



## Microfinance and gender : poverty assessment of beneficiaries in Mali

Yaya Koloma<sup>a</sup>

<sup>a</sup> Professor at ISTOM: Higher Education School of International Agro-Development

Affiliated to Development Economics Group of LAREFI – Bordeaux University

E-mail: koloma33@gmail.com/y.koloma@istom.net

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### Abstract

The evaluation of the poverty of beneficiaries is a topic rarely raised as is the impact of microfinance. The different results across studies and contexts are based on methodologies and different technical analyses. Our study contributes to the debate from survey data collected in Mali in 2007 regarding the beneficiaries of microfinance services. The paper adopts the methodology of identifying the poor based on the micro-multidimensional measure of poverty developed by Chakravarty, Mukherjee and Ranade (1998). Overall, this approach has found a supremacy of the incidence of non-monetary poverty by gender but not significantly ( $\eta = -0.322$ ) higher among women members (0.444) than male recipients (0.437). Differences in poverty are not significant for new members. For long date recipients, women have a poverty incidence significantly higher than men in urban areas ( $\eta = -2.081$ ) and in rural areas ( $\eta = -1.797$ ). These differences are due to lack of educational capability in urban areas and housing and durable goods for rural people.

Keywords: Microfinance, Non-monetary poverty, Gender, Mali

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### I - Introduction

Nowadays, microfinance and gender issues are central to major programs of development and fight against poverty in Mali. The poverty scale remains a subject of constant debate. Despite a growth rate averaging around 5 percent a year – below the expected rate of 7 percent essential to reach for the Millennium Development Goals – mass poverty persists and is reflected by both a rural poverty and an inequality of poverty between men and women. This disparity in poverty is to the detriment of women. In fact, according to some studies, women experience a higher level of poverty in Mali (Koloma, 2009). Dabitao and al (2010: 43) underlines that this inequality is translated by a feminization (in process) of the poverty both individually and at the heads of the household level. The initial findings of this evidence have apparently led the authorities in Mali interested in the development of microfinance as one of the tools for fighting against poverty and for inequality reduction. This was recently materialized by the drafting of Growth and Poverty Reduction Strategy Paper (PRSP 2002 and 2007), focusing on a number of specific programs, including access to training and economic and financial opportunities - such as microfinancial services. In this sense, microfinance is perceived through its capacity to respond to a number of financial needs of poor and vulnerable populations. This contribution is characterized by access to - savings, credit or insurance - services allowing, men and women in particular, to undertake or develop income generating activities necessary to improve their well-being.

Since the mid-1990s, the microfinance sector has shown an interesting development in Mali. Between 2000 and 2006, the number of microfinance institutions grew by 61.4% and the number of beneficiaries by 112.6%. This dynamics can be explained by the involvement of various stakeholders such as the trust of public authorities in this financial instrument by bettering their environment of activities, the willingness of development partners who attribute a strong social responsibility to microfinance, the increasing professionalization of the sector through the acquired experiences and training of many practitioners. The decomposition of the beneficiaries by