

# The Grameen Bank

Microfinancing in Bangladesh almost exclusively used by women. Founded by nobel prize Muhammad Yunus



The Grameen Bank (Bangladesh) is a microfinance organization and community development bank started in Bangladesh that makes small loans (known as microcredit or "grameencredit") to the impoverished without requiring collateral. The name Grameen is derived from the word gram which means "rural" or "village" in the Bengali language. The system of this bank is based on the idea that the poor have skills that are under-utilized. A group-based credit approach is applied which utilizes the peer-pressure within the group to ensure the borrowers follow through and use caution in conducting their financial affairs with strict discipline, ensuring repayment eventually and allowing the borrowers to develop good credit standing. The bank also accepts deposits, provides other services, and runs several development-oriented businesses including fabric, telephone and energy companies. Another distinctive feature of the bank's credit program is that the overwhelming majority (98%) of its borrowers are women.

Project author or developer:  
**The Grameen Bank**

Where:  
**BD / Bangladesh / Dhaka**

Website:  
**[grameen-info.org](http://grameen-info.org)**

