



imon
international

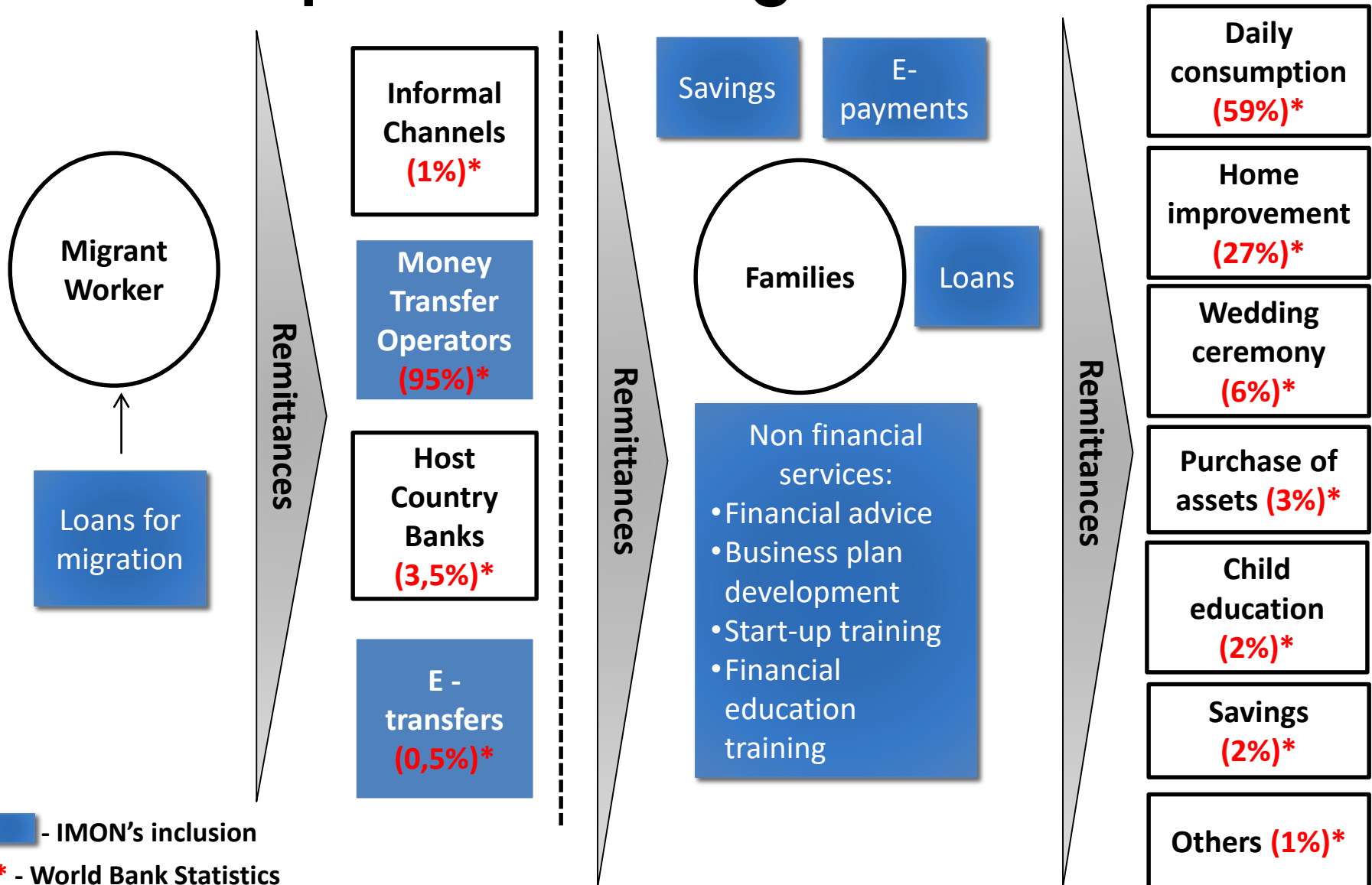
IMON PRACTICES ON MICROFINANCE FOR MIGRANTS

Makhkamova Gulbakhor
CEO
May, 2017, Sarajevo

Remittances and Labor Migration in Tajikistan

- **Tajikistan is the largest emigrant labor supplier per capita in the world. 900,000 Tajiks, or 18 percent of the adult population, leave the country every year to seek seasonal work or to work abroad.**
74% Labor migrants - aged 18-29 years.
- **Tajikistan's poverty level, instability, and high birth rates are strong push factors that have led many Tajiks to migrate. 89 percent of all Tajik labor migrants move to the Russian Federation.** Tajiks generally remain in the former Soviet Central Asia or Russia because of well-developed migrant networks, their ability to speak Russian, and because they do not have to meet visa requirements.
- **Tajikistan may be more reliant on remittances than any other country in the world.** Annual volume of remittances to Tajikistan now stand between U.S.\$4 billion (2014) and **US\$1,9 billion (2016) or between 30 and 50 percent of Tajikistan's total GDP.**

Cash Flow for Migrant Worker Remittances vs IMON experience for migrant's inclusion



Migrants' and their families' financial inclusion

Variety of financial and non-financial products and services for migrants:

- Current accounts (2 020)
- Savings accounts (320)
- Money remittances (400 000)
- Loans (2 104)
- Financial literacy trainings (participants: 1 050)
- E – banking users (8 000)

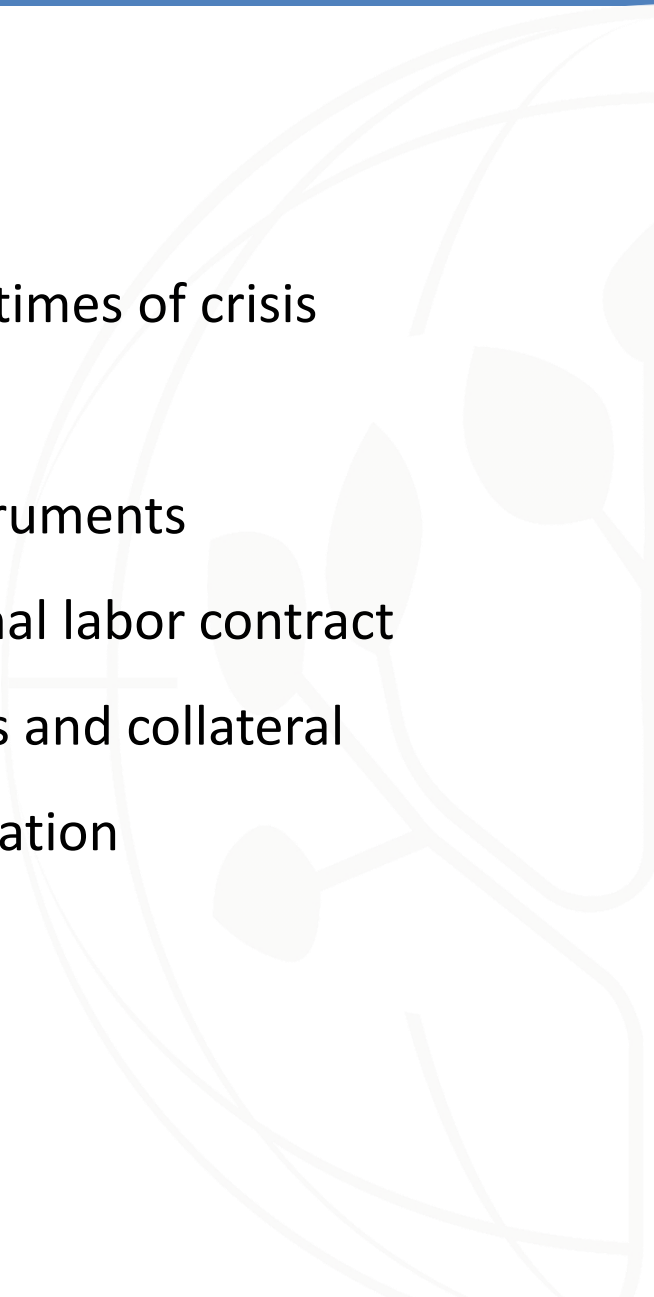


Example of successful inclusion of migrant in homeland through microfinance

Madvalieva Farida in her young ages was a teacher in a kindergarten in the village of Gulyakandoz. For family reasons she left and worked for more than 10 years in Russia with her husband. Upon her return from labor migration in 2009, she was trained at IMON INTERNATIONAL and received a star up loan to start a business. As time passed, using the money earned, her husband's money transfers and credit funds, she built a two-story building in the village and opened a dining room, creating three workplaces for her fellow villagers.



Core migrants challenges

- Irregular income / seasonality and during the times of crisis
 - Low financial literacy
 - Lack of knowledge on the use of financial instruments
 - Absence of confirmed (legal) income and formal labor contract
 - Difficulties with providing personal guarantees and collateral
 - Mobility and non presence in the area of operation
- 

Further strategy for migrants inclusion

Labor migrants

- Development of product packages for labor migrants: which include a set of services (deposits, loans, money transfers, banking cards with the possibility of replenishment from abroad).

Families of migrants

- Development of product packages for families of migrants: working with families of migrants in the direction of financial literacy, professional courses, business trainings, deposit programs, incentive programs.

Children of migrants

- Teaching children of migrants the basics of financial literacy, developing courses with providing loans for education.



imon
international

THANKS FOR ATTENTION!