

Commercial Sector

Commercial Banks



Introduction

The financial sector, including commercial banks and micro-finance institutions, can help or hinder the growth of the private health sector. Teams often meet with commercial banks to better understand their lending practices to private health providers, the majority of whom fall into the category of Small or Medium Enterprises (SMEs). The interview should reveal not only current practices regarding extending credit to the private health sector, but also challenges, concerns and potential opportunities.

Questions

- Do you lend to the health sector?
- If so, what type of client (pharmacy, clinic/hospital, pharmaceutical company)?
- If not, why not?
- What might be an incentive to you to lend to the health sector? [PROBE: Would a loan guarantee (such as a DCA) be an incentive?]
- What are your requirements?
- What are the terms of your loans?
- What is the average size of your loans?
- What are the loans currently being used for? Do you target men and women differently? Do you offer non-financial services as part of loan packages? If, so what kind? Do you see differences in the loans you make to men vs women [size, barriers to loans, repayment rates, etc.]?