

## Kick-start Loans



Mpumalanga, South Africa



Economic Empowerment



Tax deductible

Budget -Year 2 - \$40,000

Project Timeline

TOTAL BUDGET \$120,000

3 YEARS



### Overview

Our partners work in the eastern corridor of South Africa in poor communities along the Mozambique/Eswatini (Swaziland) and Zimbabwean borders. They create micro-enterprise and self-employment opportunities for poor women through basic business training combined with micro-loans for start-up and working capital, plus an ongoing support network to ensure success. Loans are repaid with low interest fees and these funds are re-used to help the next person or fund a second loan. The project plans to disburse loans to 2,904 new clients in five branches over a 3-year period at \$40,000 pa.

### Why support this:

The creation of local micro-enterprise initiatives is a business tool that promotes fair trade, income provision and economic empowerment. The in-country implementing partners have established strong relationships on the ground within communities that Entrust has seen in action. Group rather than individual loans develop a support network for beginning businesses and improves the rate of return. Economic empowerment is a proven tool in community development that supports not only the individual but those in her community and family. We like that many of the recipients can apply for further loans to help build their businesses once the initial loan is re-paid. Our partners are 67% self-sustaining and this continues to grow.

### Objectives Include:



**Distribution of first loans in 5 branches across the east**



**Over 14,500 dependents impacted**



**Operational cost for each new loan - \$39**



**2,904 new clients targeted**

### Expected Life Change

- Financial sustainability and stability for families to make decisions
- Children enabled to attend school and families to access health care
- Development of self-esteem as families raise themselves out of poverty
- Participants to benefit the community through business and trade
- Improvement of nutrition and health of the women and their families

### POPULATION

59.3 million

### POVERTY

55.5% of the population below poverty line

### HEALTH

Life expectancy at birth: 64 yrs

### EDUCATION

Mean years of school (adults) 10.2 years

### HUMAN DEVELOPMENT INDEX

Ranking out of 189 nations South Africa 114 (Aust 8)

*\*2020 Human Development Report*

