

La Fayette Microfinance Bank Limited

Financial services for micro, small and medium-sized enterprises (MSMEs) in Nigeria



NIGERIA

La Fayette Microfinance Bank Ltd (Advans Nigeria), established in 2012, is a microfinance bank providing financial services to MSMEs in Ibadan, Oyo state, Nigeria.

Nigeria's high rate of population growth constitutes a challenge to the goals of poverty reduction and job creation, and is creating social problems for an increasing number of Nigerians. However, the sizeable population also creates a wealth of opportunities for entrepreneurs at the bottom of the pyramid. Thus, Nigeria has a large and unmet demand for microfinance services.

La Fayette MFB provides loans and other financial services to low-income micro entrepreneurs and MSMEs. It is a member of the Advans group, a network of financial institutions that provide adapted financial services to MSMEs that have limited or no access to formal banking services. Other affiliates of the Advans group, such as Advans Cameroun, have been partners of Oikocredit for a number of years.

However, La Fayette MFB is a first time partner of Oikocredit, receiving a direct loan in local currency (NGN) equivalent to US\$ 2,000,000.

“ Now, with the support of Advans, things are much easier. Being able to borrow a larger sum has really boosted my business

Mrs Sotola, Client, La Fayette MFB (Advans Nigeria)

Mrs Sotola (pictured above) owns a boutique with one employee which specializes in the sale of men's accessories such as fragrances, wrist watches and jewelry. Mrs Sotola began her banking relationship with Advans Nigeria in May 2013 and is currently in her third loan cycle.

Mrs Sotola says "I started my business with just NGN 10,000 (ca. € 45) selling perfume on the street. It wasn't easy, but I fought to borrow money so that I could rent a shop. Before, I had to ask my friends for money, and it was sometimes problematic, but now; my stock is bigger and I have more clients. In fact, my shop is even too small now, and I am looking for larger premises. My Advans loan has enabled me to set up a new kind of business; with the profit I've made, I bought a house that I rent out to tenants."

Mrs Sotola continues; "When I travel with other sellers to renew our stock, they are surprised by the quantity of items I buy. They even ask me to lend them some money, but I recommend Advans as a reliable microfinance bank where you can trust the staff. The best recommendation I can give is by showing them the progress I have made."

Partner info

FACTS	
Loan of	471,753,056 NGN
Loan of	3,750,000 USD
Sector	Financial services
Website	www.advansnigeria.com

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