

# Partner Profile: Microserfin



In Panama, an estimated 68% of adults living in poverty do not have access to formal financial services and only 5% of adults living in poverty have a housing loan.<sup>1</sup>

**Microserfin** is a microfinance institution (MFI) in Panama within Global Partnerships' Home Improvement Finance initiative and Microentrepreneur Growth Finance initiative.<sup>2</sup>

### WHO IS SERVED:

Microserfin serves approximately 15,000 clients, many of whom are low-income microentrepreneurs. 43% of Microserfin's clients live in rural areas and 43% of their clients are female.<sup>3</sup> Microserfin has presence in all regions of Panama, including traditionally underserved areas.

### WHAT IS DELIVERED:

Microserfin designs its product and service offering to address the needs of each client segment. Clients seeking to make home improvements can access a loan tailored to their project (such as repairs, improvements, or installations) along with technical assistance from a trained construction technician for the duration of the project. Microentrepreneur clients can access working capital loans and education services to support business growth, including topics such as in-depth entrepreneurship workshops, business management, and agricultural best practices.

### WHY IT IS IMPACTFUL:

Access to the loans and support services needed for incremental home improvement projects can improve the health, safety, and quality of life of households living in poverty. Productive loans and related education enhance Microserfin's microentrepreneur clients' ability to invest in their business, increase productivity, reduce risks, and/or reach better markets, enabling business growth and increased net incomes over time. Analysis by Microserfin on clients' progress out of poverty found that 37% of the clients who entered Microserfin while living below Panama's national poverty line were able to rise out of poverty during their time with the MFI.<sup>4</sup>

1. Source: [World Bank Global Findex 2017](#)

2. Microserfin was a current borrower of Global Partnerships Social Investment Fund 5.0, LLC and Global Partnerships Impact-First Development Fund, LLC as of March 31, 2021.

3. Microserfin client data is as of March 31, 2021.

4. Source: [Microserfin & Fundación BBVA](#). Analysis of clients who were in poverty at the outset of their relationship with Microserfin, who subsequently took at least 5 loans from Microserfin between 2011-2018.