



Microfinance Institutions and Women Entrepreneurs in Ethiopian Development: A Socioeconomic Analysis

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Abstract

Microfinance Institutions (MFIs) have emerged as a significant tool for poverty alleviation and economic empowerment in developing countries, particularly among women entrepreneurs who face unique challenges in accessing formal financial services. The research employs a qualitative approach with case studies from selected regions in Ethiopia, focusing on MFI clients who are primarily women-owned enterprises. Data collection involves interviews, focus groups, and document review to analyse the socio-economic impacts of MFIs. MFIs have significantly increased access to formal finance for over 70% of female entrepreneurs, enabling them to invest in their businesses, thus contributing to economic growth and poverty reduction by an average of 25%. The findings underscore the critical role of MFIs in fostering women's entrepreneurship and highlight the need for tailored financial products that address specific needs such as micro-insurance and training programmes. Policy makers should support MFI expansion with regulatory reforms, while NGOs can collaborate to enhance services targeting underserved communities. Further research is recommended to validate these findings across different regions in Ethiopia.

Keywords: *African, Empowerment, Gender, Microfinance, Development, Feminism, Community Banking*

ABSTRACT-ONLY PUBLICATION

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