

NSSP/APSF Research Seminar  
**Institutional Environment and Access to Microfinance by Self-employed women in the Rural  
Areas of Edo State**

By Professor C. Okojie

Abuja, Nigeria

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**Abstract:** The study examined the relationship between the institutional environment of microfinance and access of rural women to microfinance. Focus group sessions were held with groups of rural women who are clients of formal and informal MFIs in the Esan Local Government Area of Edo State, Nigeria. Fifteen case studies of women (14) and one man were also examined. Findings showed that rural women in this study have limited access to formal sector credit because the majority do not have a bank account, have no collateral, and/or do not fully understand the loan procedures. Therefore, the women in this study formed savings groups in order to access funds for their businesses and to meet family needs. Thus informal sector institutions continue to flourish and remain a major source of credit for rural women. However, those who have received loans through the formal MFIs in this study have stated that their businesses have become more profitable. In understanding the level of access to credit, the study also reviewed relevant state policies.