

BACKGROUND OF THE STUDY

1.1 INTRODUCTION

Poverty is currently one of the most serious problems in the world. Recently World Bank estimate indicated that about 1.5 billion people live below poverty line of less than one dollar per day in the whole world. out of the 1.5 billion people, Africa contribute about 250 million which is about 17% of the world total poor population, the alleviation of absolute poverty is one of the central objectives of contemporary development policy of the government. Although each country is different, experience had shown that the key element that country stakeholders need to put in place overtime is to build a robust micro finance system that acts as catalyst for rescuing the poor populace form poverty. Although these days the left and the right since of the political spectrum cannot in much agree on micro financing is one of the exceptions for liberals microfinance reaches into the poorest areas of the world making loans that help people living on earth edges of survival move into the economic system by starting their own business. From conservation, microfinance puts the magic of the market place to work to help overcome poverty clearly there are many micro finance institution that do reach down to the poorest of economically active in the countries. There are also microfinance organizations that make use of commercial funds for different types, saving borrowing and equity investment which can reach down the lowest level so as to alleviate poverty within the within the society. Over the years, microfinance has come of age. Poor women and men have shown that they are strong entrepreneurs borrowers and changes agents. Outreach has expanded rapidly while heading microfinance institution such as bank and cooperatives have demon started how to provide efficiently responsibly, profitable are responding to the poor people needs for a range of lending, saving and insurance services.

The microfinance institution is still at its infant stage of development in most countries, it is within this content that the researcher wants to look closely at the effect of

microfinance institution on poverty alleviation in Akwa Ibom State

HISTORICAL BACKGROUND OF MICROFINANCE INSTITUTION

Micro finance banks which was formally known as community banks fully comes into revolution in the late 20th century in Nigeria. Their avocation were necessitated by the consolidation process in the Nigeria banking sector by the central bank of Nigeria the concept of micro finance is not new, savings and credit groups have been operated for centuries. Such groups include “susus” for Ghana, “cliff funds” in India “Cheetin“ in sir Lanka, “Iontines” in west Africa as well as numerous co-operative societies, saving clubs and burial societies funds all over the world. Formal credit and saving institutions for the poor have also been around for decades providing customers who were traditionally neglected big commercial books a way to obtain financial services through cooperative and development financial institution. The avocation of micro financing was triggered by the poor performance of the conventional finance section. The essence as to reach the overwhelming population of the poor to assist in the dive to alleviate poverty. Barely a millions had been provided with some credit in Nigerian while a yawning 40 million people yet to be attended to. In term of supply, commercial and development finance institution one in the fore front of the outfits that provide credit to the microfinance institutions. Despite their efforts, rates of interest. Inequitable distribution of wealth and income are outreaching the poor constitute challenges the operation. The establishment of microfinance institution in Nigeria was base on weak institutional capacity, weak capital base existences of a huge unserved market utilization SEETS fund among other things.

In Akwa Ibom State, many microfinance institutions are spring up on daily basis. Their presence has really influence the business atmosphere positively in the area. They have assisted improving money to co-operative groups (such as co-operative society are age groups) which ordinarily cannot obtain loan due to collateral security . These microfinance institution gone up the to extent of linking tools paying for shops and providing business to build enterprises.

THE IMPACT OF MICROFINANCE INSTITUTION IN AKWA IBOM STATE ON POVERTY ALLEVIATION

The complete project material is available and ready for download. All what you need to do is to order for the complete material. The price for the material is NGN 3,000.00.

Make payment via bank transfer to Bank: Guaranteed Trust Bank, Account name: Emi-Aware technology, Account Number: 0424875728

Bank: Zenith Bank, Account name: Emi-Aware technology, Account Number: 1222004869

or visit the website and pay online. For more info: Visit <https://researchcub.info/payment-instruct.html>

After payment send your depositor's name, amount paid, project topic, email address or your phone number (in which instructions will sent to you to download the material) to +234 70 6329 8784 via text message/ whatsapp or Email address: info@allprojectmaterials.com.

Once payment is confirmed, the material will be sent to you immediately.

It takes 5min to 30min to confirm and send the material to you.

For more project topics and materials visit: <https://researchcub.info/> or For enquiries: info@allprojectmaterials.com or call/whatsapp: +234 70 6329 8784

Regards!!!