

WFP Nigeria: Supporting Women Entrepreneurs Through WFP Microcredit

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October 4, 2023



On October 4, 2023, WFP Nigeria initiated a microcredit program to provide a pathway to empowerment and development to women entrepreneurs in the Cross River State. The initiative was started in an effort to reduce poverty and promote economic development, providing access to capital for people who would otherwise be unable to obtain it.

The WFP Nigeria microcredit program provides small loans to low-income individuals, especially women, who lack access to formal financial services. It aims to help the poor start or expand their own businesses, generate income and improve their living standards. Often, it is seen as a tool for women's empowerment and entrepreneurial development, as it can enhance women's economic, social and political status in their communities.

However, the impact on women's empowerment and entrepreneurship is not straightforward. There are many factors that influence the outcomes of WFP Nigeria's microcredit program, such as the amount and terms of the loan, the type and quality of the business, the socio-cultural context and the individual characteristics and preferences of the borrowers. We have found positive effects of microcredit on women's empowerment and entrepreneurship, while others have reported mixed or negative results.

One of the positive effects of the WFP Nigeria microcredit program is that it can increase women's access to and control over financial resources, which can enable them to invest in productive activities, diversify their income sources and reduce their dependence on men, and it can improve women's self-confidence, decision-making power and participation in household and community affairs. By engaging in income-generating activities, women can gain more respect, recognition and autonomy from their families and society.

However, it has some limitations and challenges that can undermine its potential for women's empowerment and entrepreneurship. One of the limitations is that it may not be sufficient to overcome the structural barriers that women face in the market, such as lack of skills, knowledge, technology, infrastructure and legal protection. Women may also face discrimination, harassment, and violence from male competitors, customers or creditors. Therefore, microcredit alone may not be enough to ensure the success and sustainability of women's businesses.

To maximize the benefits and minimize the risks of microcredit, it is important to adopt a holistic and integrated approach that considers the diverse needs, preferences and circumstances of women borrowers.

Through this program, WFP Nigeria has made numerous cash donations as well as donations of business hardware. The donation of 24 grinding machines to women in the Cross River State was remarkable. At the ceremony, a federal lawmaker, Hon. Barrister Godwin Offiono, representing Ogoja-Yala Federal Constituency, said in his remarks, "I commend your hard work and dedication, it has demonstrated a high level of professionalism, attention to detail and commitment to excellence. Your work has been thorough, efficient and effective. WFP has shown great initiative, creativity and leadership in its role. Your contributions towards communities have been priceless to the success of your team and organization. Keep up the good work."