

## #EmpowerHER Training Success, Funding Revival, and Hope for Community Microfinance Groups (CMGs) in Tanzania

In a recent milestone for the EmpowerHER Initiative, a successful training session was conducted in Kerege ward, Bagamoyo district with a total of 29 participants from different groups. This initiative, aimed at nurturing the Community Microfinance Groups (CMGs), continues to gain momentum as it equips these groups with the necessary skills and knowledge to achieve financial independence and combat poverty.

During the session, led by Ms. Grace Zambi from TASHED, the objectives of the EmpowerHER Initiative were highlighted. Participants were commended for their innovative business endeavors



despite facing challenges in loan repayment. The importance of financial management training before disbursing funds was emphasized by Halima, a CMG member, underlining the need for a uniform understanding among group members. She said, *"we all have been observing how the first phase has made us perform. If we can be honest, financial management trainings, such as this training done by TASHED – is very crucial before loan provisions".*

Additionally, concerns were raised regarding previous discrepancies in loan disbursement amounts, leading to investments that deviated from the groups' original plans. These discussions underscored the significance of empowering CMGs with comprehensive financial literacy and planning strategies.

.....Exciting news emerged from the recent Controller and Auditor General (CAG) report on April 16, 2024, signaling the revival of funds for CMGs. Following an observed challenge, prompted by ineffective loan repayment, the government of Tanzania is set to reintroduce non-interest loans to support marginalized groups, including Women, Youth, and People with Disabilities (WYPD), starting July 2024.



Shillings from local government authorities' collections.

In conjunction with the funding revival, the government has implemented strategic measures to streamline loan disbursement processes. The introduction of the "Wezesha Portal" will facilitate efficient fund allocation, while the newly employed Community Development Officers (CDOs) at regional and ward levels will ensure robust oversight and support for CMGs.

The EmpowerHER Initiative remains dedicated to empowering CMGs, fostering financial resilience, and fostering a culture of responsible loan repayment. As the program continues to evolve, it stands as a testament to the collective efforts to uplift marginalized communities and drive sustainable socio-economic development in Tanzania.

The reintroduction of these loans, totaling 227.96 billion Tanzanian Shillings for the 2024/25 financial year, offers a beacon of hope for underserved communities. Notably, 63.67 billion Shillings have been repaid by initial loan recipients, with an additional 63.24 billion Shillings earmarked for approved loans. The government's commitment to supporting CMGs is further evidenced by the allocation of 101.05 billion

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