
Title registration for a systematic review: The impact of microfinance in developing countries: a systematic review of reviews

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Title of the review

The impact of microfinance in developing countries: a systematic review of reviews

Background

Microfinance is one of the most widely recognised tools in international development, and is a core area of financial inclusion. Policy-makers and donors hope that access to financial services (including credit, savings, insurance and money transfers) will allow poor and low-income households in developing countries to enhance their welfare, grasp opportunities, mitigate shocks, and consequently escape poverty. More recently, some donors also have suggested behavioural changes (such as household spending decisions) to be desired outcomes of access to financial services.

Systematic reviews, meta-analyses and research syntheses (in short: meta-studies) have sought to clarify the impacts of microfinance on poor people, based on an array of different underlying studies which include quantitative and qualitative work based on long-term and short-term data. The very different quality and approaches of these meta-studies, and of the studies underlying them, however, pose a major challenge for policymakers and practitioners in assessing the benefits and drawbacks of microfinance-based approaches to poverty alleviation. Increasingly there is confusion about the impacts, and a risk of “cherry picking” among different findings.

Our primary aim is to gain better clarity about microfinance impacts by systematically reviewing the existing systematic reviews (in the broader field of meta-studies), which is urgent given the focus on expanding access to financial services in the Sustainable Development Goals (SDGs), in particular SDG 1 on eradicating poverty¹ and SDG 5 on achieving gender equality and women’s empowerment² are relevant. We have three sub-objectives:

- to better inform the decisions of donors and development policymakers by establishing what is known and not known about the impacts;
- to facilitate better research by assessing the strengths and weaknesses of existing SRs, and suggesting pathways toward common standards and methods, and particularly a better use of qualitative studies;
- to understand the political economy of knowledge which may explain which questions are asked and why, how results are arrived at and interpreted, and which results are used how and by whom.

¹ <https://sustainabledevelopment.un.org/sdg1>

² <https://sustainabledevelopment.un.org/sdg5>

Objectives

The objective of this overview of reviews is to systematically collect and appraise systematic reviews on microfinance impacts, analyse the strength of the methods used, synthesise the findings from those reviews, and report implications for policy, programming, practice and further research.

Overviews of reviews are undertaken in other sectors for which evidence is widely available, especially health (Becker and Oxman 2008) and recently education (Polanin et al. 2017), but they are non-existent in international development, and thus this study will address a notable gap.³ It provides the opportunity to develop and pilot an evidence synthesis approach in a sector where there is a large body of evidence of variable quality, but a systematic appraisal and synthesis of the body of systematic reviews is lacking. Polanin et al (2017) provide useful guidance on how best to conduct such reviews; they point towards methodological challenges of overviews of reviews and suggest ways forward to improving them.

This study will critically review existing approaches to overviews of reviews with a view to further developing overview methods and it will aim to answer the following questions to gain better clarity about microfinance impacts:

- Impacts:
 - What is known from existing systematic reviews about the poverty impacts (social, economic, and behavioural) of different types of microfinance activity (e.g. credit, savings, insurance, money transfers) on poor and low-income people in developing countries?
 - What is known from existing systematic reviews about the gender impacts of different types of microfinance activity (e.g. credit, savings, insurance, money transfers) – in other words, do microfinancial services empower women in developing countries?
 - What is known from existing systematic reviews about implementation processes and reasons for uptake, or other participant views about microfinance?
- Methodology:

³ Evans and Popova (2015) produced a review that claimed to find divergent findings in six "systematic reviews" of education programmes. However, the authors did not screen or critically appraise included reviews according to standard definitions. Hence, further analysis indicated only one of the included studies was undertaken using systematic review methods, the other five being literature reviews and meta-analyses which did not use comprehensive approaches to select, appraise and/or synthesise the evidence (Snilstveit, Vojtkova and Phillips, 2015).

- What methods and standards have the systematic reviews used to draw conclusions from the studies they reviewed?
- What difference does the choice of methods and standards make to the results?
- How could the methods and standards be harmonised and/or improved in order to draw more robust and reliable conclusions via systematic reviews?
- Knowledge uptake and use:
 - What can explain which questions are asked in some systematic reviews and meta-studies about the impact of microfinance, and which ones not?
 - What can explain different interpretations of results from existing studies, and how the results are used?

Existing reviews

As indicated in the table below, a substantial number of systematic reviews, meta-analyses and meta-studies on microfinance topics exist. They have followed diverse approaches. Some of the systematic reviews are broad, aiming to cover the whole financial inclusion spectrum (e.g. Duvendack et al. 2011). Others cover specific interventions, such as microcredit (e.g. Vaessen et al. 2014), formal banking services (Pande et al. 2012), microenterprise (e.g. Grimm and Paffhausen 2015), microsavings and microleasing (Stewart et al. 2012), and microinsurance (Cole et al. 2012). Some reviews focus on particular populations, such as Sub-Saharan African recipients (e.g. Stewart et al. 2010), particular methods of providing microfinance, such as self-help groups (e.g. Brody et al. 2016) or particular outcomes, such as health (e.g. Leatherman et al. 2012) or empowerment (Vaessen et al. 2014; Brody et al. 2016). The reviews also differ by focus, many covering effectiveness evidence, but others incorporating participant views (e.g. Brody et al. 2016) and barriers or enablers of uptake and effectiveness (e.g. Panda et al. 2016) including innovations in information and communications technology (e.g. Gurman et al. 2012, Jennings and Gagliardi 2013, Sondaal et al. 2015, Lee et al. 2016).

The reviews use a range of methodologies to synthesise the evidence, including theory-based approaches, narrative syntheses and statistical meta-analyses. Many of them have not been conducted to standards that would support a 'high confidence' rating⁴. In addition, the majority of systematic reviews are available in technical reports where there is no transparent decision rule for determining implications of the findings, including critical appraisal and strength of evidence tools like GRADE assessment (Guyatt et al. 2013) and user-friendly presentation of results (e.g. translating standardised effect sizes into metrics commonly used

⁴ E.g. 3ie uses an assessment tool in providing confidence ratings for all systematic reviews they include in the [3ie systematic reviews repository](https://3ie.org/systematic-reviews-repository). The assessment tool is available at: http://www.3ieimpact.org/media/filer_public/2012/05/07/quality_appraisal_checklist_srdatabase.pdf.

by decision makers). In addition, there is no overall synthesis of the implications for policy, programming, practice and research for the sector from this body of synthesised evidence. Below is a chronological overview of microfinance systematic reviews, meta-analyses and meta-studies:

Authors	Details	Geographical focus	Funder
Odell, 2010	Research synthesis	Worldwide	Grameen Foundation
Stewart et al, 2010	SR; quantitative evidence only	Sub-Saharan Africa	DFID
Duvendack et al, 2011	SR; quantitative evidence only	Worldwide	DFID
Bauchet, et al, 2011	RCT evidence only – not a SR	Worldwide	CGAP
Leatherman et al, 2012	SR; microfinance and health	Worldwide	Gillings Visiting Professorship from the Gillings School of Global Public Health of the University of North Carolina
Pande et al, 2012	SR; formal banking services	Worldwide	DFID
Stewart et al, 2012	SR; includes micro-leasing, quantitative evidence only	Worldwide	DFID
Grimm and Paffhausen, 2015	SR; micro-entrepreneurs	Worldwide	German Development Bank, the Kreditanstalt für Wiederaufbau (KfW) Entwicklungsbank
Maitrot and Niño-Zarazúa, 2013	SR; quantitative evidence only	Worldwide	Unclear
Cole et al, 2012	SR; micro-insurance focus, quantitative only	Worldwide	DFID
Gurman et al, 2012	SR; mhealth	Worldwide	Unclear
Yang and Stanley, 2013	Meta-analysis only, focus on income	Worldwide	Self-funded
Jennings and Gagliardi, 2013	SR; mhealth and gender focus	South Asia, Sub-Saharan Africa	Unclear

Vaessen et al, 2014	SR including meta-analysis; empowerment focus	Worldwide	3ie
Awaworyi, 2014	Meta-analysis only	Worldwide	Self-funded
Arrivillaga and Salcedo, 2014	SR; focus on HIV/AIDS prevention	Worldwide	Unclear
Aranda-Jan et al, 2014	SR; mhealth	Africa	Unclear
Madhani, Tompkins, Jack and Fisher, 2015	Modified SR; focus on women's mental health	Worldwide	Unclear
Beck, 2015	Research synthesis	Worldwide	World Bank
Sondaal et al, 2015	SR; mhealth	Worldwide	Authors received no specific funding
Devi et al, 2015	Updated SR; mhealth	Sub-Saharan Africa	Unclear
Watterson et al, 2015	SR; mhealth	South Asia, Sub-Saharan Africa	Unclear
Agarwal et al, 2015	SR; mhealth	South Asia, Sub-Saharan Africa, Latin America & Caribbean	mPowering Frontline Health Workers – USAID public-private partnership & John Hopkins University
Brody et al, 2016	SR; SHGs/women's empowerment	Worldwide	3ie
Gopaldaswamy et al, 2016	SR; quantitative evidence only	South Asia	DFID
Panda et al, 2016	SR, health financing, insurance	Worldwide	3ie
Lee et al, 2016	SR and meta-analysis, mhealth	Worldwide	WHO
White et al, 2016	SR; mhealth	South Asia	National Institutes of Health
Amoakoh-Coleman et al, 2016	SR; mhealth	Middle East & North Africa, Sub-Saharan Africa	Netherlands Organization for Scientific Research (NWO) Global Health Policy and 396 Health Systems Research Program, Netherlands

Steinert et al, forthcoming	SR; micro-savings	Sub-Saharan Africa	Unclear
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Intervention

The field of financial inclusion is diverse and complex. Within the financial inclusion space, microfinance refers to the provision of financial services including loans, savings accounts, insurance (e.g. health, crop, life, credit life or default insurance), and money transfers (e.g. mobile money, remittances) specifically to poor and low-income people in developing countries around the world, who are not usually served by the regular banking sector, by dedicated providers who collectively identify as micro-finance institutions (MFIs). These may range in size and type from small, local non-profit NGOs to large commercial finance companies.

The most commonly-provided microfinancial services are loans with durations around 12 months, which are repaid in weekly (and sometimes bi-weekly or monthly) instalments, and are often guaranteed by group membership, small collateral or personal guarantors. Savings and insurance services are usually offered only in conjunction with loans, but also sometimes independently. Money transfers and mobile payments services (i.e. financial technologies, or fintech, that have the potential to disrupt established business models of the microfinance sector by delivering financial services via digital platforms) are a relatively new area of activity, which is still under development in many countries, but has achieved scale in parts of East Africa and hence reviews of mhealth interventions will also be included to understand the role of mobile technologies in potentially shaping the provision of microfinancial services. Systematic reviews have reviewed studies of all types of microfinancial services. However, the focus of many studies (in keeping with the activity focus of the microfinance sector) has been on credit and credit-type (e.g. leasing) services.

In this overview, we will include all systematic reviews that address at least one or more types of microfinancial services as described above.

Population

Our population is the population of systematic reviews of microfinance impact studies covering all regions of the developing world. The scope of the reviews we will include may be diverse (different questions are often addressed; a range of linked interventions are examined such as micro-credit, micro-savings, micro-insurance, micro-leasing, etc.) but there is considerable overlap in terms of their population of interest. Almost all systematic

reviews focus on the impacts of microfinance on poor households based in lower or middle-income countries (using the World Bank definition⁵).

Outcomes

Existing systematic reviews about microfinance impact typically examine a wide range of poverty indicators (including income, assets, expenditure, personal networks, gender/empowerment, well-being, health, etc.). In this overview, we will include all systematic reviews that address at least one or more of these well-being domains. We will group the indicators in three categories of impacts: social, economic, or behavioural.

Study designs

We will include studies which self-identify as systematic reviews, research syntheses or meta-analyses of microfinance impacts. These in turn will have focused on synthesising quantitative, qualitative and or mixed methods evidence. We will not exclude any study designs as long as the study is labelled as a systematic review.

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⁵ The World Bank definition of lower/middle income countries is used:

<https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups>

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Potential conflicts of interest

Maren Duvendack was lead author on one SR (Duvendack et al. 2011) and contributing author on one (Vaessen et al. 2014).

Philip Mader conducted an overview of (only most recent) microfinance impact evidence in early 2017 for a consultancy (unpublished).

Preliminary timeframe

- Date you plan to submit a draft protocol: November/December 2017
- Date you plan to submit a draft review: March/April 2018

AUTHOR DECLARATION

Authors' responsibilities

By completing this form, you accept responsibility for preparing, maintaining, and updating the review in accordance with Campbell Collaboration policy. The Coordinating Group will provide as much support as possible to assist with the preparation of the review.

A draft protocol must be submitted to the Coordinating Group within one year of title acceptance. If drafts are not submitted before the agreed deadlines, or if we are unable to contact you for an extended period, the Coordinating Group has the right to de-register the title or transfer the title to alternative authors. The Coordinating Group also has the right to de-register or transfer the title if it does not meet the standards of the Coordinating Group and/or the Campbell Collaboration.

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