

Holistic Microfinance Program in Nigeria

Abuja, Nigeria

2008 Report



Beatrice Nkechi Nnanna: I thank the IRFF for bringing the Micro-Finance Scheme to this community (New karu). This loan has really helped my business to grow and several other women that witnessed the growth in my business are willing to join the group/scheme. I sell beverages and food stuffs. I also have a grinding machine.

IRFF recognizes the potency of Microfinance as a development tool, hence its adoption in addressing the problem of poverty. The conferment of the 2006 Nobel Peace Prize on Dr. Muhammad Yunus, the Micro-Finance pioneer from Bangladesh, confirms the importance of Micro-Finance in reaching the Millennium Development Goals. It was the same year, 2006, that IRFF-Nigeria launched the program in Karu, Nassarawa State.

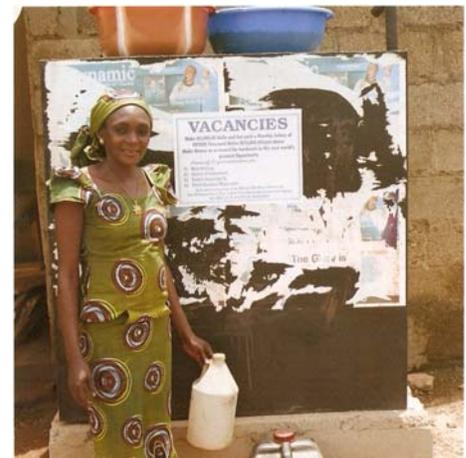
The Karu program was initiated by George M. Ogurie, who was then a Divinity student at the Unification Theological Seminary, Barrytown,

New York, as part of his Field Education Program in Social Ministry. After launching the program in Karu in August 2006, Ogurie returned to Barrytown to complete his studies. Meanwhile, the program was diligently held forth by Ms. Ngozi Eze who was then appointed Program Officer. Ogurie, having returned to Nigeria in December 2008, is now working together with Ms Eze to develop the program further.

Karu was originally a farming community within what is today the Federal Capital Territory, FCT. Due to the Development of Abuja as the new federal capital, the inhabitants of Karu were relocated to the adjoining Nassarawa State. Most Karu indigenes, in the process, lost their farming occupation. Most of them are currently subsisting on petty trading, having been caught up in their new location in Nassarawa State by the ever expanding Abuja. The New Karu, though in Nassarawa State, has also become a suburb of Abuja.

IRFF affiliates such as the Interreligious and International Federation for World Peace, IIFWP, had been involved in HIV/AIDS education programs in the past with the cooperation of the *Etsu* (Traditional Ruler) of Karu. In deciding to do an empowerment program for women in a community not too far from Abuja, Karu readily came to mind.

The program started with fifteen women in August 2006. In the test run of the program each woman was loaned N10,000 (about \$75), to be repaid within four months. The test-run went well. Payback rate was 100%. The reward was the increase in the length of the loan cycle from four months to six months. Currently there are seventy five participants in the loan cycle that will end in July 2009.



SARAH DAVID: 31, widow, with four children said: "I really benefited from the IRFF Micro-Finance Scheme. I sell kerosene and I used the profit to pay my children's school fees."

Among the seventy five participants there are those that have qualified for upgrading to the next level of loans; for as an individual does well by paying on schedule and not defaulting on the small loan given, she qualifies for upgrading to receive a higher amount.

Testimonies by the women about the benefits they have derived from the program so far have been very encouraging.



Widows Group: (From left: Comfort, Sarah, Godiya and Josephine)



GODIYA BARDE: 32, widow, with four children, said: *“I am grateful to IRFF for the loan given to me. The money I collected really helped me in my rice and yam business. I made a profit of Eight Thousand Naira from the Ten Thousand Naira that was lent to me. I used the profit to pay my children’s school fees*

The ages of the women range from 23 to 54. Some of them are young widows in their twenties and thirties. Some have two children, some three and some four. Those widows have fervently expressed how important these microloans have been to them. And there are very many others like those. The aim of this program is to reach as many people as possible; and as they maintain a good tradition of repayment, their loan would be upgraded.

A crucial aspect of the program is the educational aspect, which is done in groups. Participants are divided into

groups and regular group meetings are held. Each group meets once a month. The meetings are motivational and inspirational, aimed at dealing with problems of members and sharing best practices among them. IRFF believes that empowerment does not only involve giving out loans to people but also providing education which is not only informational but also motivational. Participants should succeed in their efforts to come out of poverty and so they must be supported, both financially and morally.

With a combination of microloans and educational support, the potential for this program is great. That is why it is called “Holistic Micro-Finance Program.”



Loan Disbursement at Karu, 16 December 2008



General Meeting with IRFF Country Director, George Oourie (back to Camera) 14 December 2008

Reported by

George M. Ogurie
IRFF Director of Nigeria