

PUGET SOUND – NIGER DELTA MICROCREDIT PROJECT

When Global Citizen Journey delegates were in Oporoza last year, several of us had the opportunity to meet with a group of women from the village and surrounding communities. They eloquently spoke of the needs in their villages. From this meeting, a sub-group of delegates, American and Nigerian, got to work to explore the idea of establishing microcredit project as a way to spur economic development in the area.

This has led us to the creation of the Puget Sound-Niger Delta Microcredit Project. Currently we have raised \$8,000 in foundation grants and individual contributions to get the project started.

Our Vision

- 1) Empower women so that they can be advocates for themselves, their families and their communities.
- 2) Provide an opportunity for lessening poverty among women in the Niger Delta through enterprise development and microcredit.
- 3) Provide for “entrepreneurial empowerment” by establishing training, peer support and ongoing assistance to ensure the best chance of success for the enterprises being supported by this program.

Modeled after the lending program of the Grameen Bank in Bangladesh, women interested in developing a business form into groups. They receive training in business and money management, hone their ideas for individual businesses and when ready, submit formal applications to obtain loans.

The loans are small (\$20-\$150) and carry interest. Most loans are for a few months, some for a year. On receiving the loan, most borrowers have 2-4 weeks before the first repayment installment is due. From then on, an installment is due each week until the loan is paid off.

Small loan size, business training, and a solid loan review process all help to minimize default rates. Additionally, many microcredit programs rely on peer support and peer pressure. These funds organize the borrowers into formal work groups where they meet regularly to discuss how their businesses are going and where they are in terms of loan repayments. This group is designed to provide support, encouragement and help problem-solve as issues arise.

While there are several microcredit programs in Nigeria, none are currently in the Niger Delta. Our group needed a local partner with a proven track record to initiate and administer the program. After researching potential partners, we sent out a request for proposal to the most promising. Joel Bisina (of NIDPRODEV based in Warri and GCJ Nigeria Project Director) is working with us as in-country liaison. Vero Smooth of Oporoza has been active in helping the women to organize and will continue to help coordinate communications with them. By spring there were 14 separate women’s groups ready to participate in this project.

We are in discussions with our first-choice organization and if things work out favorably, we hope to have a local partner on board by late summer.