

Banco del Pueblo Soberano's micro-finance programme Venezuela



"Now we don't have to choose between buying shoes for our kids and buying groceries".

- Maria

"I used to work all day, and now I can spend time with my children at home."

- Jose

LOCATION

Apure, Tachira, and Zulia States, Venezuela

DURATION

24 months (January 2008 to December 2009)

OPERATIONAL PARTNER

Banco del Pueblo Soberano (BPS)
www.bancodepueblo.gob.ve

DONOR

Government of the Bolivarian Republic of Venezuela

BUDGET

US\$ 250,000 in 2008
US\$ 500,000 in 2009

OVERVIEW

Refugees mainly arrive in Venezuela from neighboring Colombia. Under-registration is a major challenge, making assistance and protection work more difficult. Of an estimated 200,000 people in refugee-like situations, less than 14,000 are registered, the majority of whom stay in poor communities at the border, and rely only on a temporary document.

Improved documentation is the number one priority for UNHCR, together with the delivery of basic services and of long-term solutions for refugees and local communities. Without documents, many householders struggle to make a living.

AIM OF PROJECT

The micro-credits granted by *Banco del Pueblo Soberano*, the main public microfinance institution in Venezuela, aims to help refugees in the border area, to get back on their feet, promoting their integration, and local development. The low interest loans are designed to set up small businesses in agriculture, fishing, farming and small-scale manufacturing, and they are also granted to Venezuelans living in host communities. The project also intends to foster solidarity, tolerance and coexistence values.

PROJECT OUTPUTS/RESULTS

During 2008:

- 120 people benefited from credits granted by the BPS, with an investment of over USD 250,000 (excluding the operation costs also contributed by BPS).
- Of the total number of beneficiaries, 42 people were asylum seekers and refugees.
- During the first half of 2009, it is expected that the number of beneficiaries and total investment will be doubled. Half the beneficiaries are women, and they received practical skills training, an introduction to business management and accounting.

IMPACTS

This programme has allowed asylum seekers and refugees to benefit from the Venezuelan government's microfinancial policy. In addition, the aid given by this institution has allowed asylum seekers and refugees to open bank accounts and perform financial transactions with their temporary IDs. Families who have benefited have increased their income, created job opportunities in their communities, and strengthened their ties within these communities.

LESSONS LEARNED

As BPS is a governmental institution, this cooperation agreement has served as a bridge for the resolution of other problems that refugees and asylum seekers face. For instance, BPS lobbied among financial institutions to allow refugees and asylum seekers to open banks accounts. Moreover, this initiative has helped to sensitize key institutions (banks, public registries, etc.) on the problems refugees and asylum seekers face.