



Women ADDO workers benefit from small loans to set up their businesses

SUPPORTING TANZANIA'S WOMEN HEALTHCARE ENTREPRENEURS

Afya Microfinance provides affordable loans to enable women to grow their businesses

Innovations that promote access to financing and skills can empower women to expand and sustain their enterprises, leading to women's greater economic security. Yet small women-run enterprises often fall at the first hurdle because their owners lack the collateral and business management skills required to access loans from financial providers.

Despite the huge customer demand for health services in Tanzania, Accredited Drug Dispensing Outlets (ADDO) owners have always had challenges in accessing financing to ensure their shops are stocked with high quality medications in adequate supply. HDIF provided funding to the Association of Private Health Facilities in Tanzania (APHFTA) to develop a customised loan product for an underserved micro-lending market while improving access to first line health services.

Afya Microfinance (AMiF) is a social enterprise set up by APHFTA that provides affordable loans to enable ADDO owners, especially women, to purchase high quality medicines through reputable suppliers,

"My income is very high compared to my husband's. I pay the children's school fees, the rent, and more."
Agnes Nyasebo

in appropriate quantities, and at an affordable price and to make improvements to their businesses.

Agnes Nyasebo, a nurse-midwife working in a peri-urban area of Dar es Salaam is an AMiF success story. Recognising the need for an ADDO in her community, Agnes began selling essential medicines from her house. It soon became clear that the small space meant she could stock only a limited inventory but she lacked capital and collateral to open a business.

After hearing about AMiF, Agnes sought financial support for her enterprise. She received a Tsh 1 million loan which would help her register her business legally, renovate the room to meet the ADDO standards, and add more stock of medicines. She was also linked through AMiF to a reputable supplier with whom AMiF had negotiated lower prices for medicines and supplies. Agnes repaid the loan in six months and took a second loan of Tsh 3 million to scale up the business. Over the course of the two loans, Agnes saw her income rise from Tsh 15,000 per month, with three clients to Tsh 150,000 per day with over 40 clients. She now employs an assistant and has plans to expand the business further.

Agnes is just one example of the many women benefiting from the AMiF scheme who were previously excluded from accessing loans through financial intermediaries due to lack of collateral. As a result of this scheme both women and men have been able to improve their businesses through increased income, expanding the type of services offered, and being able to serve more clients. In addition, accessible and affordable healthcare services have been brought closer to communities that so desperately need them.

HDIF and AMiF

HDIF provided financial support to the Association of Private Health Facilities in Tanzania (APHFTA) to develop a loan product for the underserved micro-lenders market whose businesses are designed to improve access to first line health services.

APHFTA launched a subsidiary social enterprise called Afya Micro-Finance Company Limited in partnership with the Ministry of Health, Community Development, Gender, Elderly and Children, Management Sciences for Health, and Associations of Accredited Drug Dispensing Outlets.

“My husband respects my work because he sees the impact of the business on the family.”

Agnes Nyasebo

About HDIF

The **Human Development Innovation Fund (HDIF)** is a £39m United Kingdom Department for International Development (DFID) innovation programme in Tanzania managed by a Palladium-led consortium with KPMG, Newcastle University (EG West Centre), Loughborough University (WEDC), and the Institute of Development Studies (IDS).

HDIF seeks to accelerate the experimentation, commercialisation, and diffusion of innovations in health, education, and water, sanitation and hygiene (WASH).

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