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MICROCREDIT AS AN IMPORTANT INSTRUMENT FOR THE DEVELOPMENT OF RURAL AREAS. REGION OF SHKODRA

Abstract:

Microfinance and in particular micro-credit has become a very important topic in global poverty reduction debates. It has become very popular the idea that the "access in microcredits" helps poor families. Families start a micro-entrepreneurship that will enable them to improve their income and ultimately in reduction of poverty. So far the results of the research have been scarce, and most have been contested.

The objective of this paper is to evaluate the impact of microcredits on family income and to identify the difficulties of poor families after the access to microcredit.

The study is an experimental case of rural areas of Shkoder region where are analyzed the families participating in microcredit programs and non-participating, which will be observed by the time.

Microcredit analysis integrated by the time, the microcredit impact on household income is expected to be positive and to have a significant impact on household income. The study is based on the data collected by 200 questionnaires distributed in the rural areas of Shkoder region.

The new paper argues that providing affordable financial services to the rural population, microcredit remains to be an important strategic component of development. On the other hand, what this paper provides is the need to create new microfinance institutions that support their role in accumulation and wealth creation for their clients.

Keywords:

Microcredit, sustainable development, strategic development, rural development, lending.