

ENRICH LOAN (Special Credit Services)

Three types of special credit services have been designed for the ENRICH households: Income Generating Activities Loan (IGAL), Livelihood Improvement Loan (LIL), and Asset Creation Loan (ACL). All the three credit services can be accessed simultaneously by a household. Under IGAL, eligible household members can take loans for more than one activity and for expansion of an activity to increase their income. In this context, economic activities with potential for productivity growth are selected. Training for skill development and upgrading, marketing assistance, and other necessary services are now routinely provided. The LIL is made available for repairing houses, the purchase of necessary household gadgets, and taking other actions related to livelihood improvement including defraying expenses for social functions such as the marriage of a daughter or a son. In this case, the ceiling for a household is BDT 10,000 (US\$128) and the servicing charge payable is 8% (on the basis of declining balance method). The ACL is designed to assist a household in acquiring any kind of productive asset. The ACL ceiling for a household is BDT 30,000 (US\$385) and the servicing charge payable is 8% (on the basis of declining balance method).

NGF has been implementing all these three component since 2010, ENRICH (Enhancing Resources and Increasing Capacities of Poor Households towards Elimination of their Poverty) project. The overall vision that underpins the ENRICH is to work with the poor to create an enabling environment for them to achieve a humanly dignified living standard and enjoy universal human rights. The poor who join the ENRICH are in fact partners in the process; and the PKSF and the NGF work with those people, not for them. The ENRICH is not about one project here and another there. It is an integrated approach and truly a paradigm shift



INCOME GENERATING ACTIVITIES

ENRICH provided special credit services to the poor household for increasing capacity of lending, utilization of resources, income generation, livelihood improvement and asset creation