



FURAHA L.

How a Small Loan Restored Hope and Dignity

CASE STUDY



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Furaha L's life is a testament to the fact that where you begin does not have to determine where you end. For years, her potential was stifled by an environment of a rural village in Arusha where opportunities for young women in a pastoral society were rare and survival was a daily struggle.

This lack of opportunity created a cycle of uphill battles that began long before her adult life took shape.

Growing up in Gelai Lumbwa, Furaha faced her first major adversity after completing secondary school.

Though she was determined to build a better future, the limited resources in her community had led her into an early marriage and soon after, brought the responsibility of raising two children.

Her struggles intensified drastically when her husband abandoned her, leaving her as the sole provider, with no assets and no clear path forward.

To sustain her family, Furaha worked as a housemaid. However, her monthly income of approximately TZS 30,000 (\$12) was far too little to cover basic needs, let alone her children's education. Without a stable source of income, providing food and essential care was a constant, exhausting struggle.



In 2024, Furaha took a proactive step toward self-reliance by joining the Ngaishok Lumbwa Group, a local VICOBA group consisting of 24 women, 6 men, and 8 youth. Initially, she joined to build her savings and financial discipline alongside her peers. However, the real turning point came when her VICOBA group qualified for a formal group loan through Engishon Microfinance. The group successfully applied for a loan of TZS 6,000,000.

Unlike informal loans, this partnership provided the group with the necessary investment capital to fund individual member businesses.

Because of her determination to increase her income, Furaha was able to access a sub-loan of TZS 500,000 (\$200) from the group, which she used to start a small-scale food vending business.

This marked the beginning of a significant transformation in Furaha's life. The intervention provided far more than just capital; it offered a fresh lens through which she viewed her own potential. As a result of her entrepreneurial spirit and the support and partnership of her group, she saw her income rise from TZS 30,000 to approximately TZS 300,000 (\$120) per month.

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“When I received the loan, I felt a heavy weight lift off my shoulders. I was worried about the responsibility of a business, but for the first time in years, I felt a spark of hope that I could finally change my children's future,” says Furaha

Driven by renewed confidence, Furaha demonstrated exceptional commitment to her responsibilities. As her financial literacy and business skills improved, she emerged as a trusted leader within her group and was appointed Group secretary. By the end of the group's first 12-month loan cycle, she had transitioned from economic vulnerability to greater stability and was equipped with a long-term vision for her family's future.



Furaha is no longer just dreaming of a better tomorrow, she is actively building it. Her vision is to expand her current business into a reliable wholesale enterprise that serves the entire neighbourhood. Beyond commerce, she is determined to ensure her children receive the quality education she once feared was beyond reach. She also hopes to mentor women in her community, proving that with the right support and personal determination, the transition from dependency to self-reliance is possible.

Today, Furaha's business does more than just generate income, it provides the foundation for her family's survival and growth. By ensuring her children are well fed and securing their education, she has broken the cycle of daily struggle and replaced it with long-term stability.

Her journey is a profound testament to empowerment and resilience, living proof that when a woman is equipped with the right tools and knowledge, she doesn't just navigate a path to hope and dignity, she paves the way for the next generation to reach their goals.

Furaha's transformation stands as a beacon of what is possible when strategic financial partnership meets an unbreakable human spirit, illustrating that the shift from vulnerability to leadership is not just an individual success but a win for the entire community



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