



Feed the Future Country Fact Sheet

Online Version: <https://feedthefuture.gov/article/saving-and-lending-communities-empower-women-tanzania>

Saving and Lending Communities Empower Women in Tanzania



Nyanyonyi Neke for USAID

A savings and loan group supported by Feed the Future helped Asha Goa invest in her business and achieve independence.

Asha Goa was born with a severe disability that affected her ability to work, but with support from the U.S. Agency for International Development under Feed the Future, she was able to create a successful business and carve a path to financial independence. Raised in Kilombero district, the only source of income Goa had was the 25 cents she received weekly from family and friends. That changed in 2014, when Goa joined a Feed the Future-supported Savings and Internal Lending Community, or SILC group.

A Feed the Future project (NAFAKA, or grain in Swahili) that improves agricultural value chains has established more than 700 SILC groups in Tanzania with over 14,500 members, 70 percent of whom are women. These groups, normally formed with 12-25 community members, are self-managed. They offer poor households that normally lack access to basic financial services safe and easy ways to save money in their own community. The groups also give members easy access to small, flexible loans or emergency grants.

After Goa joined the SILC group, she began to save a bit less than a dollar each month, allowing her to take out a loan worth \$18.24 with a minimal interest rate. Using that loan, Goa purchased supplies to cultivate a half acre of rice paddy. With the supplies purchased using the loan, she was able to harvest 10 bags of rice that had a market value of more than \$400. She invested the remaining money in a small business she ran selling ripe bananas. This tremendous return on her investment enabled Goa to quickly repay the loan, save even more money with the SILC group, and further invest in her business. She also earned enough money to build a small home, all thanks to a small boost from her SILC group.

In Tanzania, Feed the Future-supported SILC groups have enabled participants to save a total of more than \$600,000 and lend nearly \$1.4 million to group members for things like household expenses, agricultural production, or even micro-businesses. Best of all, women who participate in the SILC program show increased self-confidence in addition to greater financial independence. SILC group support includes training on financial literacy, good agricultural practices, the importance

of equitable gender roles and basic human rights.

Goa credits the Feed the Future project for empowering her community and creating a path to financial security. “Thanks to [the project]...I can manage my life without depending on others,” she says.