



COMMUNITY-BASED PARTICIPATORY MICRO CREDIT  
DELIVERY: IMPACTS AND LESSONS FROM  
LACOSRESP, NORTHERN GHANA

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## **ABSTRACT**

This study seeks to examine the impacts of microcredit on the livelihoods of beneficiaries from the viewpoint of implementation process. This is against the background that not every microcredit delivery approach is good for all people and that effective participatory approach to microcredit administration could lead to lasting impacts. The study examined two microcredit programs using different delivery approach in the Builsa district of Northern Ghana.

This was an obvious choice firstly because of the state of poverty in the district, the limited access to formal credit services and secondly because both programs are being implemented in the same district at the same period. Both quantitative and qualitative data were collected using a combination of semi-structured questionnaire and focus group discussions. 90 respondents were chosen in 10 communities using stratified, random sampling. The study also used a combination of Before-After and the with-Without approaches to better understand the changes and to reduce selection bias.

Both descriptive statistics and a multiple regression model were used to estimate impacts. The study found positive impact of microcredit on income, savings, food security, and expenditure on children's education and further a correlation between the delivery approach and the impacts.