

Systematic Review Title Registration Form

**Congratulations on securing funding for your systematic review.
The EPPI-Centre has already agreed to register and offer support for your review with:**

Please complete the form below to help us work with you and your team. Where there have been no changes since you submitted a proposal feel free to cut and paste text into this document. Extend the boxes as necessary.

Funder: DFID SARH

Number and title of review originally requested from funder:

What is the impact of microfinance on the well-being of the poor and what are the conditions for making microfinance work for the poor in South Asia?

Title of review agreed at time of confirmed funding:

What is the impact of microfinance on the well-being of the poor and what are the conditions for making microfinance work for the poor in South Asia?

Host organisation(s) for review team:

Indian Institute of Technology, Madras, Chennai, India

Review team members

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* We shall use these email addresses to register each person for accessing the Moodle web space for on-going support and EPPI-Reviewer

a) Situate the question in the literature, including describing the existing evidence and literature, estimated size and quality of the evidence base and your familiarity with it.

The early evidence on the evolution of microfinance institutions shows that they have created new sources of income and employment for the poor in developing countries. The evidence often cited is the performance of ACCION's BancoSol in Bolivia, Bank Rakyat Indonesia's (BRI) Unit Desa program in Indonesia, and the Grameen Bank in Bangladesh. These experiences and some of the other experiments have generated replication efforts in one form or another in a number of developing countries like Peru, Mexico, Costa Rica,

Nigeria, Mali, Malawi, Togo, Chile, Malaysia, Sri Lanka, Nepal, and India. The performance of most such programs, however, has been mixed with many of them plagued with problems such as high default rates, inability to reach sufficient number of borrowers, and a seemingly unending dependence on subsidies. Few of them have lived up to their original objective. (Bhatt, 1997).

With the growth of micro finance as a tool for 'including the excluded' and as an industry by itself, it has attracted the attention of policy makers, donors and private investors. This has demanded the generation of clear evidence on the outcomes, on which there exists considerable ambiguity (Armendáriz de Aghion and Morduch 2005, 2010). Attempts to examine the impacts of microfinance (Gaile and Foster 1996, Goldberg 2005, Odell 2010, Orso 2011) have shown that the methodology, tools and techniques used for assessing the impact itself suffer from several drawbacks. The popular method of using anecdotes and other inspiring stories showed that microfinance could make a real difference in the lives of those served. However, rigorous quantitative evidence is scarce and inconclusive (Armendáriz de Aghion and Morduch 2005, 2010). More recent attempts to synthesis the available literature on the impact of microfinance shows that "almost all impact evaluations of microfinance suffer from weak methodologies and inadequate data, thus the reliability of impact estimates are adversely affected"(Duvendack, M. et al 2011).

Ambiguities in Assessing Outcomes:

As the concept and practice of microfinance have changed dramatically over the years the microfinance sector is increasingly adopting a financial systems approach. This leads to operation on commercial lines by systematically reducing reliance on interest rate subsidies and other agency financial support. The financial systems approach supports the argument that microfinance institutions should aim for sustainable financial services to low income people, which may undermine the potential for poverty reduction and social empowerment. According to Cull, Demirguc-Kunt, and Murdoh (2009), the argument that microfinance institutions should seek profits has an appealing "win-win" resonance, admitting little trade-off between social and commercial objectives (Imai et al 2010). A number of studies have developed indicators to assess the impact of microfinance following the financial systems approach. These results show that microfinance has a relatively small impact on poverty at macro level.

However, some recent studies have shown its significant effect on poverty using household survey data. Using panel data at both participant and household levels in Bangladesh, Khandker (2005) confirms that microfinance programmes have a sustained impact in reducing poverty among the participants, especially for female participants and a positive spill over effect at village level contributing to national economic growth. However, some other studies have shown that MFIs have not reached the poorest of the poor in Asian countries (Weiss & Montgomery, 2005) or in Bolivia (Mosley, 2001). The relationship between microfinance and poverty is still in question. There have been relatively few studies that empirically evaluate the impact of microfinance at the national level, especially providing evidence using a large-scale household data set. Further, there are self-selection problems associated with participation in microfinance programmes. That is, within the area where microfinance is available, individuals with similar characteristics (e.g., education or age) might have different levels of entrepreneurial spirit or ability, which may lead to

different probabilities of their participating in the scheme. Hence it is necessary to take into account self-selection problems associated with participation in microfinance programmes in assessing their outcomes.

The boundaries of the systematic review:

The studies that have explicitly looked at the role of micro finance in poverty reduction in the South Asia context are relatively new and are also limited. However, there are many studies (Annex B gives an indicative list) that have implicitly or explicitly considered this issue using micro evidences. This review would include both types of studies, i.e., those that have focused on the effect using large scale data sets to assess the macro impact as well as those that have explicitly or implicitly considered the effects at the micro level. Examples for the former would be Khandker (2005) and Imai et al 2010. Examples for the latter would be Kabeer, N. (2005) Nawaz, S. (2010), Quinones, B. & Remenyi, J. (2014). The impact of microfinance would be measured along multiple dimensions depending on the type of institutional mechanism. Impact on poverty reduction would be analyzed on the dimensions of access, coverage, activities generated and outcomes, as the literature indicates a strong link between these variables for poverty reduction.

Evidence base and familiarity:

The lead reviewers have good familiarity with the finance sector and development issues, having worked on various aspects such as financing for health care, education, enterprise development and outcome assessment. The issue of poverty overlaps with many of these areas and to that extent, the reviewers have an excellent familiarity of the literature on the topic. While the evidence base on the topic is comparatively higher for some specific countries, there has been a growing evidence base and literature on South Asia recently. We feel that there is adequate availability of evidence base and studies on the region that can result in a convergence of evidence. The studies are done by well known organizations such as the World Bank and/ or have been published in leading peer reviewed journals, which indicates that high quality of the evidence base.

b) Please describe the limitations of the systematic review, including issues of evidence type, issues resulting from different methodological approaches to studies and issues arising from contextual challenges. [Up to 300 words].

Variations in Components and Interventions and outcomes: The context of interventions can differ between countries. Microfinance interventions are complex to include microcredit, provisions for credit, credit plus savings, insurance, micro enterprises etc. Similarly, involvement of banks, community based regulation, or participation occur in multiple forms. Studies on wellbeing of the poor and microfinance ranges from women empowerment, presence of second income in households, micro enterprises, education, etc. The literature on effect of microfinance on wellbeing of poor has been region specific. This heterogeneity needs to be incorporated in the synthesis.

Validity and quality of literature: Experimental research and field study has predominantly been non-random. Despite the research design obtaining bias-free impact estimates for social experiments has been a challenging task, mainly because of the limitations of the

evaluation strategies available. Secondly the number of studies using large scale household databases and micro evidences based on RCT in South Asia is limited.

Lack of studies looking at the long term impact: Given the long life of these interventions, successful interventions and scalable models as well as impact, should be evaluated over the longer life of the project. However, most available studies examine outcomes over shorter periods. Though microfinance experiments in Bangladesh are well documented, the experiences of the neighboring countries are relatively scarce. This coupled with constant institutional innovations makes outcome assessments difficult.

Heterogeneity of data and methods: Studies have used many different data sources and have adopted multiple methods for their analysis. This limits the choice of synthesis methods that can be used for the review. Use of quantitative synthesis methods would mean excluding high quality qualitative studies. Use of mixed method synthesis helps to synthesize evidence from literature

c) Methodology

Search Strategy

The review would comprise of published academic articles, reports of government agencies, NGOs and funders, online academic databases, systematic review databases, relevant research abstracts and thesis including both quantitative and qualitative studies. This will also be complemented with discussions with various stake holders. It is proposed to include studies that have been published or completed from the year 1990 onwards, because there has been limited research on these interventions in the South Asian context. Since the main objective of the review is to strengthen the capacity for evidence informed decision making, it is felt that a synthesis of recent evidence would be more relevant for policy decision making and provide more credence to the review. Annex E gives an illustrative list of the source of studies. We will experiment with search terms like (microfinance or microcredit or micro-credit* or micro-finance* or microenterprise* or micro-enterprise* or "group lending" or "credit program*" or "credit plus* or credit-plus*").and other that may be suggested to us by the advisory panel. These searches will be documented so as to leave a trail to allow others to reconstruct and validate our searches.

Inclusion and Exclusion criteria &. Quality Assurance Process

The studies will be included based on the following characteristics:

Context: Experimental studies, intervention based studies, outcome studies and comparative studies would be considered only if it is in the South Asian context. On the other hand the reviewers would include all the policy directive studies, theoretical studies that contribute to improvements in intervention and better outcomes.

Participants of the study: Individuals living in poor, lower-middle income countries in South Asia with limited access to finance or with no or low levels of financial literacy. The access to

micro-credit should have brought in some change in their financial status in terms of decrease in vulnerability. The target group may include individuals, households or micro-enterprises.

Form of Intervention: Interventions by NGO or Self Help Group programs which lead to micro credit or financial inclusion including credit provided by intervening NGO. Credit plus programs include savings, insurance and other financial services or business advice. The study would include interventions by NGOs, MFI, commercial banks, credit co-operatives and other forms of organized lending. Effects of unorganized credit provided by local money lenders will be excluded.

Comparative Studies: All the studies included in our review should have comparative or control group statistics. These could be before/after comparison or parallel control group with one group having access to some form of organized credit and the other group with no access to credit or to a lesser known form of credit.

Benefits: Studies encompassing benefits such as access to better education, health, awareness, reduction in vulnerability, enhancement of micro enterprise profits, skill development leading to employment opportunity, creation of assets, improvements in housing, nutrition, women empowerment, reduction in distress sale of assets would be considered in our review.

Methodologies: Impact assessment research driven by micro-credit on the household or community would be considered. Studies which focus on comparative impact with /without access will be included. A purposive strategy will be included to represent geographical location and gender. Review will also include intervention studies including randomized controlled trials, before/after studies and action research that assess the impact of financial inclusion.

Bias: The studies chosen for review will have to clear a) selection bias, b) performance bias c) attrition bias d) detection bias e) reporting bias f) trustworthiness g) appropriateness h) evidential bias. Validity assessment will focus on checking the delivery and adequacy of the intervention, reliability of the outcome measures, contextual factors affecting heterogeneity of outcomes. If a large number of studies are identified with lower validity they will be tabulated and removed from further study.

Methods of synthesis

Based on our familiarity with the literature, it is felt the studies that would qualify for inclusion in the review would be characterized by substantial heterogeneity in terms of the type of data, methodologies used, outcomes analysed, etc. It is therefore proposed to use mixed methods approaches to synthesize the results.

Where possible we would use statistical techniques such as standardized mean differences, odds ratio, (Borenstein et al, 2008) and meta regression analysis (Stanley and Jarrell, 1989) to synthesize the evidences from quantitative studies. Obviously, the studies used for these statistical techniques would form only a sub-set of the total studies that were included for

this review. In the case of meta regression analysis, we would also use the Funnel Asymmetry Test and the Meta Significant Test to check the robustness of the findings. Appropriate variables would be used in the meta-regression analysis to capture the differences in study characteristics to account for heterogeneity.

Second, a narrative approach would be used to synthesize the evidence of all the studies included. Textual narrative also makes the context of the study clearer and is more likely to make the heterogeneity between studies transparent (Barnett-Page and Thomas, 2009). Since textual narration helps to bring out the heterogeneity between studies, this method is suitable to synthesize evidences of the qualitative studies too.

It is felt that the findings from such multiple methods of synthesis would complement each other. Statistical analysis, on the other hand, would involve a more rigorous synthesis of evidence for some of the studies using quantitative tools and techniques. Textual narration would help to understand the causality in greater detail between interventions and outcomes, while helping to deal with heterogeneity.

d) Experience of systematic reviewing	
Name	Experience
<i>Arun Kumar Gopalaswamy</i>	<ol style="list-style-type: none"> 1. Access and sustainability of rural health care services in India (2008) 2. Socio economic analysis of public infrastructure projects to the peri urban population in India (2009) 3. Impact of changes in the transparency of infrastructure procurement and delivery on infrastructure access, costs, efficiency, price, and quality 4. Review on Transaction Risk profiling and Network Processing Infrastructure in India (2012) 5. Review on Dynamic Linkages between Foreign Direct Investment and Domestic Investment: Impact on India post Crisis (2013)
<i>Suresh Babu M</i>	<ol style="list-style-type: none"> 1. "Micro small and medium enterprises and access to technology: Issues and Options". This study was conducted for National Commission for Enterprises in the Unorganised Sector, Government of India, 2009. 2. "Issues in Global Production Networks: The Case of Indian Auto Industry, ADB-RIS", 2010 3. "Inclusive education: Models and Implementation" This study was conducted for Department of Education, Government of India, 2010 4. "Review of Active Learning Methods in Schools in Tamil Nadu", Government of Tamil Nadu, 2010 5. "Education for all: Sarva Siksha Abhayan in Tamil Nadu", funded by MHRD Government of India, 2011 6. "Skill formation and Technological Capability in Indian IT Industry", ILO and UNCTAD 2013.
<i>Umakant Dash</i>	<ol style="list-style-type: none"> 1. "Good Health at Low Cost 25 years on: lessons for the future of health systems strengthening", Lancet, Vol. 381, Issue 9883, 2118-2133, June 2013. (Elsevier) 2. "Technical efficiency of Comprehensive Emergency Obstetric and Newborn Care centers in Tamil Nadu" Journal of Health Management,

	<p>September 2012 vol. 14 no. 2, 151-160 (Sage Publication)</p> <ol style="list-style-type: none"> 3. "Private Partners in the Public Health System Selected Cases from Tamil Nadu", Journal of Health Studies, Volume 3, 2012, pp 11-21. 4. 'Tamil Nadu 1980s-2005: a Success story in India' in Balabanova D, Makee M and Mills A (eds). 'Good health at low cost' 25 years on. What makes a successful health system? London: London School of Hygiene & Tropical Medicine, pp159-192, 2011. http://ghlc.lshtm.ac.uk/files/2011/10/GHLC-book_Chapter-6.pdf 5. Technical Efficiency and Scale Efficiency of District Hospitals: A Case Study of Tamilnadu", Journal of Health Management, September 2010 vol. 12 no. 3 231-248, (Sage Publication) 6. "Catastrophic Payments for Health Care among Households in Urban India" Journal of International Development, 20, 1-16 (2008) (Wiley & Sons)
Thillairajan Annamalai	<ol style="list-style-type: none"> 1. Impact of private sector involvement on access and quality of service in electricity, telecom, and water supply sectors. A systematic review of the evidence in developing countries. (Sep 2013). Report is available at: http://eppi.ioe.ac.uk/cms/Default.aspx?tabid=3423 2. Impact of changes in the transparency of infrastructure procurement and delivery on infrastructure access, costs, efficiency, price, and quality – A systematic review of the evidence in developing countries. Study funded by the Department of International Development, Government of UK and supported by the EPPI-Centre, SSRU, Institute of Education, University of London. (June 2012). Report available at: http://www.dfid.gov.uk/r4d/PDF/Outputs/SystematicReviews/Infrastructure-2012Annamalai-report.pdf 3. Effective urban planning approaches for delivery of basic services (access to electricity, water supply and sanitation) to low income households (slums) and informal settlements in urban areas. (ongoing for DFID)
VR Muralidharan	<ol style="list-style-type: none"> 1. Muraleedharan V R and Ram Prasad "Regulation of Healthcare sector in Tamil Nadu: the case of Consumer Protection Act 1986, and Human Organ Transplantation Act 1994" (September 2003). 2. Muraleedharan V R "Informal healthcare providers in Tamil Nadu: A preliminary study of their characteristics and potential for participation in public health system" (Submitted to DANIDA, Chennai, November 2003). 3. Muraleedharan, V R, Sonia Andrew, Bhuvanewari R and Stephen Jan "Role of Non-Governmental Organisations and Private Providers in the Revised National Tuberculosis Control Programme: a study on the implementation of private-public strategy in Tamil Nadu and Kerala (India)" (Submitted to the London School of Hygiene and Tropical Medicine, London, April 2005). 4. BM Prasad and VR Muraleedharan, "Community health workers: a review of concepts, practice and policy concerns" (Working Paper, Consortium of Research on Equity in Health Systems, London, March 2008). 5. Umakant Dash, Debashis Acharya, V R Muraleedharan, Girija Vaidyanathan, "An Analysis of Efficiency of District Public Health Care System in Tamil Nadu and Orissa" (Submitted to the World Bank, New Delhi, April 2008). 6. Umakant Dash, V. R. Muraleedharan, B. M. Prasad, D. Acharya, S. Dash,

	<p>S. Lakshminarasimhan, "Access to health services in under privileged areas, A case study of Mobile Health Units in Tamil Nadu and Orissa", (Submitted to DFID, UK, and Consortium of Research in Equity in Health Systems, London, October 2008).</p> <p>7. VR Muraleedharan "Malaria and the Rockefeller Foundation in South India: 1936-41" (Upendranath Brahmachari memorial lecture at Burdwan University, December 2008).</p> <p>8. Debashis Acharya, Girija Vaidyanathan, VR Muraleedharan, Upandand Pani, Umakant Dash and Vaishnavi SD, Do the Poor Benefit from Public Spending on Healthcare in India: Results from Benefit Incidence Analysis in Tamilnadu and Orissa (Submitted to DFID, UK, July 2009).</p> <p>9. Umakant Dash and VR Muraleedharan, How Equitable is Employees' State Insurance Scheme in India?: A Case Study of Tamil Nadu (submitted to DFID, UK, September 2009).</p> <p>10. • Muraleedharan VR, et al, Private-Public Partnership in Health Sector : Opportunities and Challenges (submitted to USAID India, November 2011).</p>
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e) Communications plan and user engagement

Connect to leading researchers: During the study phase the research team will connect to discuss with leading researchers working in this area to elicit views, suggestions, opinions and also to access research material. The team would also be in touch with research centers like the "Yunus center", Lanka Microfinance Practitioners' Association etc. The draft report would be reviewed by the advisory committee set up for this purpose.

From the policy makers perspective we would engage at multilevel. Firstly we will work closely with DFID team by sharing reports at stipulated frequency. We would use the expertise of the advisory group members to scope and target the review. We would also be scheduling periodic discussions with the advisory group to keep them updated of the progress. This would ensure that the review clearly addresses the question in a way that can have a strong relevance to the policy makers.

Dissemination plan: The review team would engage in two stage dissemination. In the first stage the dissemination would be aimed at policy makers by circulating the report and soliciting their responses. Subsequently they would be invited to participate in focused group workshops where the findings of the reports from the policy maker's perspective would be discussed. We would also look at publishing salient findings of this review in popular press, newspaper OP-ED's, as well as journals that are targeted at the policy makers.

The second level of dissemination would be to the research fraternity. We would seek to publish the review in a reputed international journal, which will have wide access by the research community. The findings of this research would also be presented in some of the leading conferences and workshops in the area firstly as a mode of knowledge dissemination and secondly to get expert opinions. To enhance the accessibility of the study the research paper would be posted on leading research websites like SSRN. Hard copies of the final report will be sent to the experts, policy makers as well as leading libraries.

Engagement with the community: This report will also be shared with implementing NGOs who are engaged at the grassroots level. The review team would conduct a workshop for the personnel engaged at the grassroots level implementation to disseminate the findings and enhance their performance. This will help them in channelizing their funding better and engage them in getting higher social return. The report and the findings will be widely shared with donors, credit providers, and the intervening agencies.

Timetable (some review methods do not include these stages in this order)		
Stage of review	Start date	End date
Preparing the protocol	October 15, 2014	December 18, 2014
Draft protocol submitted for peer review	December 18, 2014	January 8, 2015
Searching for studies	November 15, 2014	March 15, 2015
Assessing study relevance	December 1, 2014	March 31, 2015
Scoping exercise completed	November 1, 2014	January 30, 2015
Extracting data from studies	December 15, 2014	March 30, 2015
Assessing study quality	March 1, 2015	April 1, 2015
Synthesising studies	April 1, 2015	May 15, 2015
Preparing draft report	May 15, 2015	July 15, 2015
Draft report submitted for peer review	July 15, 2015	
Revising report	August 10, 2015	September 1, 2015
Report and Evidence brief submission for publication with the EPPI-Centre	September 15, 2015	

Do you have any particular concerns about preparing this review?

The team does not have any concern in preparing this review at the moment.

Do you have any particular requests for support when preparing this review?

We have requested for training and EPPI-Center has agreed to provide us the required training.