

PROJECT FACTSHEET

Title of project	SCBF 2011-06: Promotion of Women-Owned Small Businesses in Tanzania
Country/ region	Tanzania / East Africa
Financial Intermediaries	Equity Bank Ltd.
Competence Centre mandated for execution	Swisscontact P. O. Box 47996, Nairobi, Kenya
Overall project budget	CHF 339'675 (33% self-contribution by partners)
SCBF contribution	CHF 228'700 (66% SCBF funding share)
Date of project approval	16.01.2012
Project period	05.2012 until 10.2013
Context	<p>Tanzania's financial sector, and the microfinance industry in particular, is relatively young. Over the past fifteen years, the financial sector has undergone major changes from the originally state-owned and -controlled system to a liberalized financial sector. Changes included liberalization of interest rates, restructuring of state-owned financial institutions, strengthening of the Bank of Tanzania's role in regulating and supervising financial institutions, and allowing entry of local and private banks into the market. The far-reaching reforms have supported the diversification of the banking sector and the development of a small capital market. Despite the progress, Tanzania's financial sector remains relatively small, and access to financial services remains stunted for the majority of Tanzanians.</p> <p>The project of Equity Bank wants to target an un- or underserved group of the economy – women-owned small businesses – with customized financial products and innovative technology particularly in rural areas of Tanzania.</p>
Current status	Equity Bank was founded in 1984 and has evolved from a Building Society, to a Microfinance Institution, and then to the now all inclusive Nairobi Stock Exchange and Uganda Securities Exchange public listed commercial bank. With over 6,3 million accounts, accounting for over 57% of all bank accounts in Kenya, Equity Bank is the largest bank in the region in terms of customer base. It also operates in Uganda, South Sudan and Rwanda. With the targeting of Tanzanian women-owned small businesses, Equity Bank wants to enter into a new market. The Bank wants to transform the lives and livelihoods of people socially and economically by availing them modern, inclusive financial services that maximize their opportunities.
Objective and main activities	<p>Swisscontact, Equity Bank and Trestle Group Foundation developed a partnership that combines their respective competence for the promotion of women-owned small businesses. The project will assist Equity Bank in entering into a new market: the Tanzanian women owning small businesses. Equity Bank will introduce the successful Fanikisha loan product that targets women specifically. By strengthening the financial and business management capacity of women-owned small businesses, the project will facilitate the linkage between Equity Bank and potential female clients and will assist the latter in the application and management of loans, thereby acting as a trustee to Equity Bank and its investments in a new market. This way, the project will accelerate market entry of Equity Bank with an innovative, women targeting product. This allows Equity Bank to expand its pro poor business and will increase its outreach to new poor clients, thereby causing direct positive income and employment effects. This in turn will help female entrepreneurs in Tanzania to grow their business and increase their income through the provision of financial services, training and mentoring that are customized and support the successful realization of business ideas. Main activities include:</p> <ul style="list-style-type: none"> - In partnership with Swisscontact, Equity Bank will develop a strategy for the up-scaling of its existing financial product and adapt it to the needs and demand of the Tanzanian market, especially woman-owned small businesses. - Trestle Group Foundation will identify and work with women entrepreneurs' networks to mobilize female entrepreneurs. Those women will then receive mentoring and coaching on knowledge (business fundamentals, self-awareness, articulating business idea and business case), networks (purpose, form, structure of networks and how to maintain and grow them), capital (how to become creditworthy and how to assess individual and business needs for financial services). <p>Upon completion of the project, Tanzanian women-owned businesses will have access to adapted financial products and services.</p>