



# Delinquency Management for Microfinance

**Course Hours:** 12

**Course Code:** 35002

## **Target Audience:**

Bankers working in microfinance units who are assigned, or will be assigned the functions and responsibilities related to delinquency management for micro enterprises.

## **Course Description:**

This course is designed specifically to provide bankers; working in microfinance units, with the necessary helping tools to develop their skills, taking into account the importance of delinquency management and the pricing of interest. The course aims at securing a successful future for the bank and reduces the delinquency risks, which affect the pricing of interest. Hence, they affect the continuity of banks in providing financial services for micro-sector industries.

## **Course Objectives:**

- Determine the cost of delinquency and refraining from payment and measuring their financial effects
- Explain how to measure delinquency and how to control it
- Apply scientific approach in the pricing of interest

## **Course Outline:**

Module 1: Analysis of reasons and costs of delinquency for microfinance

- Nature and reasons of delinquencies
- Costs of delinquencies and refrain from payment
- Financial impacts of delinquencies and refrain from payment

Module 2: Measuring Delinquencies and How to Control Them

- Loan portfolio
- Accounting treatment of custom deficit debts and the expenses of Non-Performing Loans
- Impact of the expenses of Non-Performing Loans, custom and deficit debts on financial statements
- Factors affecting delinquency management
- How to manage delinquencies
- Main pillars of delinquency prevention

Module 3: Determining Interest Rates for Microfinance

- Concepts of calculating interest rates
- Identify interest rates that ensure sustainability

- Methods of calculating interest rates ensuring sustainability
- Effective interest
- Addressing barriers hindering the achievement of sustainable interest rates
- Proposed strategy for effective delinquency management

**Assessment Strategy:**

Participants will be assessed according to their active participation during sessions and exercises

**Upon Successful Completion of this Course, participants will obtain:**

1 CEU

**Course Language:**

Arabic

**Prerequisites:**

Minimum three years of experience in banking in addition to a minimum of one year in Micro Projects Management

**This program entitles you to attend:**

Not Applicable