

Plateau farmers establish micro finance bank

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Worried by the inability of farmers in Nigeria to access bank loans to enhance their agricultural business due to high interest rates and other requirements, Fadama III farmers in Plateau State have established a micro finance bank to handle their loan and other agric business matters in the state. Fadama III Coordinator in the state, Mr Gideon Dandam told these reporters in his office that farmers registered under Fadama III in the state have secured a certificate to operate a farmer's micro finance bank.

He said the farmers have contributed N20 million and paid into the Central Bank of Nigeria (CBN) as initial deposit to qualify for license to operate the micro finance bank, adding, "they got the approval of the CBN to establish the Fadama Farmers Micro Finance Bank. What is left now is to rent an office block and employ staff. That will be done soonest," he said. Mr Dandam said the farmers have resolved among themselves to make it a policy for the bank to give farmers loans without collateral and on a single digit interest rate so as to ease collection and refund of loans by farmers, adding, "we have also advised the farmers to avoid selling shares of the bank to money bags that will hijack the bank and introduce volatile policies."

State chairman of Fadama III farmers, Mr Manasseh Watyil said the farmers in the state have already set up a board for the bank and the entire operations of the bank will be designed in a way that it will not only enhance agricultural business but also link farmers to bulk buyers of agricultural produce.

He said in addition to farmers, other people that are in the agricultural value chain like bean cake (akara), fruits and food vendors will be qualified for loan from the bank to enhance their businesses thereby increasing their purchasing power of farm produce.

A female Irish potato farmer at Kuru, Mrs Pauline Amashinba said she is eagerly waiting for the bank to commence full operation so that she can obtain loan and expand her farm, saying, "I have a total of five hectares of farmland but I am cultivating less than two hectares now because I do not have enough capital."

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