

PRESS RELEASE

FOR IMMEDIATE RELEASE

March 14, 2018

Contact: Meg Muigai
mmuigai@iesc.org

NEW "MKOPO KOCHA" SERVICE TO HELP SMALL BUSINESSES ACCESS CREDIT

USAID-FUNDED PROGRAM TRAINS 22 BUSINESS ADVISORS IN FOUR LOCATIONS

Accessing formal finance is commonly cited as a key constraint for small businesses in Tanzania. Addressing this challenge, the Feed the Future Tanzania Enabling Growth through Investment and Enterprise (ENGINE) Program, supported by the United States Agency for International Development (USAID), recently trained 22 business advisors in Morogoro, Iringa, Mbeya and Zanzibar, to help small businesses qualify for a loan from a financial institution.

The service is called "Mkopo Kocha," and through it, advisors guide business owners through a structured, step-by-step process that includes an assessment of the business, a discussion of their financial goals and working together to improve recordkeeping and financial planning to make the business a more attractive loan candidate to financial institutions. Businesses that complete the process are then linked to a network of financial institutions.

"This service offers small businesses in Tanzania a clear path to improving their chances of qualifying for a loan and a way to connect with financial institutions positioned to meet their needs," said Scott Bennett, Deputy Chief of Party for the ENGINE Program.

Business advisors in Morogoro, Iringa, Mbeya and Zanzibar recently completed the training and are now offering the credit advisory service to small businesses. Speaking of the training, one of the participating business advisors, Anganile Mwakaba of Desk Tech Company Limited in Mbeya, said, "the training has helped me realize that there is a big gap between [small businesses] and financial institutions. With the knowledge gained from the ENGINE training, I will be able to help my clients develop a sound and attractive business plan that will definitely give them a chance to obtain business loans from lenders."

Businesses interested in the "Mkopo Kocha" service can find participating business advisors on the Bizfundi digital platform at www.bizfundi.or.tz or can call +255-22-2600540 for more information.

Feed the Future is the U.S. Government's global hunger and food security initiative. With a focus on smallholder farmers, particularly women, Feed the Future supports partner countries in developing their agriculture sectors to spur economic growth and trade that increases incomes and reduce hunger, poverty and undernutrition.

USAID is the lead U.S. Government agency working to end extreme poverty and enable resilient, democratic societies to realize their potential.

For more information, visit www.feedthefuture.org, www.usaid.gov/tanzania, www.vegaalliance.org, or www.iesc.org.

###