ENGISHON MICROFINANCE LIMITED
We grow with you

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2023 ANNUAL IMPACT REPORT

Bridging the Gap in Financial Services for Pastoralist Businesses

As a trusted financial institution, Engishon Microfinance Ltd. (EML) is managed by pastoralists for pastoralists, offering unique and affordable financial services that are highly accessible and designed to meet the needs of marginalized pastoralists in northern Tanzania, particularly women and youth who struggle to raise capital but sincerely wish to build a better life for themselves and their families.

We believe that access to financial services is a fundamental right and a driver for sustainable socio-economic development, and we are committed to working together to make this a reality for everyone in our community, particularly those who are otherwise unable to secure credit through mainstream financial institutions.

Through training, coaching, and the provision of financial services in Ngorongoro, Longido and Monduli Districts, we are creating an enabling environment for aspiring pastoralist women, youth, and families to do business, create wealth and build a much brighter future together.

Our Vision:
A just and equitable society where pastoralist communities have access to fit-for-purpose economic and social opportunities to improve their living standards and contribute productively to the country's overall socio-economic development.

KEY SUCCESSES IN 2023

Engishon Microfinance Ltd. services now reach more pastoralist community women and youth than ever before.

In 2023, over 5,000 potential clients received vital business and entrepreneurship training.

Subsequently, 1,599 clients benefitted from accessing an Engishon loan. The majority (1,350) are members of Village Community Bank (VICOBA) savings and loan groups, plus 249 individuals operating micro- and small businesses.

Together, they received loans totaling over 480 million TSh (or $180,000 USD). Significant expansion was driven by reaching more rural VICOBA groups, in villages across 3 pastoralist districts.

Critically, business and entrepreneurship training were provided to individuals and groups including member owned and managed VICOBAs (Village Community Banks).

All were trained on registering their groups/businesses, making and managing savings, and taking loans to invest in their small businesses.

Within group lending, a 1st Engishon loan of 500,000TSh (or USD $200), has helped its members improve their livelihoods. Additional larger loans are made available to those who complete their repayments on time and in full.

Clients attest to increased profits, reduced family poverty and reduced dependency on others. Other lenders offer few such learning opportunities specifically catering for pastoralists starting new businesses.

Currently 80% of Engishon clients are women with a further 10%+ are youth. This is by design, and in stark contrast to mainstream financial institutions who seldom offer affordable and accessible loans to pastoralist women and youth due to their lack of assets and the variability of their seasonal businesses.

Despite challenging circumstances, Engishon clients have proven their ability to build their businesses using unique Engishon micro-credit products designed for their specific needs.

ENGISHON MODEL FOR GROWTH

Pastoralist women and youth with Engishon loans no longer sit just waiting for older men to provide for their families.

They now believe in their own potential as business owners and as partners in providing for their families.

They become decision makers alongside their spouses and parents, and set a great example to others of what is possible when everyone is resourced equitably and can contribute their valuable time and talent to improving their family lives and prospects.

Engishon Microfinance Limited (EML) has made significant strides in 2023 by becoming an independent social enterprise, after receiving seed funding from Pastoral Women's Council (PWC) and other funders.

By strategically partnering with social investors, EML has expanded its reach, to provide vital financial services to marginalized communities, particularly Maasai women and youth.

In 2023, we expanded our team, recruiting qualified women and men from the pastoral community, demonstrating our commitment to creating local employment opportunities and empowering indigenous talent.

These young professionals strive to support their clients' growth, and serve as great role models in their communities, demonstrating the transformative potential of business know-how, accessible financial services and social enterprise.

OUR CLIENTS IN ACTION

Naai Mollel, our proud customer, is busy serving her customers with freshly roasted meat. She slaughters 10-20 goats per day to serve her customers during market days. She is one of our most successful clients.

Clients gather regularly to manage their savings and loans groups. They also celebrate their accomplishments and encourage each other on. They exchange experiences and discuss how to overcome challenges. Together, they innovate ideas to refine their business strategies, strengthen their entrepreneurial skills and grow their businesses.

Loan recipients receive specialized financial and entrepreneurship training and coaching from EML Credit Officers as well as receiving support from local volunteer Trainers of Trainers (TOTs) and Village Community Champions.

This peer-to-peer training model ensures the sustainability of our initiatives, and empowers communities to become more self-reliant, fostering economic growth and resilience across the pastoralist regions.

INSPIRATIONAL GROWTH

A Shared Journey to Self Reliance and Social Norms Change

Members of the Nadupa Group, a collective of 27 Maasai women, have defied traditional gender roles and built thriving businesses, thanks in part to a first loan of 3 million TSh (USD $1,100), from Engishon Microfinance Limited.

The Nadupa Group's journey is a testament to the power of microfinance. By providing access to capital and support, EML has empowered these women to create sustainable livelihoods, improve their families' well-being, and contribute to their community's economic growth.

Initially met with scepticism by men in the community, the women's success has inspired others like them to seek their own financial independence.

It has also created a new narrative whereby men recognize that women can be both caregivers and business leaders, able to contribute equitably to decision making and their family's well being.

The collective efforts of Nadupa Group are helping foster a new spirit of entrepreneurship and self reliance that will inspire future generations and transform their social norms.

From Struggle to Stability: Nashuluni's Inspiring Transformation

Nashuluni, mother of 9 children, lives in Ngorongoro and was once trapped in poverty. As the youngest wife of an alcoholic husband, she struggled daily to feed her family, selling firewood for just 2,000 TSh per bundle. Her destiny changed when she received her first loan from Engishon.

Starting with a small business selling maize and sugar, she gradually expanded and diversified, repaying her loan and investing in livestock. Today, Nashuluni owns a thriving herd of 150 goats and sheep and has earned respect in her community. Also inspired by her resilience, her husband quit drinking and began supporting her.

Nashuluni was determined to send her children to school. Her eldest son is now employed and contributing to the family's well-being and stability. Her story is a testament to the transformative power of microfinance, with her determination inspiring many others in her community.

CHALLENGES AND OPPORTUNITIES IN 2024

In recent years, climate change has severely impacted pastoralist communities, particularly during the long dry seasons of 2022 and 2023. Many families lost more than 50% of their livestock, significantly reducing their assets and income. For pastoralist women, this meant spending more time searching for water, pasture, and firewood, while caring for weakened animals and households. Some had to remove their children from school for lack of fees. The time away from their businesses only deepened their poverty and dependence on others.

In 2024, EML will address these challenges by providing loans to families for climate-smart pastoralism businesses. This includes local grasslands restoration, grazing climate resilient cattle breeds, preparing small gardens for vegetable growing, capturing rainwater and fattening livestock for sale before the dry season arrives. Additionally, we will coach families on diversifying their businesses so that they are less vulnerable to climate-shocks, such as droughts and floods.

Unlike other lenders, Engishon offers loan products that are tailored to the unique needs of pastoralist communities, recognizing their seasonal cash flow and that many women and youth lack collateral to secure a mainstream loan. In 2024, we will provide financial literacy training and affordable loans to more marginalized pastoralist women and youth living and working in remote areas.

Additionally, our Credit Officers will offer more direct support and coaching to loan recipients from our new rural offices in Ngorongoro, Monduli, and Longido Districts. This in-person guidance will help clients develop entrepreneurial skills, build confidence, and navigate the challenges of starting and growing their businesses.

These strategies will strengthen our clients' businesses and build on the Engishon loan portfolio, in line with our vision and motto: "We Grow With You."

GRATITUDE IN PARTNERSHIP

It is therefore, with much gratitude and optimism, that we share this 2023 year-end update with you, and sincerely thank you for your continued commitment to equity and opportunity creation across the pastoralist community.

Together, we are reaching some of the most marginalized women and youth in our society. By providing pastoralists with skills and resources to prosper, we have seen how they can significantly increase their self-reliance and transform their futures.

By growing our client base, seeking out those wishing to expand or diversify their businesses, Engishon will also become stronger.

We remain committed to scaling our impact, and to making significant strides towards our own sustainability, through improved client services, operational efficiencies and streamlined loan portfolio management, while serving more pastoralist women and youth with loan products that meet their unique business needs.

We welcome you to continue this journey of growth and community prosperity with us.

Thank you!

For more inspiring impact stories and to contact us go to:
https://engishon.org