

Back in Iringa for Iringa Hope

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(SACCOS - Savings and Credit Cooperative Organizations)

Our first visit this year was to the village of Ihemi. A SACCOS was started here in 2008. It is the second oldest and one of the most successful of our SACCOS.

Last year the Ihemi SACCOS had over 50 members on the waiting list for a loan. These members were approved for loans, had met their savings requirement (they must have 33% of their loan in a savings account) and had an approved plan. Late in the year we arranged a special loan for Ihemi of 23,000,000 TZS (about \$15,000) which helped but did not provide for all of their borrower's needs.

We talked to a few individuals about their experiences. Here is one story: Anni Chaula is a 54 year old widow with five children. She is currently supporting three children and two grandchildren. She has belonged to the Ihemi SACCOS since it started. She is afraid that she may not be able to get a loan this year since her last year loan was made from the Iringa Hope special loan. She needs \$450 to plant her fields. Without a loan her projected income is \$300-400 so her son will not be able to go to school and she will not be able to afford her basic needs. A loan would change her life. "If I get the loan I will be able to send my son to school, pay all of our bills, give a tithe, and be able to put a metal roof on our home!" said Anni, who projects that with a loan she will earn over \$1,400!

Everyone we interviewed told us a similar story. They all know how much that a loan from IHESA will benefit their families, but are worried that there just is not enough capital.

Our next order of business was to visit some of the success stories of the SACCOS members—our first visit was to a farmer in Isimilo. Since he joined the SACCOS five years ago he has increased his fields from four to 15 acres. Over the past year he added four acres and spent the year preparing his land for planting. This year he intends to plant tomatoes. In the last five years, he has hired two people to help. He thinks with cultivating tomatoes, he will need to hire one or two more helpers.

Over the course of a few years, three individuals have been able to borrow a few thousand dollars of capital from Iringa Hope. Using this capital they have created seven good jobs while raising their incomes from the extreme poverty level of \$300/year to a middle income level of over \$2,000/year.

It is hard to estimate how many jobs have been created by these entrepreneurs in Ihemi. When asked, the chairman and the treasurer, along with some of the members quickly added up those they know of off-hand and came up with 30. But, they concluded, "We know that there have been many, many more."

Tom & Sandy Hendrickson