

LINKAGES BETWEEN MICROFINANCE AND CLIMATE CHANGE

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ABSTRACT

The linkages among the microfinance and climate change appear to be strong. The microfinancing activities result in increasing business opportunities for small businesses and the increasing number of small businesses is impacting climate change and environmental conditions. The increasing business activities require higher use of electricity and water for the purpose of conducting production and manufacturing activities. The increase in global warming all around the world also appears due to increasing business activities. On the other hand, the emission of greenhouse gases is also one of the reasons for extreme weather conditions and hotter environmental condition. The excessive use of water and the melting of glaciers is also impacting the agricultural sector of the economy and is also resulting in the rising sea level which is one of the threats to individual and farmers. The rising sea levels and excessive melting of glaciers due to global warming increases the threat of floods in rural as well as in urban areas. Therefore, rising small businesses have a strong linkage with the change in the climate. Hence, precautionary measures are considered by small businesses to minimize their impact on the climate but still, the increasing number of business activities can result in damaging the overall climatic condition of the world.

Keywords: Climate change, Microfinance, Global warming, Greenhouse gases, Carbon dioxide.