

Tonya Executive Summary  
MITA ONG- Madrid, Spain

I pledge I have neither given nor received unauthorized aid on this report. -  
Michael Benjamin

I interned at MITA, a non-governmental Microfinance institution in Madrid, Spain.

Microfinance is a development-financing tool. The goal of Microfinance is to reduce the levels of poverty worldwide. Microfinance differs according to the diverse socioeconomic and cultural contexts; such as those found in Latin America, Asia, Africa, the United States, and Europe. In Spain, some Microfinance institutions give credit to individuals who fail to meet the criteria of their beneficiary, people with mortgages, people with access to financial institutions, and even those who spend their loans on consumer goods rather than production investment. Microfinance in Spain is a tool used to reduce differences in access to financial resources.

At MITA, the typical clients are immigrants who wish to start a business or wish to improve their business by using a microfinance loan. MITA helps the borrowers in the development of their ideas so that their transition into the role of entrepreneur is a successful one. Three times a week MITA provides informative talks for new borrowers. MITA works with the potential borrowers to develop their entrepreneurial ideas. Once their ideas have been developed substantially, MITA then provides the borrowers with free informative talks that cover many of the obstacles they will encounter while owning their own businesses. Once clients have developed their ideas, MITA then connects them with one of several lending banks that offer low interest loans to MITA's borrowers. The interest of these loans ranges from 5% to 7.5%. The size of the loans ranges between 15,000 and 25,000 euros during a period of 4 to 6 years. In addition, the borrowers must pay 5% of the total loan to receive the loan. Immigrants who already own businesses also come to MITA to receive loans to improve their businesses. I worked in the office and traveled to various businesses in and outside of Madrid. My daily office work included observing business development meetings between the MITA workers and the borrowers, and summarizing questionnaires that I conducted with borrowers at their business.

My internship at MITA was great. First, I learned how Microfinance functions in Spain.

During my internship, I constantly compared the characteristics of Microfinance in Spain to that of the Microfinance system at Grameen Bank in Bangladesh. Many strongly expressed to me their appreciation for the work MITA does to assist them as entrepreneurs. I can confidently say that at MITA, the workers put all of their energy into helping their clients. All the workers at MITA are female and four of the five of them are immigrants from Latin America. Subsequently, when potential borrowers arrive to MITA they feel at home, because MITA employees treat their clients as equals and they share many similar experiences shared by the MITA staff. Working at MITA not only taught me about Microfinance, it also taught me much about human nature-an invaluable life lesson.