

Microfinance has been used over the years in fighting rural poverty and removal of ignorance. As a tool of poverty alleviation, and adopted by the World Bank and other donor assisted funds, its operation cannot be over-emphasised.

But the topics in microfinance are not easy to digest and cannot be traced to one coherent, comprehensive and concise source. Learners and practitioners have to use various research materials to be able to elicit what they need. More often than not, most research materials are either too deep or just inadequate for learners. The middle, is always the short-cuts, that is, points are disjointed in bid to make ends meet for learners and other young practitioners.

At the very best, students and young practitioners of banking and finance would not have to look elsewhere for the knowledge in the contemporary microfinance setting. The subjects treated are: -

- ▶ Difference between banking and microfinance
- ▶ Lending methodologies of microfinance institutions
- ▶ Sources of funding to the banks and the MFIs
- ▶ Wholesale banking and development banking
- ▶ Risk Management
- ▶ Fraud risks management
- ▶ Operations Risk Management
- ▶ Best Practices in Loans Collections
- ▶ Collateral Management and Collateral Registry
- ▶ Financial Technology (Fintech) and Mobile Banking
- ▶ The role of the Finance, Internal Audit, ICT and Human Resource functions
- ▶ Glossary of thousands microfinance definitions

It is hoped to be a good companion to you in your studies and practices on the field!



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FORWARD

In reviewing this book, I have taken cognizance of the fact that there are a lot yet I have to learn. I am out of the school-going age and now of a retirement age, but I am just a fresh student by reading the writing of the author, who I can describe as my son.

The definitions, analyses and conclusions are really coming from an award-winning and astute chartered accountant I mentored as an Accounts Clerk just after his secondary school in the late 1990s.

Microfinance is a new concept to many people including the banking and finance professionals. This is due to the fact that, it was just a few years that separate us from its introduction and adoption from the current era. It was highly believed, then, that the poor people could not break away from poverty if they did not turn to education and pursued intellectual courses the well-endowed children are equally pursuing. But over the years, and with the advent of Professor Muhammed Yunus and his likes, we have seen that the poor can break the vicious cycle of poverty with a little help.

This little help is seen in administering group loans and repayments that match their cycle of income - the market days, which mostly occur every week or fortnightly.

Over the past decades I have been in the education sector, I am very much aware of lack of materials on the subject of microfinance to the teeming youth around the world. It is therefore timely and welcoming to have such a comprehensive survey in all areas of the subject on microfinance.

Nothing could be more sufficient in the current trend than this. It is a gift to the next generation of microfinance, banking and finance students and professionals alike!

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