

Hand in Hand to spearhead poverty reduction programme in Brazil

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CHENNAI: A Kancheepuram-based NGO will soon extend a learning curve in microfinance and enterprise creation to north-eastern Brazil to alleviate the stark poverty plaguing that region.

Hand in Hand, which has been chosen by the Inter American Development Bank (IADB) for a poverty reduction programme in north-eastern Brazil, will work in association with Visão Mundial (World Vision), Brazil and Agência Nacional de Desenvolvimento Microempresarial (ANDE).

This is said to be the first programme in Brazil that will embark on an exercise of such scale across a vast region wracked by abject poverty, child malnutrition, unemployment and drug addiction. "We expect to kick-start the multi-pronged interventions by April," Hand in Hand CEO Kalpana Sankar told *The Hindu*.

5 resource persons

At least five resource persons, including experts in micro finance, enterprise creation and information technology and a Portuguese translator, will form part of

the Hand in Hand team to Brazil.

The NGO, with its headquarters in Sweden, will lend its considerable expertise in microfinance, child-labour elimination and enterprise creation among rural communities, especially women. "The idea is to create a regional network of grassroots organisations tied to Visão Mundial and ANDE," Ms. Kalpana said.

This network will be provided with technical support and micro-credit to help increase income-generating opportunities and to gradually scale up the programme

The IADB had co-opted the NGO to execute the \$5.5 million project after a stringent evaluation last year, when a delegation visited Tamil Nadu to assess the rural development work carried out by the NGO. The IADB delegation saw the three-way partnership of NGOs as a new dawn in South-South cooperation, said Ms. Kalpana, whose profile presentation on the activities of Hand in Hand culminated in member countries of the consortium unanimously voting in favour of designating the NGO for the project even though India is not a member country.

Essentially the plan is to recreate the self-help group model as Local Units for Income Generating Opportunities, which will help in mobilisation and training.

Empowerment approach

The project will adopt the empowerment approach, which not only focuses on micro-lending but also on providing multiple services to villagers, mostly women, in literacy, finance and enterprise training, and skills building.

Hand in Hand activists point out that often a poverty-stricken rural borrower had wider needs than a mere access to finance and might require a continuum of mentoring, which results in a sustainable job. The NGO's advocacy of a 'credit-plus approach' involves giving the rural entrepreneur technical assistance as well as access to finance and market and industry linkages.

Since it was launched four years ago, Hand in Hand has created or strengthened more than 200,000 small and medium enterprises across Tamil Nadu. Recently, it has extended its work to Madhya Pradesh and Karnataka.