



UNIVERSITY OF SWAZILAND

FINAL EXAMINATION PAPER

**PROGRAMME: BSc IN AGRICULTURAL ECONOMICS AND
AGRIBUSINESS MANAGEMENT YEAR 2**

COURSE CODE: AEM 206

TITLE OF PAPER: MICROFINANCE

TIME ALLOWED: TWO HOURS (2 HOURS)

**INSTRUCTION: 1. ANSWER ANY FOUR (4) QUESTIONS
2. ALL QUESTIONS CARRY EQUAL MARKS**

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GRANTED BY THE CHIEF INVIGILATOR**

QUESTION ONE

Define the term microfinance. Trace the origins of microfinance and explain the relevance of modern microfinance to the development agenda. (25 MARKS)

QUESTION TWO

Compare and contrast two microcredit delivery technologies and explain the relative advantages and disadvantages of each methodology. (25 MARKS)

QUESTION THREE

Discuss the key characteristics of a microenterprise? What is the relevance of microenterprise to economies of developing nations? (25 MARKS)

QUESTION FOUR

Discuss the key risks faced by a microfinance institution and proffer solutions on how they can be mitigated. (25 MARKS)

QUESTION FIVE

Using your own examples, discuss the institutions that have advance microfinance operations and outline their characteristics. (25 MARKS)

QUESTION SIX

Discuss the financial and technical tools for measuring financial and managerial performance of microfinance institutions? (25 MARKS)