

WOMEN FISH PROCESSORS' PERCEPTIONS OF MICRO – CREDIT BY SOURCE IN ONDO STATE, NIGERIA

¹Mafimisebi, O.E. and ²Mafimisebi, T. E.

¹Department of Agricultural Extension & Management
Rufus Giwa Polytechnic, Owo, Ondo State, Nigeria
E-mail of Lead author: ojuseni@yahoo.com

²Department of Agricultural & Resource Economics
School of Agriculture & Agricultural Technology
The Federal University of Technology, Akure, Nigeria
E-mail of author: temafis@yahoo.com

INTRODUCTION

- The hope of fish supply in Nigeria is the development of catfish culture.
- Fish spoilage affects the profitability of the catfish venture.
- Women's involvement in processing and marketing of fish is significant.
- Rural financial programmes fail to recognize that women are active, productive and engaged economic agents with their own financial needs and constraints.
- Micro- credit is the extension of exceptionally small loans (micro loans) to impoverished borrowers who typically lack collateral, steady employment and a verifiable credit history such as the poor in rural or undeveloped areas.
- It is designed to support entrepreneurship and alleviate poverty.
- The problems faced in accessing micro-credit include high interest rate, collateral security requirement and time lag in the disbursement of loans.
- This study focuses on women who source for micro-credit and use it in the fish processing enterprise.
- The fact that poverty still exists despite the various attempts to provide micro-credit, creates room for exploring how far micro-credit has benefitted the women fish processors and the perceptions of those who had or had not used micro-credit on how micro-credit can benefit them better.

MATERIALS AND METHODS

Study Area

The study was carried out in Ondo State Nigeria. The state is located in southwest region of Nigeria with a total of 18 local government areas (LGAs).

FEDERAL SENATORIAL DISTRICT MAP OF ONDO STATE

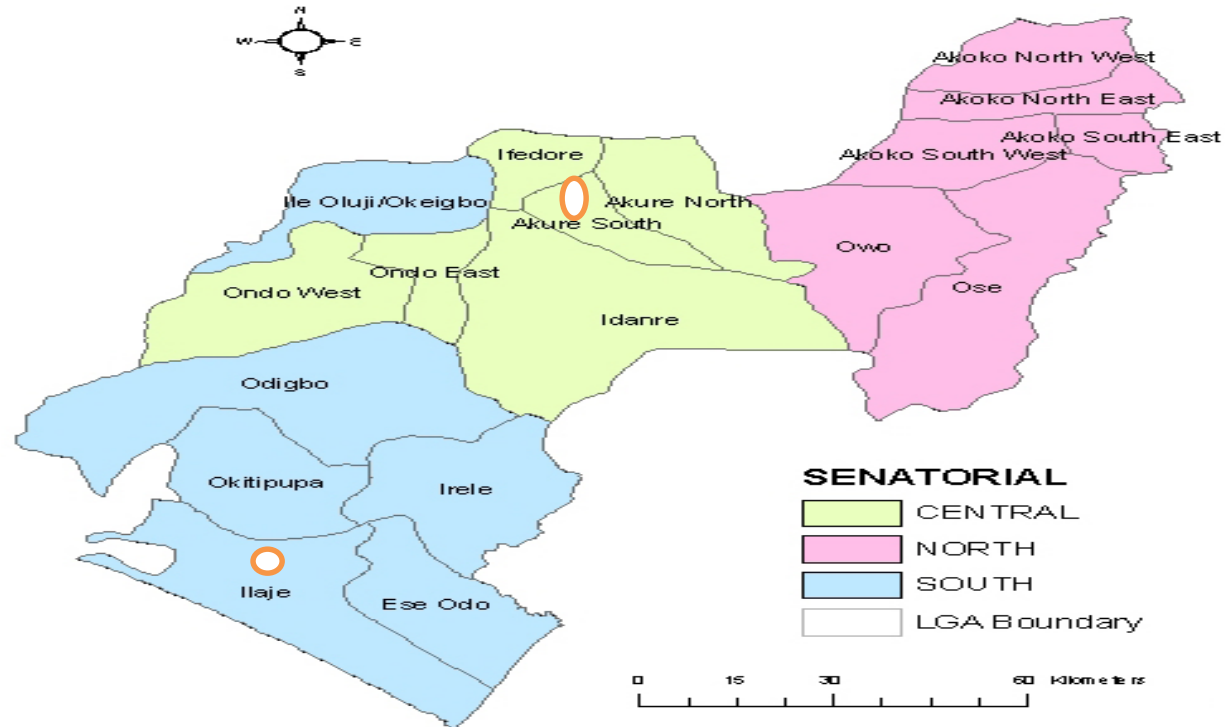


Fig 1

Sampling Technique, Data Collection Method and Analytical Technique

- A multi-stage sampling technique was used in the selection of the respondents that provided the data analyzed.
- The major data used in this study were primary data
- Analytical tools used included descriptive and inferential statistics.
- Descriptive Statistics was used to identify the respondents' micro-credit sources, the sources preferred and ranking factors considered when deciding on a micro-credit choice.
- Z-test was used to compare micro-credit users and non-users with respect to some identified performance – related index

$$Z = \frac{\frac{X - \mu}{S}}{\sqrt{n}}$$

Where x=Sample Mean, = Population Mean, S= Standard Deviation and N= Sample

- Likert scale was used to measure the perceptions of the women fish processors. Likert scale is used to ascribe quantitative values to qualitative perception to make it subjectable to statistical analysis.

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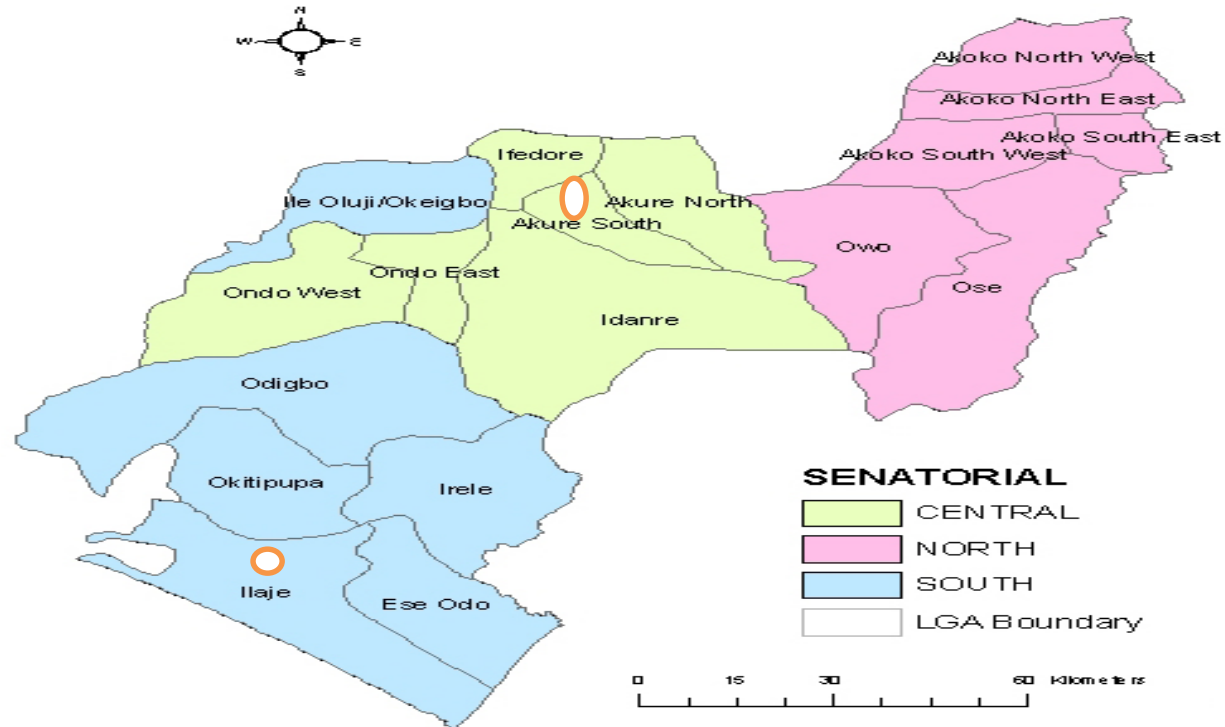


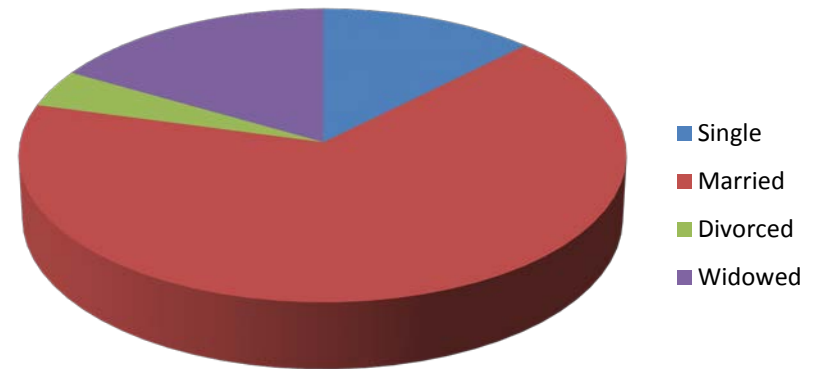
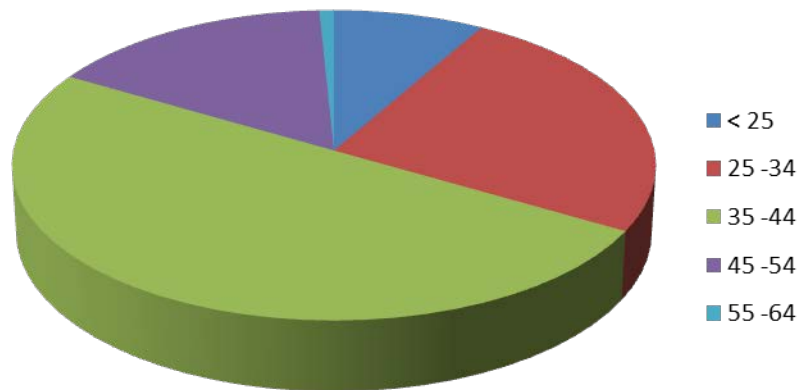
Fig 1

RESULTS AND DISCUSSION

SOCIO-ECONOMIC CHARACTERISTICS OF RESPONDENTS

Fig2: AGE

Fig 3: MARITAL STATUS



SOCIO-ECONOMIC CHARACTERISTICS OF RESPONDENT

Fig 4: HOUSEHOLD SIZE

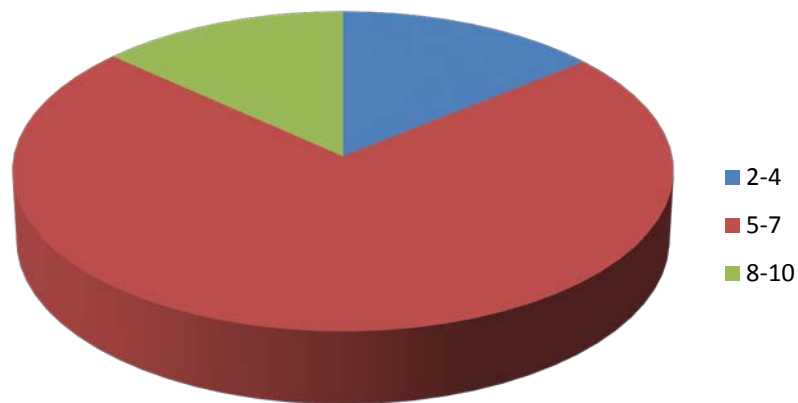
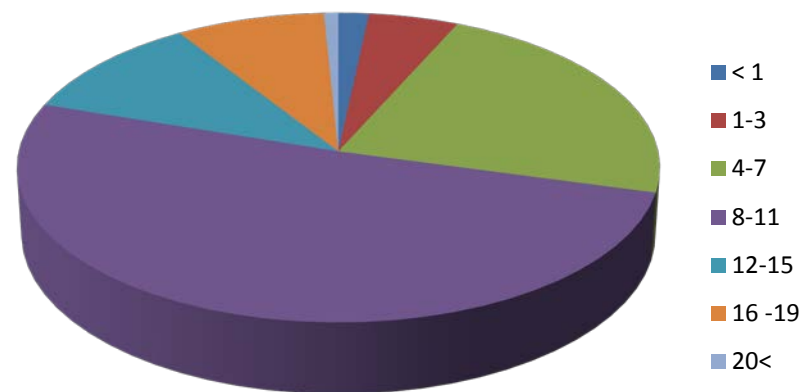


Fig 5: YEARS OF EXPERIENCE IN FISH PROCESSING



THE SOURCE, ACCESS, USAGE AND REASON FOR DIVERSION OF MICRO-CREDIT/LOAN

TABLE 1: DISTRIBUTION OF RESPONDENTS BY SOURCE, ACCESS, USAGE, AND REASON FOR DIVERSION OF MICRO-CREDIT/ LOAN.

Variables	Frequency	percentage
Source of Micro-credit		
Cooperative/ thrift	20	16.6
Family and Friends	47	39.1
Government credit/ Loan scheme	53	44.1
Total	120	100.0
Access to Micro-credit		
Yes	106	88.3
No	14	11.7
Total	120	100.0
Usage of Micro-credit for intended purpose		
Yes	94	78.3
No	12	10.0
Non- user	14	11.7
Total	120	100.0
Reasons for Diversion of Credit		
Settlement of debts	2	16.7
Children school fees	7	58.3
Other businesses	3	25.0

IDENTIFYING AND RANKING FACTORS TAKEN INTO CONSIDERATION WHEN DECIDING ON A CHOICE OF MICRO-CREDIT SOURCE BY WOMEN PROCESSORS

- **TABLE 2: DISTRIBUTION OF RESPONDENTS BY IDENTIFYING AND RANKING FACTORS TAKEN INTO CONSIDERATION WHEN DECIDING ON A CHOICE OF MICRO-CREDIT SOURCE BY WOMEN PROCESSORS**

Variables	Frequency	Percentage	Rank
Reason for preference of micro-credit used			
Simple application process	55	51.9	5 th
Volume of fund	87	82.1	2 nd
Speed of application process	75	70.6	3 rd
Severity of reprisals during default	67	63.2	4 th
Timeliness of fund release	101	95.3	1 st
More reliable than other source	42	39.6	6 th
Low interest rate	28	26.4	8 th
Better repayment condition	42	39.6	6 th
Non-users	14	11.7	

Source: Field survey, 2015

Table 3: PERCEPTIONS OF WOMEN USERS AND NON USERS OF MICRO-CREDIT ON VARIOUS MICRO-CREDIT SOURCES

Perception Statements	Strongly Agreed	Agreed	Disagreed	Strongly Disagreed	Undecided	Mean
1. It is difficult to access micro-credit.	6(5.0)	26(21.7)	50(41.7)	6(5.0)	32(26.7)	3.32
2. The interest rate is too high	53(44.2)	51(42.5)	-	-	16(13.3)	4.44
3. The repayment period is not convenient (too short).	19(15.8)	78(65.0)	10(8.3)	3(2.5)	10(8.3)	4.17
4. The repayment pattern is not suitable for my business.	50(41.7)	56(46.7)	7(5.8)	-	7(5.8)	3.99
5. Micro-credit sources are too few in Ondo State.	13(10.7)	92(76.7)	15(12.5)	-	-	4.15
6. It takes a long period to process these micro-credit.	12(10.0)	50(41.6)	46(38.3)	12(10.0)	-	4.40
7. The credit given is too small to have positive impact on my business.	26(21.7)	59(49.2)	18(15.0)	7(5.8)	10(8.3)	3.47
8. It is very difficult to get information on the best sources of micro-credit.	33(27.5)	23(19.2)	13(10.8)	8(6.7)	43(35.8)	3.52
9. Operators of micro-credit institutions usually require a guarantor which is not easy to get.	42(35.0)	42(35.0)	15(12.5)	4(3.3)	17(14.2)	2.17
GRAND MEAN						3.74

Source: Field survey , 2015 Note: Frequency(Percent)

COMPARISON OF MICRO-CREDIT USERS AND NON-USERS

Table 4: Test of Significance of Difference between micro-credit users and non-users

Variables	Mean	SD	Z-value	Df	Sig.	Remark
Average	0.11	1.04	0.64	57	0.524	NS
Cost	2.00	1.24	9.66	57	0.001	S@1%
Returns	0.22	0.76	1.75	57	0.088	S@10% NOT @5%
After	1.11	0.79	8.50	57	0.001	S@1%

Source: Field survey, 2015

Note: Ns= Not significant; S= Significant

Average –Average cost of processing per 50kg before accessing micro-credit

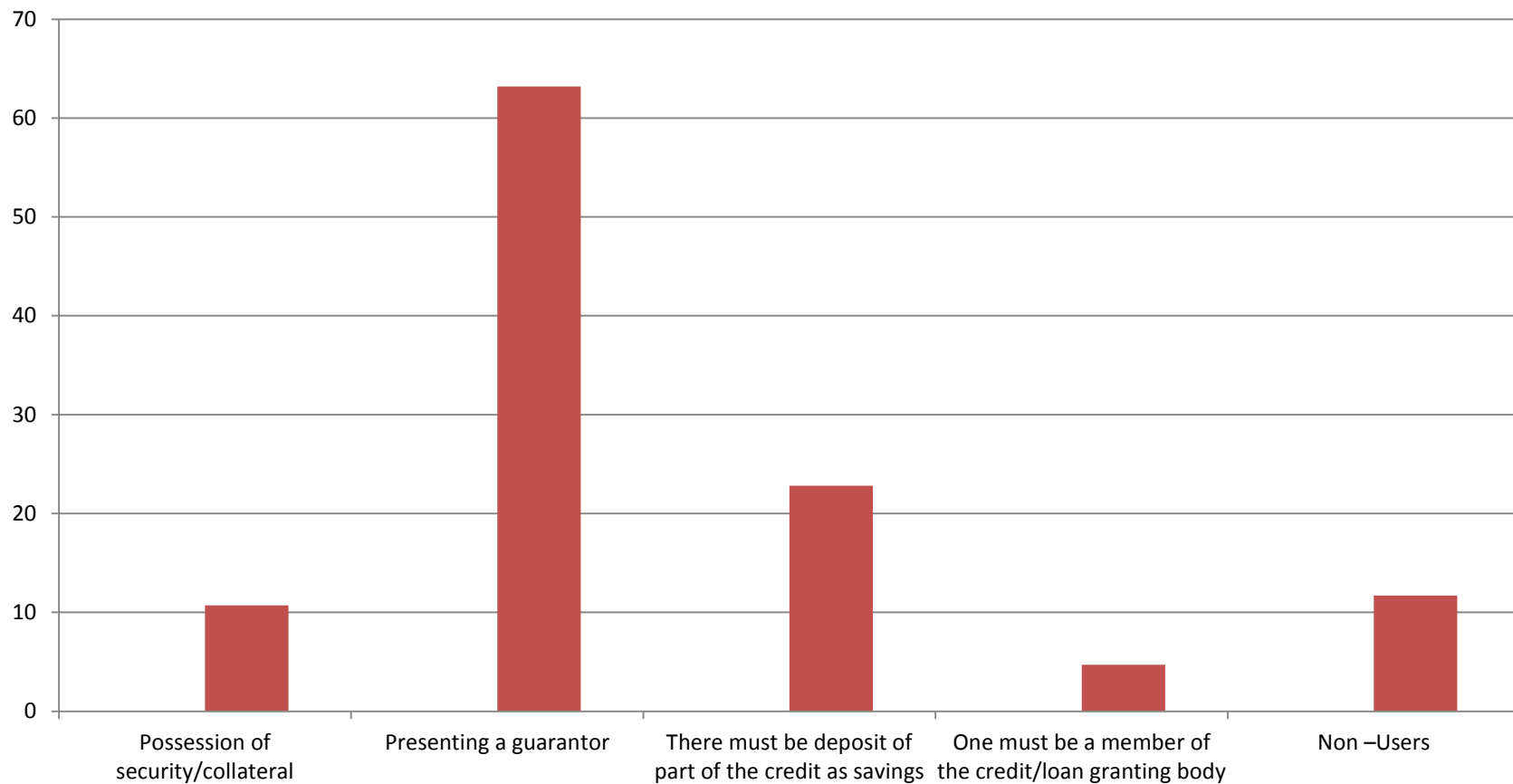
Cost –Average cost of processing per 50kg after accessing micro-credit

Returns- Average returns per 50kg before accessing micro-credit

After-Average returns per 50kg after accessing micro-credit

PROBLEMS FACED WHEN USING ACCESSED MICRO-CREDIT

Fig 6 : PROBLEMS FACED WHEN USING ACCESSED MICROCREDIT



CONCLUSION AND RECOMMENDATION

- The study empirically examined the perceptions of women fish processors from selected sources in Ondo State, Nigeria.
- It is concluded that micro-credit has positive but non-significant impact on poverty alleviation of rural households in Nigeria.
- It is therefore highly recommended that the interest rate, possession of collateral and repayment conditions should be reviewed by micro-credit granting institutions so as to allow easy access to credit by the women fish processors.
- The women can also be sensitized by the government or the credit-granting financial institutions on the need to use the credit taken for its intended purpose.

THANK YOU