



Completion Report

COD-EPI-EMP-P01, Bukavu, DRC
February – December 2017

Business Training and Micro-Loans – Democratic Republic of Congo

Budget: \$14,480 – fully funded!

Update:

This project has provided business training and loans for people wanting to start or improve an existing micro-business as a pathway out of poverty. Participants were offered a micro-loan following initial training and were given follow-up mentoring by the trainer to allow the best possible chance of success. The project began in April 2015 and is still providing first, second and third loans to existing and new loan recipients. The funds paid back by lenders has enabled further revolving of loans and so the project has become self-sustaining, a great result.

In the initial phase our partners trained up a carefully selected local Congolese woman, Rachel, to be trained in running a micro-loan program appropriate for the community and culture. This request came from the community to help with a pathway for people to sustain themselves. After the training, Rachel was ready and eager to run and administer a micro-loans project, with support from our partners.

Since that time around 70 people have taken out loans for a variety of businesses such as selling soap, kerosene, clothes, beauty services, hair salons and woodworking. The repayment rate is around 95% overall with only four defaulted loans. In the past six months, there have been no defaults, demonstrating the solid success of the program.

Loan recipients meet once a month for ongoing support from Rachel and to learn from each other together and to make repayments of their loans. This is time well spent as it has enabled the program to build solid foundations. The poorest of the poor are targeted for this project and most are unemployed and women (often widows) who live on less than one dollar a day. These small loans (USD \$30-120) are having a large impact in their lives. Some recipients have had three loans (of increasing amounts each time) which has enabled them to steadily grow their businesses. By lending a small amount to start and gradually increasing the loan amount as the lender proves able to repay, the project has kept costs, and therefore defaults, down. It also means that the mentor is engaging with the training graduates for a much longer period of time, improving their chances of success.

A group of loan recipients gather together to share their experiences and learn from each other.



Here's how the life of Dorina has been changed: *“Before training I didn't know anything about business. Before, I tried selling clothes but there were too many competitors and I could not find customers. After training, I swapped to sweet potatoes which I grow and sell – I see how I can go forward! Now I can bring food to my children. My children used to be chased away from school because I could not pay their fees, but now all of them are at school. I am so proud!”*

Recipients now have a pathway forward!