

**THE ROLE OF MICRO FINANCE BANKING IN THE DEVELOPMENT
OF RURAL COMMUNITIES IN WARRI SOUTH LOCAL
GOVERNMENT AREA**

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APPROVAL PAGE

I the undersigned hereby approved that this research work was carried out by **ADENOMON OSAHON ELVIS** with Matriculation Number **EDU1408200** and adequate in quality and scope in partial fulfillment of the requirements for the award of B.Ed in Adult and Non-formal Education in the faculty of Education, University of Benin, Benin City, Nigeria.

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CERTIFICATION

We the undersigned, hereby certify that this research work was carried out by **ADENOMON OSAHON ELVIS** with Matriculation Number **EDU1408200** and adequate in quality and scope in partial fulfillment of the requirements for the award of B.Ed in Adult and Non-formal Education in the faculty of Education, University of Benin, Benin City, Nigeria

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DEDICATION

This project work is dedicated to the Almighty God for His care and protection upon life and seeing me through the period of this programme.

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ABSTRACT

The focus of this study was to appraise the role of Micro Finance banking in the development of rural communities in Warri South Local Government Area. To enable the study achieve its objectives, six research questions were raised. The major instrument for data collection for the study was self-constructed questionnaire. A total of three hundred and thirty-two (332) participants selected from communities in the area under study as well as fifty members of staff of micro finance banks in the area under study constituted the sample for the study. Data collected were analyzed using frequency count, simple percentage, bar and pie charts and mean score standard to analyze the collected data.

Findings from the study revealed that the various financial services offered by the micro finance banks in Warri South Local Government Area include provision of micro credit for business in the rural areas, loans to community members, and funds for the establishment of farmlands and that micro finance banks provides skill acquisition programme to the community members, training on economic skills for members of the community, loans for the establishment of business and enabled youths become self-employed. It

was also discovered that the rural development activities pursued by the micro finance banks in the area include provision of water to the community, electrifying the community and repairing bad roads. However some of the challenges encountered by the micro finance banks in carrying out its activities in the host communities include lack of or poor cooperation from members of the communities, insufficient fund and bad loans.

Based on the findings, it was recommended amongst others that there is need for micro finance institutions to identify money ventures in the community and invest in them. This will enable communities have some funds at their disposal to carry out developmental projects on their own. Community members should be encouraged to participate in skill acquisition programmes provided by micro finance banks. Effort should also be made at developing the human resources in the community through award of scholarships to students and micro finance banks should evolve policies that will enable them monitor the loans and credit facilities given to community members so as to ensure that they are recovered as at when due.