Table 1: Impact of MGP Loans on Enterprise Financing

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Any Loan | Number of Loans | Formal Loan Source | Log Outstanding Loan | Interest Rate (%) |
| MGP | 0.647\*\*\* | 0.676\*\*\* | 0.160\*\*\* | 0.280\*\*\* | 3.015\* |
|  | (0.021) | (0.022) | (0.022) | (0.099) | (1.686) |
| Mean of Dependent Variable | 0.755 | 0.769 | 0.973 | 11.764 | 17.192 |
| SD of Dependent Variable | 0.430 | 0.474 | 0.161 | 1.037 | 34.310 |
| Observations | 2374 | 2374 | 1793 | 1640 | 1764 |
| P-value | 0.000 | 0.000 | 0.000 | 0.005 | 0.076 |
| Entrepreneur Controls | Yes | Yes | Yes | Yes | Yes |
| Block Fixed Effects | Yes | Yes | Yes | Yes | Yes |
| PS Weights | No | No | No | No | No |

Panel A: With controls, without propensity score weights.

Controls include entrepreneur age, enterprise age, gender, education years, business sector, location and religion.

All specifications include Block fixed effects with standard errors clustered at the Block level.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Any Loan | Number of Loans | Formal Loan Source | Log Outstanding Loan | Interest Rate (%) |
| MGP | 0.625\*\*\* | 0.661\*\*\* | 0.179\*\*\* | 0.189 | 3.000\* |
|  | (0.031) | (0.033) | (0.032) | (0.115) | (1.607) |
| Mean of Dependent Variable | 0.810 | 0.824 | 0.975 | 11.769 | 17.283 |
| SD of Dependent Variable | 0.393 | 0.437 | 0.155 | 1.040 | 34.803 |
| Observations | 2116 | 2116 | 1713 | 1569 | 1689 |
| P-value | 0.000 | 0.000 | 0.000 | 0.104 | 0.064 |
| Entrepreneur Controls | No | No | No | No | No |
| Block Fixed Effects | Yes | Yes | Yes | Yes | Yes |
| PS Weights | Yes | Yes | Yes | Yes | Yes |

Standard errors in parentheses

Panel B: Without controls, with propensity score weights.

All specifications include Block fixed effects with standard errors clustered at the Block level.

\* *p* < 0.10, \*\* *p* < 0.05, \*\*\* *p* < 0.01

Table 2: Impact of MGP on Enterprise Investment

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Any Investment | Investment Amount | Investment Types | Working Capital | WC Share |
| MGP | 0.086\*\*\* | 24724.149\*\*\* | -0.020 | -0.025\*\* | -0.035\*\*\* |
|  | (0.015) | (9386.738) | (0.023) | (0.011) | (0.013) |
| Mean of Dependent Variable | 0.906 | 2.22e+05 | 0.726 | 0.965 | 0.955 |
| SD of Dependent Variable | 0.292 | 1.66e+05 | 0.516 | 0.185 | 0.195 |
| Observations | 2355 | 1644 | 2374 | 1644 | 1644 |
| P-value | 0.000 | 0.010 | 0.401 | 0.024 | 0.010 |
| Entrepreneur Controls | Yes | Yes | Yes | Yes | Yes |
| Block Fixed Effects | Yes | Yes | Yes | Yes | Yes |
| PS Weights | No | No | No | No | No |

Panel A: With controls, without propensity score weights.

Controls include entrepreneur age, enterprise age, gender, education years, business sector, location and religion.

All specifications include Block fixed effects with standard errors clustered at the Block level.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Any Investment | Investment Amount | Investment Types | Working Capital | WC Share |
| MGP | 0.062\*\*\* | 29337.821\*\*\* | 0.250\*\*\* | -0.026\* | -0.035\*\* |
|  | (0.017) | (10769.034) | (0.033) | (0.014) | (0.016) |
| Mean of Dependent Variable | 0.916 | 2.24e+05 | 0.605 | 0.962 | 0.952 |
| SD of Dependent Variable | 0.278 | 1.66e+05 | 0.546 | 0.190 | 0.201 |
| Observations | 2101 | 1466 | 2549 | 1466 | 1466 |
| P-value | 0.000 | 0.007 | 0.000 | 0.063 | 0.027 |
| Entrepreneur Controls | No | No | No | No | No |
| Block Fixed Effects | Yes | Yes | Yes | Yes | Yes |
| PS Weights | Yes | Yes | Yes | Yes | Yes |

Standard errors in parentheses

Panel B: Without controls, with propensity score weights.

All specifications include Block fixed effects with standard errors clustered at the Block level.

All investment variables measured for 2024.

\* *p* < 0.10, \*\* *p* < 0.05, \*\*\* *p* < 0.01

Table: Impact of MGP on Labor Outcomes

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Any Employment | Total Employment | Paid Employment | Unpaid Employment | Paid Employment Share | Unpaid Employment Share |
| MGP | 0.063\*\*\* | 0.336\*\*\* | 0.419\*\*\* | -0.035 | 0.042\*\*\* | -0.042\*\*\* |
|  | (0.022) | (0.119) | (0.141) | (0.037) | (0.014) | (0.014) |
| Mean of Dependent Variable | 0.390 | 1.913 | 1.074 | 1.779 | 0.196 | 0.805 |
| SD of Dependent Variable | 0.488 | 2.192 | 2.602 | 0.841 | 0.299 | 0.299 |
| Observations | 2355 | 2345 | 2345 | 2345 | 2345 | 2345 |
| P-value | 0.005 | 0.006 | 0.004 | 0.348 | 0.003 | 0.003 |
| Entrepreneur Controls | Yes | Yes | Yes | Yes | Yes | Yes |
| Block Fixed Effects | Yes | Yes | Yes | Yes | Yes | Yes |
| PS Weights | No | No | No | No | No | No |

Panel A: With controls, without propensity score weights.

Controls include entrepreneur age, enterprise age, gender, education years, business sector, location and religion.

All specifications include Block fixed effects with standard errors clustered at the Block level.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Any Employment | Total Employment | Paid Employment | Unpaid Employment | Paid Employment Share | Unpaid Employment Share |
| MGP | 0.054\* | 0.197 | 0.241 | -0.076 | 0.022 | -0.021 |
|  | (0.029) | (0.135) | (0.162) | (0.058) | (0.019) | (0.019) |
| Mean of Dependent Variable | 0.397 | 1.938 | 1.114 | 1.783 | 0.202 | 0.798 |
| SD of Dependent Variable | 0.489 | 2.214 | 2.662 | 0.842 | 0.302 | 0.302 |
| Observations | 2101 | 2094 | 2094 | 2094 | 2094 | 2094 |
| P-value | 0.067 | 0.148 | 0.138 | 0.198 | 0.250 | 0.251 |
| Entrepreneur Controls | No | No | No | No | No | No |
| Block Fixed Effects | Yes | Yes | Yes | Yes | Yes | Yes |
| PS Weights | Yes | Yes | Yes | Yes | Yes | Yes |

Standard errors in parentheses

Panel B: Without controls, with propensity score weights.

All specifications include Block fixed effects with standard errors clustered at the Block level.

Labor outcomes include: any worker employment (2022-2024), total employment in 2024 (including owner),

paid employment (2024), unpaid employment (2024, including owner and family workers),

and the shares of paid and unpaid workers in total employment (2024). \* *p* < 0.10, \*\* *p* < 0.05, \*\*\* *p* < 0.01

Table 3: Impact of MGP on Business Practices

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Marketing | Stock Control | Record Keeping | Financial Planning | Total Score |
| MGP | 0.021 | 0.021\* | 0.030\*\* | 0.011 | 0.020\*\* |
|  | (0.016) | (0.012) | (0.013) | (0.010) | (0.008) |
| Mean of Dependent Variable | 0.606 | 0.689 | 0.685 | 0.419 | 0.587 |
| SD of Dependent Variable | 0.298 | 0.289 | 0.308 | 0.224 | 0.208 |
| Observations | 2374 | 2374 | 2374 | 2374 | 2374 |
| P-value | 0.195 | 0.090 | 0.028 | 0.259 | 0.016 |
| Entrepreneur Controls | Yes | Yes | Yes | Yes | Yes |
| Block Fixed Effects | Yes | Yes | Yes | Yes | Yes |
| PS Weights | No | No | No | No | No |

Panel A: With controls, without propensity score weights.

Controls include entrepreneur age, enterprise age, gender, education years, business sector, location and religion.

All specifications include Block fixed effects with standard errors clustered at the Block level.

All scores represent the proportion of good business practices adopted in each category.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Marketing | Stock Control | Record Keeping | Financial Planning | Total Score |
| MGP | 0.012 | 0.008 | 0.017 | 0.007 | 0.011 |
|  | (0.022) | (0.016) | (0.020) | (0.012) | (0.012) |
| Mean of Dependent Variable | 0.608 | 0.693 | 0.689 | 0.420 | 0.589 |
| SD of Dependent Variable | 0.300 | 0.289 | 0.308 | 0.226 | 0.210 |
| Observations | 2116 | 2116 | 2116 | 2116 | 2116 |
| P-value | 0.597 | 0.636 | 0.415 | 0.586 | 0.369 |
| Entrepreneur Controls | No | No | No | No | No |
| Block Fixed Effects | Yes | Yes | Yes | Yes | Yes |
| PS Weights | Yes | Yes | Yes | Yes | Yes |

Standard errors in parentheses

Panel B: Without controls, with propensity score weights.

All specifications include Block fixed effects with standard errors clustered at the Block level.

Business practice scores developed using 26 binary indicators across four domains: marketing (7 practices),

buying and stock control (3 practices), record-keeping (8 practices), and financial planning (8 practices).

Each domain score represents the proportion of practices adopted, and the total score is the average of all domains.

\* *p* < 0.10, \*\* *p* < 0.05, \*\*\* *p* < 0.01

Table: Impact of MGP on Loan Repayment Behavior

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Any Delay | Frequent Delays | Long Delay | Repayment Difficult | Total Delays | Max Delay Length | Behavior Score |
| MGP | 0.044\*\* | 0.009 | -0.001 | 0.019 | 0.113\* | 0.556 | 0.017\* |
|  | (0.020) | (0.008) | (0.007) | (0.022) | (0.058) | (0.653) | (0.010) |
| Mean of Dependent Variable | 0.103 | 0.025 | 0.016 | 0.123 | 0.219 | 2.205 | 0.067 |
| SD of Dependent Variable | 0.304 | 0.155 | 0.126 | 0.329 | 0.883 | 11.104 | 0.156 |
| Observations | 1793 | 1793 | 1793 | 1793 | 1793 | 1793 | 1793 |
| P-value | 0.027 | 0.302 | 0.857 | 0.397 | 0.053 | 0.396 | 0.080 |
| Entrepreneur Controls | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Block Fixed Effects | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| PS Weights | No | No | No | No | No | No | No |

Panel A: With controls, without propensity score weights.

Sample restricted to enterprises with at least one loan.

Controls include entrepreneur age, enterprise age, gender, education years, business sector, location and religion.

All specifications include Block fixed effects with standard errors clustered at the Block level.

Stars indicate significance levels: \* p<0.10, \*\* p<0.05, \*\*\* p<0.01.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Any Delay | Frequent Delays | Long Delay | Repayment Difficult | Total Delays | Max Delay Length | Behavior Score |
| MGP | 0.043\* | 0.010 | 0.011\*\* | 0.026 | 0.121\* | 1.603\*\* | 0.023\* |
|  | (0.026) | (0.011) | (0.005) | (0.029) | (0.063) | (0.664) | (0.012) |
| Mean of Dependent Variable | 0.104 | 0.025 | 0.016 | 0.124 | 0.222 | 2.175 | 0.067 |
| SD of Dependent Variable | 0.306 | 0.155 | 0.125 | 0.330 | 0.893 | 10.923 | 0.156 |
| Observations | 1713 | 1713 | 1713 | 1713 | 1713 | 1713 | 1713 |
| P-value | 0.091 | 0.346 | 0.041 | 0.370 | 0.057 | 0.017 | 0.064 |
| Entrepreneur Controls | No | No | No | No | No | No | No |
| Block Fixed Effects | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| PS Weights | Yes | Yes | Yes | Yes | Yes | Yes | Yes |

Standard errors in parentheses

Panel B: Without controls, with propensity score weights.

Sample restricted to enterprises with at least one loan.

All specifications include Block fixed effects with standard errors clustered at the Block level.

Stars indicate significance levels: \* p<0.10, \*\* p<0.05, \*\*\* p<0.01.

Variable definitions: Any Delay = any payment delay across loans; Frequent Delays = 3+ delays on any loan;

Long Delay = any delay >30 days; Repayment Difficult = self-reported difficulty with repayment;

Total Delays = count of payment delays; Max Delay Length = maximum length of delay in days;

Behavior Score = average of four binary indicators (higher score indicates more repayment problems).

\* *p* < 0.10, \*\* *p* < 0.05, \*\*\* *p* < 0.01

Table: Impact of MGP on Business Outcomes

|  |  |  |  |
| --- | --- | --- | --- |
|  | Log Monthly Profit | Log Monthly Sales | Innovation Score |
| MGP | 0.013 | 0.059 | 0.011\* |
|  | (0.053) | (0.043) | (0.006) |
| Mean of Dependent Variable | 9.522 | 10.324 | 0.112 |
| SD of Dependent Variable | 1.053 | 0.916 | 0.143 |
| Observations | 2289 | 2335 | 2374 |
| P-value | 0.806 | 0.170 | 0.073 |
| Entrepreneur Controls | Yes | Yes | Yes |
| Block Fixed Effects | Yes | Yes | Yes |
| PS Weights | No | No | No |

Panel A: With controls, without propensity score weights.

Controls include entrepreneur age, enterprise age, gender, education years, business sector, location and religion.

All specifications include Block fixed effects with standard errors clustered at the Block level.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Log Monthly Profit | Log Monthly Sales | Innovation Score |
| MGP | -0.020 | 0.040 | 0.013 |
|  | (0.068) | (0.053) | (0.008) |
| Mean of Dependent Variable | 9.515 | 10.325 | 0.112 |
| SD of Dependent Variable | 1.059 | 0.907 | 0.141 |
| Observations | 2049 | 2086 | 2116 |
| P-value | 0.774 | 0.449 | 0.124 |
| Entrepreneur Controls | No | No | No |
| Block Fixed Effects | Yes | Yes | Yes |
| PS Weights | Yes | Yes | Yes |

Standard errors in parentheses

Panel B: Without controls, with propensity score weights.

All specifications include Block fixed effects with standard errors clustered at the Block level.

\* *p* < 0.10, \*\* *p* < 0.05, \*\*\* *p* < 0.01