



**MIDLANDS STATE UNIVERSITY
FACULTY OF EDUCATION
DEPARTMENT OF ADULT EDUCATION**

**AN INVESTIGATION INTO MICRO-FINANCING BY
AGRIBANK IN HARARE: A CASE STUDY OF WARDS 3, 4, 11
AND 12 IN MBARE**

**BY
VIMBAI BWAKURA
R091561M**

**A RESEARCH PROJECT SUBMITTED TO THE
DEPARTMENT OF ADULT EDUCATION IN PARTIAL
FULLFILLMENT OF THE REQUIREMENTS OF THE
MASTER'S DEGREE IN ADULT EDUCATION**

GWERU

APPROVAL FORM

The undersigned certify that they have supervised the student VimbaiBwakura's dissertation entitled '**An Investigation into Micro Financing by Agribank in Harare: A Case Study of Wards 3, 4, 11 and 12 in Mbare**' submitted in partial fulfillment of the requirements of the Master's Degree in Adult Education at the Midlands State University.

.....
SUPERVISOR

.....
DATE

.....
CHAIRPERSON

.....
DATE

.....
EXTERNAL EXAMINER

.....
DATE

DECLARATION

I VimbaiBwakura hereby declare that this research project entitled 'Micro-Financing by Agibank in Harare: A Case Study of Wards 3, 4, 11 And 12 In Mbare' is my original work and confirm that it has not been submitted to this or any other University in support for aMaster's degree in Adult Education or for any other similar qualification.

SIGNED

DATE

SUPERVISOR

DATE.....

DEDICATIONS

This research is dedicated to my mother RumbidzaiBwakura and my two children Paidamoyo and NgoniMusorosekwa.

ABSTRACT

This study sought to investigate the micro financing by Agribank in wards 3, 4, 11 and 12 of Mbare in Harare. Mbare is one of the oldest townships in Harare and has the poorest people in the city (Moyo, 2008). Therefore, Agribank earmarked to bring development in the area thereby reducing poverty, creating employment and promote gender equality. The study is principally qualitative and quantitative in nature as it sought to provide an in-depth analysis of micro financing by Agribank. The researcher used descriptive survey design. In addition, for the purpose of data collection, the study relied on the use of questionnaires and interviews to establish the impact of micro financing by Agribank. A group of 104 respondents that included 100 beneficiaries and 4 Agribank field officers were sampled using simple random sampling and purposive sampling. The demographic variables of the respondents that were analysed include gender, age and education level. The findings of the study revealed that more women participated in the study as compared to men. Mostly young men and women accessed microfinance for their small businesses. Moreover, the study found out that micro financing by Agribank was a vehicle for eradicating poverty as many households consumption increased. The micro financing programme created employment among the youths and adults as they engage into informal businesses. Furthermore, findings show that Agribank micro financing achieved gender equality through women empowerment. However, they were dissenting voices among the respondents that Agribank was utilised by the ZANU PF (Zimbabwe African National Union Patriotic Front)politicians as campaigning strategy in order to gain political mileage. It was therefore recommended that Agribank seek credit lines or be in partnership with well-funded institutions in order to improve the liquidity challenges. The Government of Zimbabwe must subsidise microfinance loans through the bank to achieve low interest rates for the poor people. To reduce the intrusion by ZANU PF politicians in the operations of the bank it was recommended that the bank be privatised. The research study is significant to Agribank management in determining areas for improvement so as to ensure their success and enhance service delivery so that the low income earners and those who do not have bank accounts have the same opportunities of accessing financial services.

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ACRONYMS

AFC	Agricultural Finance Cooperation
AGRIBANK	Agricultural Bank of Zimbabwe
AIDS	Acquired immune deficiency syndrome
BRI	Bank of Rakyat Indonesia
CBZ	Commercial Bank of Zimbabwe
CGAP	Consultative Group to Assist the Poorest
FBN	First Bank of Nigeria
HIV	Human Immunodeficiency Virus
ICICI	Industrial Credit and Investment Corporation of India
INDEF	Institute for Development of Economics and Finance Indonesia
GOZ	Government of Zimbabwe
MDGs	Millennium Development Goals
MF	Microfinance
MFI	Microfinance Institution
MFI	Microfinance Institutions
MSMEs	Micro, Small and Medium -size Enterprises
NACB	Nigerian Agricultural and Cooperative Bank
NGOs	Non-Governmental Organisations
RBZ	Reserve Bank of Zimbabwe
SHGs	Self Help Groups
USAID	United States Agency for International Development
WDR	World Development Report
ZAMFI	Zimbabwe Association of Micro Finance Institutions
ZANU PF	Zimbabwe African National Union Patriotic Front

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