vulnerability and resilience. The results were intended to complement ADRA's programmatic data and its staff’s qualitative understanding of clients’ lives.

Furthermore, this study aimed to examine the effectiveness of a sub-set of the education programs ADRA provided to clients. GP, ADRA, and MFO hypothesized that clients who received the over-indebtedness education should have higher levels of financial literacy related to the topics in the module and be less likely to report being engaged in a debt cycle than those that did not receive the education. The partners hypothesized that clients who received the health module should demonstrate more knowledge and better health behavior than clients who did not receive the education.

To capture these learnings and frame these hypotheses, GP and ADRA identified three main research questions:

1. What is the poverty profile of ADRA’s clients?
2. How resilient are ADRA clients to fluctuations in their cash flow and to economic shocks?
3. Do clients demonstrate knowledge, attitudes, and behaviors aligned with ADRA’s education programs, specifically the over-indebtedness module and the personal health module of its education programs?
RESEARCH METHODS

ADRA chose to hold the case study in Pucallpa. According to data from ADRA, the microfinance program there served roughly 3,700 clients in 179 groups operating in 12 districts at the time MFO executed this case study. To establish a sample frame, MFO worked with ADRA to identify the groups that had completed either the over-indebtedness education, health education, both modules, or no education. MFO excluded from the list groups that ADRA said received only partial education. This created a sample frame that would allow for the comparison between groups that had received all the education that were part of the education programs against those that did not receive any education.

To select groups, MFO identified which groups would meet during each week of the month-long data collection period as well as the days, times, and locations of those meetings. The research team worked with local credit officers to create visitation schedules that maximized the number of groups enumerators could reach given groups’ schedules. At the group meetings, enumerators endeavored to randomly select and interview as many group members as possible given the time allotted to them.

SURVEY SAMPLE

MFO interviewed 406 clients in 53 village-banking groups from in and around Pucallpa. The selected groups were geographically distributed similar to the village-banking groups generally, and the selected individuals had poverty likelihoods, as measured by the Poverty Probability Index (PPI), that were similar to other clients at the Pucallpa branch, suggesting that the selected sample is broadly representative of the clients in this area.

<table>
<thead>
<tr>
<th>50</th>
<th>Received Health Education, but no Over-indebtedness Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>220</td>
<td>Received Both Health and Over-indebtedness Education</td>
</tr>
<tr>
<td>82</td>
<td>Received No Health or Over-indebtedness Education</td>
</tr>
<tr>
<td>54</td>
<td>Received Over-indebtedness Education, but no Health Education</td>
</tr>
</tbody>
</table>

MFO targeted groups that had completed the education, but due to the dynamic nature of these groups, some individuals had only completed parts of the education or had not included the education at all. Focusing on groups that had completed the education allowed MFO to look for spill-over effects between individual group members by comparing who had completed the education, who had only completed part of the education and who received no education.
Results
Client Profile

Research Question:

• What is the poverty profile of ADRA’s clients?
• How resilient are ADRA clients to fluctuations in their cash flow and to economic shocks?

Answer:

A typical client surveyed in this project is likely:

• A married woman who had completed at least primary school and lived in a four-person household;
• She earned money from a micro-business, most likely selling prepared foods, owning a small store, or selling clothes; her husband likely worked in agricultural or as a driver;
• She likely lived in moderate poverty, but she stated that her income was relatively consistent. However, there were times during the year when it was not sufficient to cover her expenses;
  – This may explain why roughly 30 percent of women surveyed reported having limited or inadequate access to food at some time during the previous year;
• If she experienced a negative household event—42 percent had—it was most likely due to illness or injury in the family. In such event, she had to rely on savings or loans from family and friends to pay for unexpected expenses;
• Regardless of whether she experienced a negative event or not, coming up with extra cash was a real concern for respondents.

In sum, this data is consistent with households living in moderate poverty. Clients worry about the ability to respond to shocks. While they are likely to be able to do so, some may have to turn to particularly stressful strategies in order to cope.

DEMOGRAPHICS

The City of Pucallapa is nestled against a bend in the Ucayali River. This mid-sized city in the Amazon rainforest in eastern Peru is an important distribution hub for goods flowing east via truck and north and south via waterway. The town itself has many modern amenities—broad roads with streetlights leading to pedestrian centers and hotels. As one moves away from town, though, the relative poverty of this region begins to show its presence as one and two story shops and homes built with cinderblock and rusted tin sheets come into view. Push even further past these communities and one will reach the Amazon, a journey that may require a boat trip, among communities focused on farming and that live in houses built on stilts in anticipation of flooding during the rainy season.

These peri-urban and rural communities are where ADRA focuses their energy, creating community groups predominantly for female micro-entrepreneurs who have been traditionally excluded from financial services.
Silvia is one such woman. Like 74 percent of the women in our sample, at the time of the survey, Silvia was married and she and her husband lived with their two children. More than half of the women in the sample had only completed primary school, but Silvia was one of the 38 percent who had completed secondary school.

At the time of the study, Silvia’s family lived together in a two-bedroom home made of stone walls with a tin roof in the district of Yarinacocha, which sits on the edge of Pucallapa’s northeastern edge. She owned basic appliances that are familiar to people living in middle and upper income countries but are often luxuries for people living in poverty. She had a gas stove and blender in her kitchen and a television and DVD player in her living room.

* This client’s name has been changed to protect client privacy. The picture shown here is of a different ADRA client, but not the one profiled in this report.
Like 65 percent of the women surveyed, Silvia lived in a house with some form of motorized transport—either a car, a motorized rickshaw, or a motorcycle. In many cases, these vehicles were important for generating income, as many of the men in their households earned money by operating taxis. Notably, given their livelihoods, the family did not own a refrigerator: Silvia ran her own business selling “bocaditos”—small dishes of various prepared foods—and her husband did the same, but his stand had the added benefit of a soda fountain.

**Respondent Livelihood**

![Graph showing various livelihoods]

**Spouse Livelihood**

![Graph showing various livelihoods]

Roughly a quarter of women did not live with a spouse or partner. This graph displays the livelihoods of women who did live with a spouse or partner.
Despite working regularly, Silvia did not earn a lot. She reported that she typically earned 800 Peruvian soles or less each month, equivalent to about $510 per month after adjusting for purchasing power. The national poverty line in Peru is 328 soles per person per month, or 1,312 soles per month for a family of four (equivalent to $837 per month after adjusting for purchasing power). In urban, jungle areas similar to where Silvia lives, the Instituto Nacional de Estadística e Informática estimates the poverty line to be closer to 305 soles per month per person. Consequently, if Silvia worked on her own, this data suggests she would be well below the poverty line. But her husband earned money too, and his income helped elevate the family. According to the PPI, they had only an 8.1 percent chance of living below the national poverty line but a 68 percent chance of living below twice that level.

As an individual, Silvia’s earnings placed her in the bottom third of clients MFO surveyed, but as a family, Silvia’s household ranks right in the middle—the median household also had an 8.1 percent chance of living below the national poverty line and a 68 percent chance of living below twice that level. Together, these data suggest the households MFO surveyed are living in moderate but not extreme poverty.

Results

**Results**

At the time of the study, ADRA’s clients had a poverty profile consistent with individuals living in moderate poverty for Peru. They reported having reliable livelihoods but sometimes these were not enough to cover their expenses. This data is consistent with households living in moderate poverty.

**Key Insight:**

This case study indicates that ADRA’s clients by and large demonstrate basic credit knowledge and have the capacity to repay. It also raises the question of whether there is opportunity to serve clients living at deeper poverty levels.

--

**This graph shows the cumulative distribution of respondents based on their raw Poverty Probability Index (PPI) score. The red, vertical reference lines present estimates of the probability a household with that PPI score lives at or below the national poverty line (NPL) and twice the NPL (2x NPL).**
Since joining ADRA, 75 percent of surveyed clients reported a perceived increase in their income while barely two percent reported a perceived drop in their income. Additionally, 93 percent of surveyed clients, including Silvia, reported that their combined income streams—earnings from sales, salaries, remittances, and more—were reliable.

RESILIENCE

While surveyed clients reported reliable income, they also reported periods of financial stress, which is common for households living in moderate poverty. About 52 percent of women, including Silvia, reported that there were periods throughout the year when their income was not sufficient to meet their expenditures, and about 30 percent of women reported that a shortage of cash caused them to worry about whether there would be enough food in the household at some point in the past 12 months.

For many women, unexpected events accompanied this financial stress, sometimes precipitating these cash shortages. For instance, 42 percent of clients reported experiencing a major unanticipated event. Of those 42 percent, almost three-quarters said that the unexpected event was the result of an accident or illness experienced by the respondent herself or a family member.

The women who experienced these negative events turned to a variety of sources of cash to cope with the event. More than half of women reported relying on savings, and getting a loan from a family member or friend was the second most common option. Some women were able to generate money from a new income source or turn to a local MFI for help. A minority of women took to selling assets, pawning their belongings, and reducing their expenditures.

1. The scope and nature of this study does not permit directly attributing these perceived increases to participation with ADRA’s programs. The national poverty rate in Peru has fallen dramatically in the past 10 years so it is probable that these households benefited, at least in part, from macroeconomic trends.

2. The survey did not collect data on which MFIs clients turned to in times of need. However, 32 clients reported having a loan with an MFI other than ADRA.
While 42 percent of women reported having a negative event like this, 65 percent said they were very worried about coming up with the cash necessary to pay for similar events in the future. Another 28 percent were somewhat worried, underscoring the threat that large, unexpected expenses pose to moderately poor women like Silvia.

Like most women, Silvia thought that she could probably come up with the money to pay for an event like an illness. She said she would turn to family and friends for a loan, try to generate a new source of income, and pawn goods, if she had to. She is not unique in saying she would try to generate some new source of cash—about 43 percent of women say this is how they would help pay for at least a part of the expense. However, only about 10 percent of women reported doing so in practice (as shown in the chart above). If the experience of the women who had a negative event is any indication, it is more likely that women would rely on savings and loans from family and friends to cope with a negative financial event. They would also try to avoid particularly unpleasant coping strategies like selling or pawning assets, taking money from a moneylender, or cutting back on their household expenditures.

**KEY INSIGHT:**

Progress out of poverty is not linear. Households experience shocks and setbacks along the way. While clients’ monetary poverty levels may not appear severe, they remain economically vulnerable and carry that stress with them. Without access to appropriate financial tools, households may resort to negative coping mechanisms.

MFO’s work with Financial Diaries shows that households are often able to weather the periodic exogenous shocks using the range of coping mechanisms described here. However, a series of unexpected events in quick succession can drag households that have progressed out of poverty back into it.
ADRA offers different educational programs to its clients. For this case study, ADRA and GP agreed to examine a financial education module on over-indebtedness that had been offered to groups between 2015 and 2016 and the module “Caring for my Health” that launched in 2017. The former module aligned with ADRA’s core service offering (credit) and the latter module was of particular interest to ADRA because it was part of a new health education program that they were giving at the time of this survey.

Research Question:
Do clients demonstrate knowledge, attitudes, and behaviors aligned with ADRA’s education programs, specifically the over-indebtedness module and the personal health module of its education programs?

Answer:
Over-indebtedness Education
In evaluating the effectiveness of the over-indebtedness module, the data suggest that clients who had received the education were better able to recall the interest rate on their loan than clients that did not receive the education. However, there were no statistically significant differences between the groups on the other knowledge, attitude, and behavior questions when controlling for other factors.

Health Education
• Both clients that had participated in the education and those that did not typically reported being aware of the importance of healthy habits. They also reported trying to engage in healthy habits in their life at similar rates.
• Almost 80 percent of clients reported engaging in a relaxing activity during the past month and about two-thirds reported exercising during the past week.
• In evaluating the health module, econometric models suggested the education had a positive effect on clients’ outlook on life.
The goal of the survey was twofold: to test whether ADRA’s clients in Pucallpa had knowledge of the topics presented during these modules and determine if there was any evidence that clients gained this knowledge because of the education programs. Additionally, the survey collected data on attitudes and behaviors associated with the educational content to determine whether there were differences between clients that received the education and those that did not. To identify differences, MFO selected a sample that included clients who received one or both modules and clients who received no education. This allowed MFO to compare clients who had received the education to other ADRA clients who did not.

OVER-INDEBTEDNESS EDUCATION

Knowledge
When asked to choose the cheapest option, between an MFI and moneylender, to provide a loan, 88 percent of clients reported knowing that moneylenders were a more expensive loan source than MFIs. Their preference for loans from family and friends, which often are very low cost or free, serves as further evidence that clients were likely astute at determining the relative costs of different loans.

RESULTS
There was evidence of ADRA clients displaying knowledge and behavior associated with over-indebtedness and health education. However, the data showed only slight differences in knowledge and behavior between clients who had received the education and those that had not after controlling for other factors.

| 50 | Received Health Education, but no Over-indebtedness Education |
| 220 | Received Both Health and Over-indebtedness Education |
| 82 | Received No Health or Over-indebtedness Education |
| 54 | Received Over-indebtedness Education, but no Health Education |

OVER-INDEBTEDNESS EDUCATION

Knowledge
When asked to choose the cheapest option, between an MFI and moneylender, to provide a loan, 88 percent of clients reported knowing that moneylenders were a more expensive loan source than MFIs. Their preference for loans from family and friends, which often are very low cost or free, serves as further evidence that clients were likely astute at determining the relative costs of different loans.

Which is More Expensive?

<table>
<thead>
<tr>
<th>Share of Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moneylender</td>
</tr>
<tr>
<td>Don't Know/Refused</td>
</tr>
<tr>
<td>MFI</td>
</tr>
</tbody>
</table>

When asked to identify the most important piece of information individuals should consider when taking a loan, 74 percent said that “the capacity to pay” was the most important factor while 22 percent said one’s business needs should be the driving factor.

How do You Decide How Much to Borrow?

<table>
<thead>
<tr>
<th>Share of Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment Capacity</td>
</tr>
<tr>
<td>Required Business Expenditures</td>
</tr>
<tr>
<td>Don't Know/Refused</td>
</tr>
<tr>
<td>Largest Amount Possible</td>
</tr>
</tbody>
</table>
Similarly, about two-thirds of clients reported actually being able to calculate their capacity to repay a loan. However, only roughly a third reported knowing their interest rate on their ADRA loan.

### Attitudes

Almost 62 percent of clients reported that they were not very worried about paying the next installment of their ADRA loan but 31 percent of clients were somewhat worried and 7 percent were very worried about their next payment, indicating that clients are still facing moderate financial stress and may be over-leveraged.

### Behavior

Nearly 20 percent of clients said that they, at times, have taken a loan to pay off another loan, which is an indicator that there is a portion of clients that may be struggling to manage their debt. Furthermore, only 13 percent of clients reported that they discussed their finances with their partners, which warrants further investigation because ADRA teaches that positive communication between household members on financial matters is one way to avoid financial stress.

### Effectiveness

MFO compared the answers of clients who received the over-indebtedness education to those clients that did not receive it using econometric models that controlled for the effects of other factors such as tenure with ADRA, income level, education, household size, and marital status. Those models showed some evidence that clients who had received the education were better able to recall the interest rate on their loan than clients that did not receive the education. However, there were no statistically significant differences between the groups on the other knowledge, attitude, and behavior questions.

**KEY INSIGHT:**

Clients demonstrate the desired knowledge and behavior and with the exception of a couple of areas, it is difficult to attribute this to ADRA’s education program. From a business perspective, these findings present an opportunity for ADRA to focus their curriculum on areas where client knowledge is weakest.
HEALTH EDUCATION

The health training encouraged clients to adopt healthy behaviors, and the data suggest that respondents often tried to do so. Respondents reported that they frequently tried to practice healthy habits in their life. Almost 80 percent said they enjoyed at least one relaxing activity in the past month and 67 percent said they had some form of exercise in the past week. Another 40 percent said they have been trying to improve the health conditions in their business with improving cleanliness being the most common activity.

However, like with the over-indebtedness training, there was little evidence that these behaviors were linked to the health training. There were differences in means between the two groups, but after controlling for other factors, econometric models suggested the training had a positive effect on clients’ outlook on life only. Otherwise, there was no statistically significant evidence that clients who received the health training were more likely to engage in healthy behaviors than clients that did not receive the training.
Participating Organizations

**Global Partnerships**

Global Partnerships (GP) is an *impact-first* investor, pioneering and investing in sustainable social enterprises that deliver high-impact products and services for people living in poverty. Global Partnerships invests in microfinance institutions (MFIs), social business and cooperatives in Latin America, the Caribbean and sub-Saharan Africa.

**ADRA**

ADRA is an international non-profit institution working in more than 130 countries and across nine crucial impact areas to implement region-appropriate solutions for positive and sustainable change.

**Microfinance Opportunities**

Microfinance Opportunities is a global nonprofit organization committed to understanding the financial realities of low-income households and developing consumer-focused solutions. Their work shapes the design and delivery of financial products and services, and enhances the capacity of low-income consumers to make informed financial decisions. In collaboration with a wide range of public and private sector partners, their research and expertise help to increase consumer access to finance in the developing world.

*This study was made possible in part through generous support from the Swiss Confederation and JPMorgan Chase:*

**The Economic Cooperation and Development division is part of SECO’s economic competence. In advanced developing countries, it supports socially, environmentally and climate-friendly economic growth with more and better jobs for all levels of the population. This opens up prospects, reduces poverty and removes inequalities. Switzerland benefits from development of this type through new trading partners, increased security and reduced migration pressure.**

**JPMorgan Chase & Co.**

JPMorgan Chase believes more people should have access to opportunity and the chance to move up the economic ladder, particularly in the world’s cities, where the benefits of revitalization are not reaching everyone. Their global initiatives are focused on key drivers of inclusive growth to address social and economic challenges and leverage the firm’s worldwide presence, talent and resources.

*This report was published in 2018, while the supporting research was conducted in 2017.*