

How Microloans Bring Financial Reliability to People in Kenya

January 20, 2020



Microloans are small loans offered to people over a shorter period of time, typically without providing any form of security for the lender and often without requiring a credit history from the recipient. They are very similar to credit cards, but are more widely available, especially in markets where a majority of the population is underbanked. People in such markets often don't have bank accounts or the ability to get a credit card. In recent years, the growth of the internet and easier access to smartphones have been great for financial inclusion in emerging markets. They have also allowed for microloans to become increasingly accessible to people, especially those who oftentimes have limited access to the financial services available in more wealthy regions of the world.

Aside from its browser, the Opera group is investing in many areas that involve financial inclusion in emerging markets. The group is today operating three microlending apps. The most famous one is OKash, which operates in Kenya and Nigeria. The app provides loans ranging from 60 to 365 days, with an annual interest rate of up to 36% per annum. While it's a relatively new and small player compared to competitors, it has become a very popular app in the region. Currently, the average app rating for OKash is 4.2 stars out of 5 with more than 68,000 reviews in Google Play. Additionally, the vast majority of loans are provided to returning users, suggesting user satisfaction. In December 2019, it was recognized as the [best mobile app platform of the year in Kenya](#).

