



Grameen Foundation Supports Citibank's USD 1mm Financing of Nigerian Microfinance Institution LAPO

MicroCapital: On Microfinance and Microcredit Investment

PAGES

- [Home](#)
- [MicroCapital Monitor](#)
- [Regular market report](#)
- [Advertising](#)
- [Opportunities](#)
- [Print, web and private label](#)
- [What, Why, How](#)
- [Introduction to microfinance](#)
- [Microfinance Funds](#)
- [Universe](#)
- [List of investment vehicles](#)
- [Whitepapers](#)
- [MicroCapital research](#)
- [Internship](#)
- [Opportunities](#)
- [Information to join the MicroCapital team](#)
- [Free Market Report](#)
- [Sign-up form](#)
- [Ask a Question](#)

Friday, May 11, 2007

Grameen Foundation Supports Citibank's USD 1mm Financing of Nigerian Microfinance Institution LAPO

[Citibank](#), part of the [Citigroup](#) global financial services company, will provide a USD 1mm Nigerian naira equivalent structured loan through its subsidiary, the Nigerian International Bank (NIB), to Lift Above Poverty Organisation ([LAPO](#)), a Nigerian microfinance institution (MFI). The loan is supported by a USD 500,000 guarantee from the [Grameen Foundation](#). The deal is LAPO's first commercial transaction with a bank, and the first transaction between Citibank and a Nigerian MFI. The investment comes at a time when many Nigerian MFI's are struggling to meet minimum capital requirements (see previous [article](#) on microcapital.org) among other standards to be introduced in forthcoming regulation of the industry, due to be enforced by the Central Bank Nigeria ([CBN](#)) in December 2007 (see previous [article](#) on microcapital.org).

LAPO was founded in 1987 and has been a Grameen Foundation partner since 2002, in which time it has increased its client base

SEARCH

SUBSCRIBE



Get the latest Microfinance news delivered directly to your inbox.

from 15,000 to 90,000, and aims to grow further to more than 225,000 clients in 2008. Godwin Ehigiamusoe, LAPO CEO and founder, expects the partnership to "expand and strengthen LAPO's outreach significantly." At the year end 2006 LAPO reported to the [MIX Market](#), the microfinance information clearinghouse, a gross loan portfolio of USD 7,891,857, a capital to assets ratio of 28.83% and a debt to equity ratio of 246.88%. It did not report a rate of return on assets or equity.

The Grameen Foundation's 'Growth Guarantee' initiative was launched in 2005 and provides loan guarantees for MFI's to receive financing from commercial banks as well as supporting them in capital market transactions such as bond issues. The initiative aims to encourage investment and growth in the industry by reducing risk for commercial investors. Grameen Foundation is a global NGO established in 1997 and works in microfinance, technology and innovation with a network of partners in 23 countries.

The Citigroup, based in New York, dates back to the foundation of Citibank in 1812 and in 2006 it [reported](#) total assets of USD 1,884bn and a return on equity of 18.8%.

Michael Warmington; Research Associate

Additional Resources

Grameen Foundation www.grameenfoundation.org, 202 628 3560, Washington DC, USA

Lift Above Poverty Organisation www.lapo-ng.org, lapo@infoweb-abs.net, Benin, Nigeria

Citigroup www.citigroup.com, New York, USA

MIX Market www.mixmarket.org, info@mixmarket.org, Washington DC, USA

Microcapital.org www.microcapital.org, info@microcapital.org, Boston, USA

We answer questions about microfinance and appreciate feedback.
[About Us](#)

AdChoices 

[Acell - China Foundry](#)

Precision Investment Casting - Cert ISO9001, TS16949, AD2000, 97/23/EG
www.ace-well.com

[Barclays Offshore Banking](#)

An International Offshore Account with Barclays Wealth. Find Out More
offshore.barclays.com/Investn

[Cablevisión](#)

Contratá Cablevisión Digital HD + Fibertel 6M + WiFi a \$109 x mes!
Cablevision.com.ar

[Free 2010 Annual Reports](#)

Research Thousands of Companies for Successful Investing in 2011
www.OrderAnnualReports.com

[MI Credit Union Loans](#)

A Credit Union That Works for You. Savings, Checking & Loan Programs.
www.umcu.org

CSR Wire www.csrwire.com, help@csrwire.com, USA

Posted by [microcapital](#) in [Deals](#) at 06:24

TRACKBACKS

[Trackback specific URI for this entry](#)

No Trackbacks

COMMENTS

Display comments as ([Linear](#) | [Threaded](#))

No comments

The author does not allow comments to this entry



TheMIXMarket

The global information exchange
for the microfinance industry

www.mixmarket.org



MICRO RATING
International

A global alliance created
by MicroRate and Micro-Credit
Ratings International Limited

SYNDICATE THIS BLOG

-  [RSS 1.0](#)
-  [RSS 2.0](#)
-  [Atom](#)
-  [RDF](#)

BLOG DIRECTORIES



[Blogwise - blog directory](#)

