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Full Length Research Paper

Determinants Of Microfinance Outreach In South-Western Nigeria: An Empirical Analysis

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The study investigated microfinance institutions' outreach in South-western Nigeria. Specifically, it examined the determinants of microfinance institutions outreach. The study employed secondary annual panel data collected from 80 microfinance institutions in Lagos and Ondo States over a period of six years from 2005 to 2010. The study employed Generalized Least Squares Method to examine the determinants and trend of outreach of microfinance institutions. Pooled Ordinary Least Square Method was also employed to analyse the relationship between determinants of outreach of the sampled microfinance institutions. The study find that microfinance outreach is positively and significantly determined by average loan size, debt-equity ratio, loan repayment rates and salaries. Therefore, microfinance institutions are encouraged to increase their outreach by providing relatively small loans. The small loan sizes can reach more clients and therefore achieve a greater outreach.

Keywords: Microfinance; determinants; trends; outreach, south-western Nigeria

INTRODUCTION

The importance of microfinance institutions in economic development cannot be overemphasized. Khandker (2003) points out that the goals of microfinance institutions as development organizations are to service the financial needs of un-served or underserved markets as a means of meeting development objectives such as to create employment, reduce poverty, help existing businesses to grow or diversify their activities, empower women or other disadvantaged population group (poor people or low-income people), and encourage the development of new business.

More specifically, in a World Bank study on lending for small and micro-enterprise projects, three objectives of microfinance institutions are frequently cited: to create employment and income opportunities through the creation and expansion of micro-enterprises; to increase the productivity and income of vulnerable groups, especially women and the poor; and to reduce rural families' dependence on drought-prone crops through diversification of their income generating activities (World Bank, 2007). In short, micro finance institutions are expected to reduce poverty, which is considered as the most important development objective (World Bank, 2001).

The success of microfinance institutions in achieving their development objectives has been revealed by many studies (Ledgerwood, 1999; Robinson, 2001; Khandker, 2003; Magnus, 2005; Ukeje, 2005; Woller and Schreiner, 2006). However, their positive impact on the socio-economic welfare of the poor can only be sustained if the institutions can achieve a good financial and outreach performance. In addition, many studies conducted on microfinance institutions have been on its effects on poverty alleviation in both developed and developing nations, but very few have been on the determinants of their outreach especially in South Western Nigeria. There are virtually little or no research effort conducted on the determinants of

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microfinance institutions outreach in Nigeria. Most studies conducted were mainly on impact analysis of microfinance institutions, on poverty alleviation (Akanji, 2001; Magnus, 2005; Folake, 2005; Okerenta, Orebiyi and Adesope, 2007) with the exception of a few studies. For instance, Anyanwu (2004) focused on evaluation of outreach criteria of NGOs' microfinance institutions. Similarly, the one conducted by the Central Bank of Nigeria (2000) was purely on the modalities for the operation of micro finance institutions in Nigeria.

According to Morduch (2005), one way that a microfinance institution can attain growth and provide services on a long-term basis is to increase viability by improving outreach. In fact, high sustainability is synonymous with high outreach (Yaron, 1999). This is particularly so because the viability of any microfinance institutions, as well as the sustainability of its services depend in part, on the volume of internal resources that the microfinance institutions can generate, which is a function of the level of outreach achieved by the microfinance institutions. In addition, studies that have addressed microfinance institutions' outreach have been on the issue of whether they are performing their outreach objective effectively. The general consensus from literature indicates that microfinance institutions owned by government and NGOs performed well in reaching out to the poor (Murduch, 2000) while those owned by private sector are not (Rhyne, 2002). The evidence from studies shows that the issue of what determines the outreach of microfinance institutions has not been extensively addressed in the literature.

Outreach according to Yaron (1999), means the extent to which microfinance institutions provide financial services to large number of clients. Outreach is measured by assessing how far microfinance institution has gone to reach those who have been unable to access formal financial services (Schreiner, 2002). The availability of financial services acts as a buffer for sudden emergence business risk, seasonal shrimps or events such as flood or a death in the family that can push a poor family into destitution (Chu, 2008). Various studies, both quantitative and qualitative document increased income and assets and decreases in vulnerability of microfinance clients for using microfinance institutions products (Wright, 1999; Chen and Snogross, 2001). Indeed outreach is seen as 'a social benefit of microfinance' aiming at improving the well being of the poor (Chen and Snogross, 2001). Thus, microfinance institutions in Nigeria seem not to have performed effectively well in terms of outreach to the micro and small enterprises, poor and low income groups. Hence, the continued disappointing performance of microfinance institutions outreach in Nigeria calls for investigation.

OBJECTIVES OF THE STUDY

In order to capture the study fully and give it a focus, the following specific objectives were set to be achieved;

i) To identify the determinants of the outreach capability of microfinance institutions in Southwestern Nigeria.

ii) To examine the trend of outreach of microfinance institutions in Southwestern Nigeria.

Research Hypothesis

Only one hypothesis is formulated and presented for testing by means ordinary least square to method to ascertain the trend of the outreach of microfinance institutions in Southwestern Nigeria.

Hypothesis 1:

Ho: There has not been increase in trend of microfinance institutions in Southwestern Nigeria.

Ho: There has been an increase in trend of microfinance institutions in Southwestern Nigeria.

CONCEPTUAL FRAMEWORK

The term microfinance refers to the provision of financial services (generally savings and credit) to low-income clients. The clients are often identified as traders, street vendors, small farmers, service providers (hairdressers, rickshaw drivers), and artisans and small producers, such as blacksmiths and seamstresses (Ledgerwood, 1999). Microfinance is more than micro credit. Microfinance includes a range of financial services such as savings, credit, money transfers and insurance, among other things for poor and low-income people. For credit to be of help to people, the recipient should have the capacity to service the credit, in addition to having an intention to do so. According to Central Bank of Nigeria (2004a), microfinance is about providing financial services to the poor who are traditional not served by the conventional financial institution. Robinson (2001) points out that the term microfinance refers to small-scale financial services, primarily credit and savings, provided to people who farm or fish or herd; who operate small enterprises or micro-enterprises where goods are produced, recycled, repaired, or sold; who provide services; who work for wages and commissions; who gain income from renting out small amounts of land, vehicles, draft animals, or machinery and tools; and other individuals and groups at the local levels of developing countries, both rural and urban area. Akanji (2001) asserted that microfinance is the provision of very small loans (micro credit) to the poor, to help them engage in new productive business activities and/or to grow/expand existing ones. The author further states that microfinance recognizes the peculiar challenges of micro enterprises of their owners and the inability of the poor to provide tangible collateral and therefore promotes collateral substitution. Disbursement and repayment are structure to suit credit needs and cash flow patterns of small business. There are three features that distinguish microfinance products from other formal financial products. These are: (i) the smallness of loans granted or savings collected; (ii) the absence of asset-based collateral; and (iii) simplicity of operation. The Central Bank of Nigeria (2004b) recognizes that the existence of informal institution which is under its control and supervision through policy formulation would not only enhance monetary stability, but will expand the financial infrastructure of the country to meet the financial requirement of the micro, small and medium enterprises.The objectives of the microfinance institutions in Nigeria include: (i) promotion of rural development through financial intermediation, (ii) stimulation of productive activities in the rural sector, (iii) development of banking habits in rural dwellers and ensuring the development of an integrated national financial system, and (iv) improving the economic status of small scale producers in the rural and urban areas (Central Bank of Nigeria, 2008). Finance theory readily lends itself to the micro credit delivery model, which is the pre-occupation of the microfinance paradigm. Iniodu & Ukpak (1996) pointed out that finance is an indispensable tool in development. They opined that a poorly developed financial system is an obstacle to the development of wealth, enhancement of socio-economic welfare and promotion of human dignity. Thus, the provision of financial support through credit and savings for the acquisition of capital goods is crucial for effective economic management. Microfinance institution also stimulates savings and asset accumulation. The empirical and anecdotal evaluation of many microfinance institutions reports conclusively, from the clients' perspective that learning to save and having a safe place to keep those savings are principal benefits of the microfinance institutions (Odejide, 1997). Thus, microfinance has demonstrated ability to build up capacity of people and communities; as well as make a significant and social development in developing countries.

CONCEPT AND MEASURE OF MICROFINANCE OUTREACH

Outreach according to Conning (1999) is the effort by microfinance institutions to extend loans and financial services to an ever-wider audience (breadth of outreach) and especially toward the poorest of the poor (depth of outreach). In this case, outreach is reflected as an effort made to provide loans and financial services to the poorest of the poor. In the view of Schreiner (1999) outreach are proxies for the benefits of microfinance in terms of the numbers of clients or average deposit amount. These benefits are assessed in terms: worth to clients, cost to clients, depth, breadth, length and scope. Navajas, Schreiner, Meyer, Gonzalez-Vega, and Rodriguez-Mega (2000) define outreach as the social value of the output of a microfinance organization in terms of depth, worth to users, cost to users, breadth, length, and scope. Conning's (1999) definition of outreach is more appropriate for this study. It implicitly recognizes that microfinance institutions have a niche market, which is primarily the low-income section of the population, who have no or limited access to financial services from the traditional formal financial sector under free market-driven conditions.

The measure of microfinance institutions outreach is transitional. In the past, the main measures of microfinance institutions outreach in developing countries are the extent to which most policies of government are achieved. The concern at the time was more on outreach than sustainability (Schreiner, 2002). The result of these policies were assessed in terms of outreach, using measures such as the number of loans made, tons of fertiliser sold, number of tractors purchased, acres of land irrigated and of crops financed by loans, and number of cattle purchased. Adams and Fitchett (1992), for example, argue that these measures did not adequately capture the ultimate objectives of the stated policies. The recent recognition of microfinance institutions, the concept of outreach begun to be widely used in microfinance and other measures developed. Yaron (1992) further argues that the traditional quantifiable measures of institutional success based on profit presented in standard financial statements provide only partial, often meaningless information with respect to financial self-sustainability.

For this reason Yaron (1992) suggests alternative sets of measures that would be far more revealing not only in terms of actual cost of continued institutional operations, but the extent to which formal financial services are accessible to the low-income earners. These include: (i) the value of outstanding loan portfolio and the average value of loans extended, (ii) the amount of savings and average value of savings accounts, (iii) the variety of financial services offered, (iv) the number of branches and village posts/units, (v) percentage of the total rural population served, (vi) the annual growth of microfinance institution assets over recent years in real terms, and (vii) women's participation. These measures have either been broadened, refined or categorised. Ledgerwood (1999) broadened outreach measures and classified them under three groups: (i) clients and staff outreach, (ii) loans outreach, and (iii) savings outreach. Under each of these groups, a number of specific measures were proposed to capture the extent to which the microfinance institution is reaching out to clients with its services, and whether or not the clients reached could be described as poor. One example of these measures used by Valenzuela (2002) is the number of active loans.

There have also been discussion on the worth, cost, breadth, scope and dimension of outreach in literature. These concepts stand to put clear usage and understanding to microfinance outreach. Following Schreiner (1999), the consensus in the microfinance industry appears to be that all the above proposed measures can be conveniently and exhaustively grouped into two categories: *scale* and *depth* of outreach. Similarly, Ledgerwood (1999) argues that currently most people in the microfinance industry refer to only two levels of self-sufficiency: operational self-sufficiency and financial self-sufficiency. Ledgerwood (1999) further argues that the *scale* of outreach is a straightforward measure, but less nebulous than the *depth* of outreach, because it captures the total number of clients served by microfinance institutions without taking into account their poverty status. A more nebulous measure is one that captures the characteristics of the poor clients served. This argument, however, ignores the fact that it is not only the poor who are denied access to financial services in the formal financial sector. There are millions of non-poor people who are also denied access to financial services in the formal sector, those who can access financial services from the formal sector, leaving out mainly those who are unable and have to turn to microfinance institutions for financial services (Ledgerwood, 1999; Barres 2006). The depth of outreach, which is considered a more nebulous measure of outreach, is also very contentious because of its roots in poverty indicators.

DETERMINANTS OF MICROFINANCE OUTREACH

There have been several determinants of Microfinance Institutions Outreach in literature. Most of these determinants include: sources of funds; subsidies; governance; savings mobilization; average loan size; lending interest rate; repayment rates; delivery mechanism; cost of loan disbursement; age of the institution; ownership status; economic, social and political environments; population density and human capital development and level of inflation (Greuning, Gallardo and Randhawa, 1999; Inboden, 2005; Ledgerwood, 1999; Jensen, 2003).

THEORETICAL FRAMEWORK

The theory central to the analysis in this study is the theory of the firm. The bank capital channel and agency theories are used as complimentary thoeries. The theory of the firm addresses the issues of the existence, the boundaries and the internal organization of the firm. The theory of the firm study the behaviour of firms in respect of: (i) the inputs they buy; (ii) the production techniques they adopt; (iii) the quantity they produce; and (iv) the price at which they sell their output. Understood in this manner, knowledge of the way firms behave is essential in determining such major variables as investment, employment of factor inputs, wages, and output levels and prices (Samuelson and Nordhaus, 1996).

The bank capital channel theory views a change in interest rate as affecting lending through bank's capital, particularly when banks' lending is constrained by a capital adequacy requirement. Thus, an increase in interest rates will raise the cost of banks' external funding, but reduce banks' profits and capital. The tendency is for the banks to reduce their supply of loans, if the capital constraint becomes binding. Basically, banks are subjected to both market and regulator who imposed capital requirements. For prudential purposes, banks regulators generally require banks to maintain capital at not less than a stated fraction of the bank's total assets. For instance, microfinance banks are expected to maintain a minimum of 40 per cent liquidity ratio of total deposits. Thus, the ability of banks to grant loans is constrained by the amount of financial resources at their command, based on the capital requirements.

The agency theory is concerned with how agency affect the form of the contract and the way they are minimized, particularly, when contracting parties are asymmetrically informed. Asymmetric information refers to situations in which one party to a transaction has more information about the transaction than the other. This situation could cause markets to deviate from the conventional behaviour patterns and lead to moral hazards and adverse selections (Arrow 1968; Akerlof 1970; Hillier and Ibrahimo 1993).

MATERIALS AND METHOD

This study made use of both descriptive and econometric analysis. The econometric analysis is the generalized least squares method. This was specified to examine the determinants and trend of outreach of microfinance institutions. The study adopted purposive

Table 4.1. Result of Trend of Microfinance Institutions' Outreach (OUTR) in Southwestern Nigeria
Dependent Variable: OUTR

Explanatory Variable	GLS
Constant	6.97939 (0.00001)
Trend	0.03940 (0.05095)
No of observation	446
Number of groups	80
Time series length: Min.	4
Max.	6
Durbin Watson	2.356

Source: Data Analysis

And stratified sampling techniques. All the microfinance institutions operating in Lagos and Ondo States chosen as the study area were considered as the study population. The total population of the study is 161 microfinance institutions made up of 140 and 21 microfinance institutions in Lagos and Ondo States respectively.

Source of Data

The study employed secondary data. Panel data were collected from 80 purposively selected microfinance institutions in Lagos and Ondo state for a period of six years from 2005-2010. Yearly microfinance level data was extracted from the portfolio and savings registers, balance sheet and income statement of individual microfinance institution.

Model Specification

Given the production function, Rose and Frazer (1988) argue that a depository microfinance institutions exhibit a two-stage production process whereby in the first stage it employs original factors of production, namely land, labour, capital and management skills to mobilize savings which, after putting aside a portion to meet short-term demands for cash, the remaining portion goes to stage two of the institution's production process. Denoting the number of clients served by microfinance institutions in a defined period by OUTR, employees as L, capital as K, technology as T, management skills as GM, and additional loan funds from savings represented as D, the outreach function of a loan-given microfinance institution can be represented as:

OUTR = f (L, K, T, GM, D)………………………………………………………………………….. 3.1

Capital (K) and deposit (D) can be combined together to form total amount of capital to the microfinance institutions. Hence, the outreach function becomes: *OUTR = f(L, T, AK, GM)*……………………………………………………………………………….. 3.2

Where AK = K + D

Most microfinance institutions also offer savings product service to their clients as part of their products (Paxton and Fruman, 1998; Olivares-Polanco, 2005). Denoting savings as SP, the outreach function becomes:

OUTR = f (L, T, AK, GM, SP) ……………………………………………………………….... 3.3

Integrating the various determinants of microfinance institutions outreach already identified in the literature into equation 3.3. Denoting real effective lending interest rate as (RELR), average loan size as (ALZ), cost of loans disbursed as (CLD), loan delivery method as (LDM), ownership status as (OS), loan repayment rate as (LRR) and the age of the institution as (AGE), the outreach function becomes:

OUTR = f (L, T, AK, GM, SP, RELR, ALZ, CLD, LDM, OS, LRR, AGE) ………………………………………………………………. 3.4

All the variables in equation 3.4 are defined on L $\geq$ 0, AK $\geq$ 0, GM $\geq$ 0, RELR $\geq$ 0, ALz $\geq$ 0, AGE $\geq$ 0, CLD $\geq$ 0 and LRR $\geq$ 0 are single valued continuous and at least twice differentiable. Factor inputs L and T can be captured by wL (i.e. salary/wages and other benefits paid to labour) and AK as DER (debt equity ratio representing division of source of capital to a microfinance institution).

Given the above, the OUTR function can be generally specified as:

OUTR = f (DER, GM, SP, WL, RELR, ALZ, LDM, LRR, OS, CLD, AGE)………………3.5

Thus, LDM, SP and OS are dummies as already discussed in the literature.

Following the outreach function, the specific functional form for the outreach model is

$$OUTR_{it} = \alpha + X_{it}\beta_{it} + \delta_i + \gamma_i + \varepsilon_{it} \ldots\ldots\ldots\ldots\ldots\ldots$$

Where $OUTR_{it}$ is the dependent variable, $X`_{it}$ is a K-vector of regressors stated in equation 3.6 above, ε_{it} are the error terms for i=1,2,…M cross-sectional units observed for dated periods t=1,2,…T. The parameter

Table 4.2 Result of Fixed-Effects Model for Outreach (OUTR) estimated
Dependent Variable: OUTR

Expl. Variable	GLS 1	GLS 2
CONST	2.8930	3.3945
(0.0002)	(0.00001)	
RELR	-0.1371	-0.1411
(0.00001)	(0.00001)	
LDMg	-0.1396	(0.3310)
LALZ	0.2958	0.2704
(0.01)	(0.0001)	
LCLD	-0.12051	0.12002
(0.01)	(0.00001)	
LDER	0.12714	0.1197
(0.01)	(0.00001)	
LWL	0.1850	0.1804
(0.00001	(0.00001)	
LSP	-0.1030	(0.2923)
LTA	-0.3169	(0.7182)
LAGE	0.3319	(0.3119)
LRR	0.1180	0.1169
	(0.0243)	(0.0219)
OS	-0.0467	(0.3084)
………..		
No of observations	431	431
Number of groups	80	80
R-Sq:	0.815	0.808
Adj. R-Sq	0.765	0.761
Durbin-Watson	1.877	1.889

Source: Data Analysis

represents the overall constant of the model while δ_i and γ_t represent cross-section or period specific effects (random or fixed). All the variables are estimated in their log forms.

RESULTS

DISCUSSION OF RESULTS

The result in Table 4.1 shows that there has been an increase in the trends of outreach of the sampled microfinance institutions in Southwestern Nigeria in the periods under this study. The probability statistics of time (t) is 0.05095 and it is significant at 5 percent level.
It can also be seen from Table 4.2 that the average loan size (LALZ), the debt equity ratio (LDER}, and the salary/wages paid to staff (WL) are positively related with OUTR at 5% level of significance with positive coefficient of 0.2704, 0.1197 and 0.1804 respectively. The log-linear FE regression results indicate that the determinants of microfinance institutions outreach (OUTR) in Southwestern Nigeria are the real effective lending rates (RELR), the average loan size (LALZ), the cost of loan delivery (LCLD), the debt equity ratio (LDER), the loan repayment rates (LRR) and the salary/wages paid to staff (LWL).
Also, Table 4.2 shows that outreach (OUTR) of the studied microfinance institutions in Southwestern Nigeria is significantly driven by the real effective lending rates (RELR), the average loan size (ALSZ), the cost of loans disbursed (CLD), the average salary/wage paid to staff(LWL). All these are statistically significant at 1% and 5%. Based on the level of their contribution to the proportional change in the variations in outreach, average loan size is the most important determinant, followed by salaries/wages and then the real effective lending rates with coefficient values of 0.2704, 0.1804 and 0.1411 respectively. The findings suggest that, for outreach to be improved, a microfinance institution should concentrate on its average loan size (ALZ) as its major determinant. In addition, savings product (SP), total assets (LTA), age of the microfinance institution (LAGE), and ownership status (OS) were found to be both statistically insignificant and unimportant in terms of their contributions to the variations in outreach. As a result these variables are not reflected in the outreach equation. The result shows that the real effective lending rate (RELR) is negatively related with outreach (OUTR). This result is consistent with the findings of Gonzalez-Vega (1996). He finds a negative correlation between the real effective lending rates (RELR) and outreach (OUTR). The plausible explanation for this is that higher lending interest rates discourages borrowing and leads to a lower level of outreach.

CONCLUSION

From the analysis above, the study revealed that there has been an increase in the trends of outreach of the sampled microfinance institutions for the study period. However, the main core area of the rural people (agriculture) was neglected for the six years period because loan and advances to agriculture occupies the fourth position and less than ten percent of the total loans disbursed. The findings further indicate that outreach is driven by the real effective lending rates (RELR), the average loan size (LALZ),the cost of loan delivery (LCLD), the debt equity ratio (LDER), the loan repayment rates (LRR) and the salary/wages paid to staff (LWL). Based on the contribution to the proportional change in outreach, average loan size is the most important determinant of outreach. The findings suggest that for outreach to be improved, more emphasize should be placed on average loan size.

RECOMMENDATIONS

The microfinance institutions need to strengthen their level of governance in order to expand outreach. Since sustainability is usually an outcome of a strong governance structure, as the microfinance institutions strengthen the governance structure to achieve the outreach objective, sustainability will be achieved simultaneously. Microfinance institutions are encouraged to increase their outreach by providing relatively small loans. The small loan sizes can reach more clients and therefore achieve a greater outreach.

Consequently, it is imperative that appropriate policies, legal regimes and infrastructure be put in place to reduce the cost of doing business for the microfinance institutions. The high priority placed by the government on energy and infrastructural development as well as information, communication and technology is an important policy strategy that will benefit all the sectors of the Nigerian economy, including the microfinance industry.

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APPENDIX I

List of Microfinance Institutions Studied For Outreach Models

Lagos State

S/N	**NAME OF Microfinance institutions**	**ADDRESS**
1.	ACME MFB	2, Ojuelegba Road,Surulere Lagos
2.	AGUDA TITUN MFB	21, Shonola Street,Aguda Titun,Ogba Lagos
3.	ALL STAR MFB	6, Ilamoye Street,Ijeshatedo Lagos State
4.	BISHOPGATE MFB	39, Agege Motor Road Moshalasi Surulere Lagos
5.	BOWMAN MFB	1, Bode Onifade Street,Ewu-Tuntun Oshodi-Isolo Lga,Lagos
6.	BRISTOL MFB	44, Abiodun Street, Mushinlagos
7.	CARDINAL ROCK MFB	83, Iju Road,Ifako Ijaiye Lagos
8.	CITADELMFB	1,Abbi Avenue,Badary Express Way,Orile Iganmu Lagos
9.	CITIGATE MFB	116/118 Ago Palace Way,Okota Isolo Lagos
10.	COCONUT AVENUE MFB	2, Tex Olawale Crescent,Coconut Bus Stop Apapa Lagos
11.	COMMON BENEFIT MFB	1, Community Road, Oke Ira Ogba,Ikeja Lagos
12.	COMPLETE TRUST MFB	5/7 Dobblin Avenue, Alaba International Market,Ojo Alaba Lagos
13.	DYNAMIC MFB	16a, Pipeline Road Idimu Lagos
14.	EDEN MFB	Suite 3c Prince’s Court Ahmed Onibudo Victoria Island Lagos
15.	ESTATE MFB	31/311,Road Gowon Estate,Ipaja Lagos
16.	FESTAC MFB	207, Road B/C Close Festac Town Lagos
17.	FIYINFOLU MFB	1, Emmanuel High Street,Ogudu Road Ojota Lagos State
18.	FREEDOM MFB	445, Agege Motor Road, Bolade Oshodi Lagos
19.	GIDEON TRUST MFB	6, Soloki Street, Aguda Surulere Lagos
20.	GLORY MFB	Plot 295, Ijegun- Ikotun Road Ijegun Lagos P.O.Box 1503,Ikeja Lagos
21.	GOLD MFB	Block C Suite 1 & 2 Local Airport Officecomplex 118, Agege Motor Road, By Ikeja Along Bus Stop, Ikeja Lagos
22.	GOLD TRUST MFB	55, Shogbamu Street, Bariga Lagos
23.	HAGGAI MFB	53, Bode Thomas Street,Surulere Lagos State
24.	HAVILAH MFB	47, Old Ojo Road, Badagry Express Way P. O Box 1325 Festac Town Lagos
25.	HEBRON MFB	Mafa House 4, Fola Agoro Street, Somolu P. O Box 4803, Somolu Lagos
26.	HERITAGE (ALAPERE) MFB	7, Oluwakemi Street, Alapere Ketu Lagos
27.	HIGH STREET MFB	1, Okesalu Street, Ikotun Lagos
28.	I.C MFB	107, Ogunlana Drive PMB 3007,Surulere Lagos
29.	IKORODU DIVISION MFB	102, Sagamu Road Ikorodu Lagos
30.	INFINITY MFB	4, Demurin Street, Ketu Lagos
31.	IPODO- IKEJA MFB	46, Obafemi Awolowo Way
32.	ISEHRI MFB	32, Ajegunle Street, Isheri Lagos
33.	ISLAND MFB	33, Moloney Street, Obalende Lagos
34.	KBS MFB	Cortex House 24, Adedoyin Street,Ketu Mile 12, Lagos
35.	KFC MFB	Plot 1, Isheri Road,Ojodu/Berger B/Stop Ikeja Lagos State
36.	KINGS MFB	7, Ikorodu Road, Mary Land Ikeja Lagos
37.	LASU MFB	LASU Campus, Lagos Badagry Express Road, Ojo Lagos State
38.	LEKKI MFB	Km 15 Lagos/Epe Expressway Ist Gate Jakande Estate,

		Lekki Lagos
39.	MCB MFB	Low Cost Housing Exit Road, Jakande Estate, Lekki Lagos
40.	MERCURY MFB	6, Olayiwola Street,New Oko - Oba Ifako/ Ijaiye Lagos
41.	MONEYCOM MFB	31b Oyeleke Street,Alausa Ikeja Lagos
42.	NEW LIFE MFB	Plot 373,Lateef Jakande Road Agidingbi Ikeja Lagos
43.	NPF MFB	1, Ikoyi Road ,Obalende Lagos
44.	OCTOPUS MFB	24, Community Road, Opp. Police Station Otto- Ijanikin, Lagos.
45.	OJOKORO MFB	Lagos/ Abeokuta Expressway Ijaiye Bus Stop Ojokoro Lagos
46.	OWOTUTU MFB	23, Ladipo Street,Mushn Lagos State
47.	PENIEL MFB	Km 20 Badagry Express way Opp. LASU Main Gate , Ojo Lagos State
48.	EXCELLENT MFB	48, Kirikiri Road, Apapa, Lagos
49.	EGBE MFB	14, Dada Street, Ikotun Egbe, Lagos
50.	AGUDA TITUN MFB	4, Kolade Street, Aguda, Lagos
51.	OUTREACH FOUNDATION	104, Herbert Marcurley Way, Yaba
52.	PLANET MFB	14, Isheri- Oshun Road, Off Ijegun Road Ikotun Lagos State
53.	PROLIFIC MFB	9, Ijaiye Road, Ogba Lagos
54.	PYRAMID MFB	Spicery Building,11/13onayade Street,Igbobi Sabe Jibowu Lagos
55.	ROYAL BLUE MFB	127, Herbert Macaulay St. Ebute Metta p. O. Box 3621, Sabo Yaba Lagos
56.	ROYAL TRUST MFB	28, Agbado Road Iju Ishaga

57.	SOUTH WEST IKOYI MFB	62b Itafaji Road, Dolphin Estate Ikoyi Lagos State
58.	STAKO MFB	74, Mobil Road Ajegunle Apapa Lagos
59.	SUNRISE MFB	6, Ajayi Aina Street,Ifako- Gbagada Lagos
60.	TIN CAN ISLAND	Satelite Car Park,Tin Can Island Port Apapa Lagos
61.	TOUCH STONE MFB	7, Akesan Road, Egan Alimosho Lga, Lagos State
62	TRADERS MFB	International Trade Fair Complex Amuwo- Odofin LGA, Lagos
63	ULTIMATE MFB	Owode Market Ayobo Rd Ipaja Lagos State
64	UNIQUE MFB	91, Alimosho Road Iyana Ipaja Lagos
65	VENTURE SUPPORT MFB	10, Oworonsoki Road, Oworonsoki Lagos State
66	INTEGRATED MFB	64, Adeniyi Jones Avenue, Ikeja, Lagos
67	GAPBRIDGE MFB	15A, Oko-Awo Street, V.I. Lagos
68	MIC MFB	10, Allen Avenue, Ikeja, Lagos
69	TOWNSERVE MFB	26, Gbeserno Street, Aga, Ikorodu
70	GS MFB	1, Kudirat Abiola Way, Ikeja, Lagos

Ondo State

S/N	NAMES OF Microfinance institutions	ADDRESS
1.	AJUTA MFB	Market Road Loso Quarters,Ogbagi Akoko Ondo State
2.	AOGO MFB	Oba Adesanoye House, 39/41 Canon Adeyemi Sabo Ondo State
3.	ARACOM MFB	57, Hospital Road, Akure Ondo State
4.	EKIMOGUN MFB	2, Ifore Street, Ondo State
5.	IGBOTAKO MFB	3, Luwoye Street,Igbotako Ondo State
6.	IJARE MFB	34, Obasola Street, Ijare Ondo State
7.	ILE - OLUJI MFB	3, Iparaku Street, Oke- Aro Ile Oluji Ondo State
8.	ILUTUNTUN- OSORO	Bank House Broad Street, Ilutuntun –Osoro Ondo State
9.	IPE MFB	Ishinodo Quarters, Ipe- Akoko Ondo State
10.	LAYELU MFB	102, Broad Street, Ode- Aye Ondo Sate
11.	MOKIN MFB	Obada Market, Ilara Mokin Ifedore Lga Ondo State
12.	NEW AGE MFB	Old Uac Building, Osele Market Ikare Ondo State
13.	OKA MFB	Sokedile House Oka Akoko South Lga Ondo State
14.	OKE AGBE MFB	A2 Rufus Giwa Road Afa Oke Agbe Ondo State
15.	OREDEGBE MFB	42, Igbalaye Street,(Idanre Road) Oke- Aro Ondo State
16.	OROKE MFB	Ibaka Quarters, Ikare Road Akungba Akoko Ondo State
17.	ONDO STATE MICRO CREDIT AGENCY	Oke-Eda, Akure, Ondo State
18.	COWAN	23, Oke-Ijebu, Akure, Ondo State
19.	IRELE MFB	45, Olofun Street, Irele LGA, Ode-Irele
20.	KOREDE MFB	3, Luwoye Street, Igbotako