



Impact Capital
for Development
TANZANIA

Scalable Development

A Story Collection



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EU in Tanzania



UNCDF TANZANIA TEAM





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WHERE

WE ARE:

INVESTMENT COVERAGE IN TANZANIA

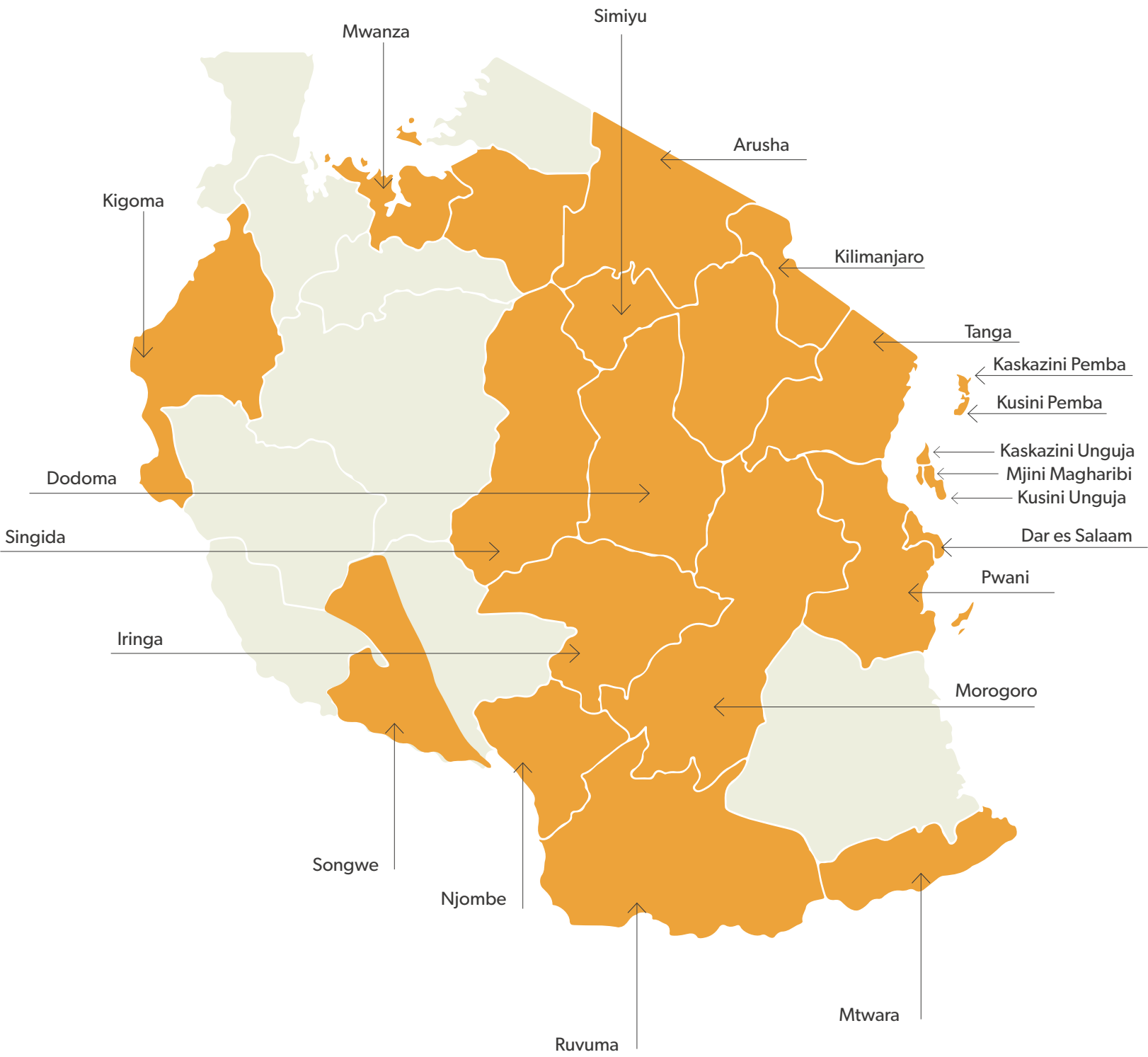


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FOREWORD



Peter Malika
Head of UN Capital Development Fund in Tanzania

It gives me great pleasure to introduce the collection of success stories documenting the work of the UN Capital Development Fund (UNCDF) in close collaboration with the Government of Tanzania.

With this limited collection – we are confirming our delivery on commitments to the people of Tanzania and development partners – we are now ready to scale up development solutions that localize sustainable development.

Throughout this book, you will learn how development finance plays an important role in funding sustainable projects, like agriculture, clean water, clean cooking energy, small industries, waste management, fisheries, renewable energy, health, and education, and why we are pushing public and private institutions to play a more active role in scaling-up successful development solutions.

We acknowledge development partners’ contributions that have sustained UNCDF’s business model, providing the risk capital for innovation and leverage, the technical expertise to remain at the frontiers of innovation in ‘last-mile’ finance, and a robust country presence needed to be a strategic partner to governments and the UN family in Tanzania.

“

“We are now ready to scale up development solutions that localize sustainable development.”

”

Public-Private Community Partnership
Investing in Development Green Economy **Productive Capacities**
Unlocking Growth Potential **Empowerment** Environment and Climate Resilience
United Nations Tanzania Financing for Development **Climate Finance**
Thematic Bonds **Digital Finance** Blue Bonds
Climate-Smart Agriculture Youth and Women Economic Empowerment
Scalable Development **Local transformative finance**



THEME 1:

THE POWER OF LOCAL ECONOMIC DEVELOPMENT





NABUHIMA FOOD

SCALABLE DEVELOPMENT: A STORY COLLECTION
THEME 1: THE POWER OF LOCAL DEVELOPMENT



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THE POWER OF SMALL GIANTS

A rural Kigoma processor harboring ambitions to feed the African Great Lakes region.

Kigoma is largely an agricultural region with one of the most fertile swaths of land in Tanzania. This westernmost administrative country is the gateway to the world for the Great Lakes hinterland, providing access to Tanzania's roadways and railways to the port of Dar es Salaam for Burundi, Democratic Republic of the Congo (DRC) and Rwanda. Despite this profile and the potential behind it, this region is still among the poorest in the country.

Poverty in Kigoma, as in many other economically challenged regions of Tanzania, is exacerbated by a number of challenges in the agricultural economy. These include the lack of timely and affordable agro-inputs, limited financing for agricultural activities, post-harvest solutions, and absence of a stable market that supports well-developed crop value chains with processing capacity.

Despite these challenges, some entrepreneurs are taking charge of their agribusinesses and finding solutions for growth. Aaron Kahitila Mwimo is a 48-year-old father of 12 is at the center of Kigoma's transformation into a high potential agricultural processing region. His mission, as he says, is to feed people, particularly in neighboring countries of Burundi, Democratic Republic of the Congo (DRC), Rwanda, and even as far as South Sudan.

In his hometown district of Kibondo, he is popularly known as Joti, an endearing name he got from his likable persona and striking resemblance to a popular Tanzanian comedian with the same name.

Aaron started Nabuhima Foods in 2008 with one small warehouse in his home village. As a result of his hard-work and vision, Aaron was earmarked for a business growth support from UNCDF that included expansion of his warehousing capacity and other key value chain aspects.

Now he boasts five warehouses with a combined capacity of 2,800 MT and two maize and cassava flour mills in his village and Kibondo town. In 2020 he exported up to 3,850 MT of cassava and maize flour to the Democratic Republic of Congo (DRC), Burundi, and Rwanda, in addition to supplying the local market.

Aaron received a UNCDF seed capital award, which funded more than a quarter of his business' development plans, in addition to bank loans. The funding supported many critical growth areas, provided water to the plant in Nabuhima village, and modernized the facilities. He speaks proudly of his growth:

"I got introduced to UNCDF by the District Executive Director after struggling so much with establishing this business. They've trained me and linked me up with a local bank – from a paltry TZS 3 million to TZS 400 million. I currently operate with two factories and a third is being constructed in Sumbawanga."



5 warehouses with a combined capacity of **2,800** MT



3,850 MT cassava and maize flour exported to the Democratic Republic of Congo (DRC), Burundi, and Rwanda.



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NABUHIMA FOOD

Personal Story

In rural areas where women often cannot find employment in industries, Aaron has made it a point to empower women to be part of his processing facilities. Maria Moses Ruyange works at the quality control section of the Nabuhima flour factory in Rugunga village. She previously worked as a farmer where she had very little capacity to make ends meet. Aaron brought her on board when he received funding to start his cassava processing facility. Maria says:

“



Maria Moses Ruyango
Kibondo District, Kigoma

This work benefits me significantly. I get money to support my family. I also use this income to support my farming activities, for instance, buying quality inputs and paying labourers. I am a much better farmer than I was before I started working here. I have become quite the expert at grading cassava. With the knowledge gained here, I have also improved my farming practices so that I get a better yield. I know the plant enough to dream of starting my own small processing facility.



NABUHIMA FOOD

Personal Story

Aaron Kahitila Mwimo values his community and does what he can to support those around him. Thanks to the expansion at his Nabuhima facility, he has installed water taps where community members can access clean and safe water, free of charge for two days a week. Mariam Mawazo Karimanzira is a young woman in Kitahana, Kibondo who benefits from the free water services at the Nabuhima factory. She says:

“



**Maria Mawazo
Karimanzira**
Kibondo District, Kigoma

Before this service here, we used to fetch water very far up the hills. We used to go in the morning and return during the afternoon, thus, one bucket of water would take about three hours to get home. We frequently had to turn to unsanitary water sources which exposed us to water-borne diseases. Nowadays we can get clean and safe water right here in the community. We really appreciate what Mzee Joti has done for us. With the benefit of extra time, every so often we can get the much needed rest, but also spend some more time looking after our farms and households.

NG'HAMI INDUSTRIES

SCALABLE DEVELOPMENT: A STORY COLLECTION
THEME 1: THE POWER OF LOCAL DEVELOPMENT



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INVESTING IN SMALL EMERGING BUSINESSES IN RURAL AREAS

Public-Private Community Partnership to deliver Maswa communities from food insecurity, malnutrition, and poverty

Orange Fleshed Sweet Potatoes (OFSPs) have been identified by studies as the future of food security and nutrition for many poor communities in African countries, including Tanzania. Maswa, one of the districts of Simiyu region, a fairly new administrative locale in the Lake Victoria Zone has gone a further step in promoting and investing in the crop to harness its benefits in industrial production and processing sectors.

Maswa has a specific approach to industrial production. The district council established Ng’hami Industries, a company wholly owned and run by the council to oversee and run industries established by the district. With support from UNCDF, Maswa DC embarked on a mission to restructure the then struggling Ng’hami industries into a special purpose vehicle (SPV) now co-owned by the council and Njiapanda Village. The SPV’s mission is to increase investment in the district’s industrialization, particularly in agriculture, while promoting transparency and ensuring equitable benefit sharing. This is where the district’s OFSP processing factory comes in. Ntobi Lufunga Ntambi is an economist and Senior Planner at Maswa District Council. He says:

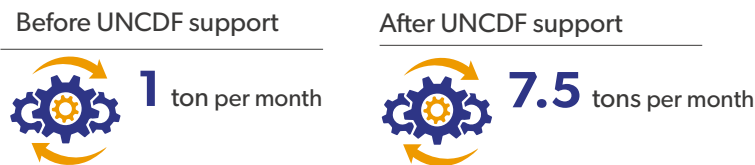
“One of the key objectives of establishing this OFSP processing factory was to address the plight of malnutrition in our communities. We also wanted to establish a stable market for OFSPs and benefit more farmers with income from the crop. In addition, it was meant as an effort to add value to the crop right here in our district that could provide employment opportunities to residents.”

UNCDF also provided the initial capital for purchasing of raw OFSPs from over 500 smallholder farmers who provided raw materials to the factory. This attracted more farmers to produce OFSPs, hence benefiting hundreds in the community, Aurelia Melkiory is a factory manager at Ng’hami Industries OFSPs factory in Njiapanda village. Aurelia, a young nutrition specialist from Sokoine University of Agriculture is also responsible for all payments to farmers. She explains the benefits of the OFSPs:

“These potatoes are full of health benefits. They contain important ingredients in enhancing eyesight. They also give enough energy while packing a sufficient amount of fiber which is important for digestion.”

She mentions UNCDF’s support as being key in the factory’s growth potential. “Previously, our drier could only produce 120kg of dried potatoes per day. But with UNCDF’s support, we invested in a solar drier with the capacity of 1.75 tons per day. That is a huge increase for the small factory which now has greater potential to absorb more potatoes from farmers.”

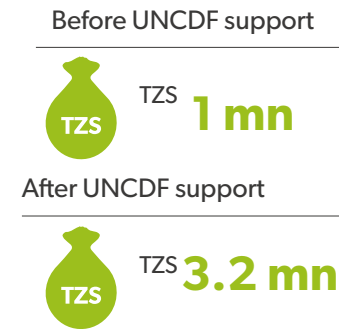
Processing capacity



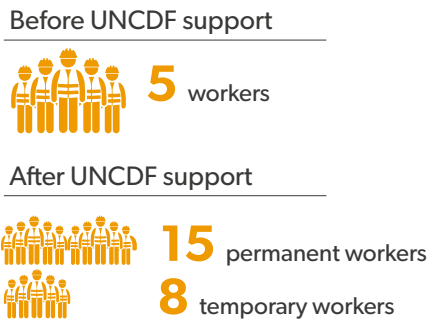
Drying capacity



Gross profit



Number of workers





NG'HAMI INDUSTRIES

Personal Story

Isaya Nchinjai is a farmer at Njia Panda Village. He also benefits directly from the factory in the area. He says:

“



Isaya Nchinjai
Maswa District, Simiyu

I am a farmer and I used to grow cotton, maize and groundnuts. But when the opportunity of growing OFSPs came to our village, with a processing factory right here in my area, many of us decided to drop all our loss-making crops and started producing potatoes. We have been growing potatoes for years in our life. But producing this particular variety only started two years back when we got educated on their benefits. The biggest drive to do this came after having a processing factory right here in the village. So, we knew our market would be stable and close by. We are happy that we're now earning significantly more than if we had continued with the same crops.

CROP AGGREGATION CHALLENGES

SCALABLE DEVELOPMENT: A STORY COLLECTION
THEME 1: THE POWER OF LOCAL DEVELOPMENT



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CROP AGGREGATION CENTERS IN RURAL COMMUNITIES

Innovative Post-Harvest Handling for Smallholder Farmers

Between 2019 and 2020, UNCDF under the Kigoma Joint Programme (KJP) supported the district councils of Kakonko, Kibondo and Kasulu in Kigoma region to establish crop aggregation centers. Specifically, UNCDF financed the construction of one aggregation center in each of the three districts, and the formation of three agricultural marketing cooperatives (AMCOs) around the aggregation centers.

The agricultural marketing cooperatives will be responsible for the day to day operations of the centers. It is expected that the AMCOs will enable smallholder farmers/members to attain improved crop prices through collective bargaining; improve their productivity through access to extension services; and enhances their competitiveness by reducing the transaction costs of off-takers who purchase in bulk from the centers.

Faidaya Misango, the District Agricultural Officer who spearheaded the project on behalf of the local government notes:

“Without UNCDF, the project wouldn’t have happened. Our goal was to provide farmers with excellent storage to curb post-harvest losses, to connect farmers from villages in our district to commercial-scale markets, and to move to value-addition of our agricultural produce. With the vast sums of money required to bring this to life, we thought this may not happen in our lifetime, but thanks to UNCDF, our vision is now a reality.”

The Model

Supported Farmers

Aggregation centers were designed and built to assist smallholder farmers (SHF) to realize the appropriate economic benefits of their efforts. They incorporate crop aggregations, storage facilities, value addition and joint marketing to ensure sustainable benefits.

Instituted AMCOs and SPVs

An AMCO is a cooperative of small farmers for improving agricultural practices and markets. SPVs are companies designed to bring LGAs, AMCOs, village government and the local community together to own and operate the aggregation centers.

Enhanced Operational Governance Structures

Establishing proper governance structures through SPV has increased trust leading into unlocking funds from local banks and other sources.

Aggregation Centers in Figures



Kagezi Aggregation Center: Has **50** members with potential to serve **3,000** farmers.



Mvugwe Aggregation Center: Has **102** members and **3,000** farmers are already registered to get services.



Kabingo Aggregation Center: Has **308** members with potential to serve **1,150** farmers.



Kigondo Aggregation Center: Has potential to serve **2,300** farmers.



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KAGEZI AGGREGATION CENTER

Personal Story

An assessment carried out by UNCDF showed that an aggregation center at Kagezi, Kibondo District would facilitate the cassava trade with Burundi and Rwanda, and the maize and beans trade with the major cities of Tanzania. Following this assessment, UNCDF financed the construction of a 600 metric ton aggregation center for cassava, maize and beans. Through UNCDF's seed capital of \$150,000 for the main storage facility, the project has attracted public and private sector interest to invest in and around the aggregation center. The procurement process for the private sector retail business will start once the construction of the storage facility has been completed.

The project is expected to increase smallholder farmers' income due to the reduction of post-harvest losses, collective bargaining by the farmers through their cooperative, and timely access to trainings, agro inputs & finance. Income to the district council from crop levies is projected to increase as Kagezi Aggregation Center becomes the main trading hub for agricultural products in the district.

Smallholder farmers who are members of the Kagezi agricultural marketing cooperative have benefited from training offered by other KJP agencies on good agricultural practices, post-harvest handling and storage, access to finance and markets. Violet David Kagoma is a farmer and a prospective beneficiary of the Kagezi Aggregation Center. She says:



Violet David
Kibondo District, Kigoma

I grow groundnuts, cassava, beans, sunflower and finger millet. Being a mother of four, my family has been greatly affected by frequent losses after harvest. With the coming of this aggregation center, I believe I will be able to get a reliable market for my produce. I have also opened a food stall here that serves construction workers, and I hope to expand it when the center is fully operational.

PROMOTION OF CROSS-BORDER TRADE

SCALABLE DEVELOPMENT: A STORY COLLECTION
THEME 1: THE POWER OF LOCAL DEVELOPMENT



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PROMOTION OF CROSS-BORDER TRADE

Empowering communities to trade without challenges across borders

At a vantage point in Muhange Village on the Tanzanian side, you can clearly see thatched houses and farmlands of a Burundi community in Cancuzo province across a small valley. Few of them have corrugated iron roofs like the ones in the Tanzanian village. These communities share a long history together, despite the border separating them.

The communities used to have a common market which can be described as little more than an unpleasant location for rural auctions, surrounded by heavy bushes and tracks. The old location became extremely muddy during rainy season, making the area susceptible to communicable disease outbreaks. It was also notorious for regular armed robberies and insecurity for traders and the communities. Trade was a risky undertaking, especially for women who bore the brunt of the unsanitary and insecure conditions at the open air market.

Cross-border trade among these two largely rural farming communities is the lifeblood of their existence, far from bustling urban and peri-urban centers. UNCDF recognized the potential at the market and thus invested in the modernization of this cross-border market that would integrate security, immigration, tax and all other social amenities.

For years, the people of Muhange on the Tanzanian side of the border provided solace to many Burundians escaping insecurity in their communities. But, with the establishment of the Muhange cross-border market, this connection has turned into a socioeconomic opportunity.

- Following the investment of \$120,000 as a seed capital grant to build the main shed of the cross-border market, the project has raised over \$300,000 from the public and private sectors to invest in and around the market area.
- The new Muhange cross-border market supports more than 150 young people and women who have been allotted permanent trading stalls, thereby contributing to increased security and household income.

- Muhange Village has emerged as a vibrant cross-border economic town within the rural Kakonko District. The village has been transformed from having only 1 building to more than 24 buildings offering market users and residents a wide range of services, including the sale of agricultural products and fast-moving consumer goods.
- To date, the national government and the local government have invested in bringing water infrastructure and on maintenance for the existing roads to the market. Access to clean water will be provided to the market and to non-market users, including residents of the nearby villages.



\$ **120,000**
Seed Capital

Over

\$ **300,000**
additional financing
attracted



150 young people and
women with stalls



600
Traders

Transformation into a vibrant village



The village has been transformed from having only 1 building to more than **24** buildings.



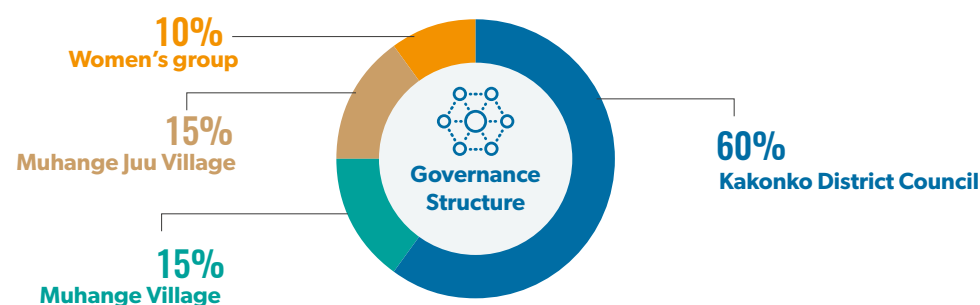
150

The new Muhange cross-border market supports more than 150 young people and women



100

More than 100 women of the Muhange Cooperative Group have benefited from training courses



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MUHANGE CROSS-BORDER MARKET

Personal Story

Brown John Munyogwa is a flour milling entrepreneur with Kiogazi Milling Centre, producers of Kakonko Super Sembe maize flour. His company is located in Kakonko town and their main focus when they established the business was the Burundi market. They produce maize meal and pack in 5, 25, and 50 kg bags. Brown focuses on the last-mile consumer, ideally someone who goes to the market to trade but can also leave with a bag of our flour for his or her family. The modern market has opened up plenty of opportunities for him. He says:

“



Brown John Munyogwa
Kakonko District, Kigoma

Before this modern market, finding buyers for our products was very tedious. You could move around with a ton of maize flour and not sell even a quarter of it. But now this facility has enabled more people from both sides of the border to meet and trade. My dream is to grow internationally in this business and by trading here I already meet with buyers from Burundi, the Democratic Republic of Congo (DRC), and Rwanda. The good thing is that Muhange market has modern food stores where I can stock up right here so that buyers from those countries can get their stock without a hassle. This market is at the heart of my business.



MUHANGE CROSS-BORDER MARKET

Personal Story

The vast majority of traders at the Muhange cross-border market are women and they were exposed to a number of gender-specific challenges and risks that threatened their personal safety and health of their children. Yolanda Lusio is a small-scale trader who sells tomatoes and rice at the makeshift market. Like most of the villagers, the UNCDF-funded modern market complex solves a lot of challenges for her. She says:

“



Muhange cross-border trader
Kakonko District, Kigoma

I am excited to work from the new market as the old one was very challenging. We laid our products on the ground to sell them which isn't a very hygienic thing to do with food. When it rained, the old market closed as the makeshift tents couldn't withstand the downpour. Every time it rained it meant a loss of income for women like myself. For those of us with young children, having an enclosed, designated space to sell from has improved our childcare. At the old market, we sold from unhygienic patches of ground and our children were exposed to all types of germs while we worked. Also, since the old market was informal, there were times men would come and take our goods or space, and we couldn't really do anything about it other than complain amongst each other.



MUHANGE CROSS-BORDER MARKET

Personal Story

The Muhange Cross-border Market is jointly owned by the Kakonko District Council at 60%, Muhange Chini and Muhange Juu villages, with 15% each, and the women's cooperatives in these villages who own 10%. This model was part of the intervention by UNCDF meant to provide a modern, secure and, most importantly, women-friendly facility that can promote and support daily cross-border trading between bordering communities from both nations.

The cross-border market at Muhange has had a great impact on women traders in particular. Godliva Segela Semagogwa is a trader and a member of Tujikomboe Women's Group at Muhange. She sells rice and is a food vendor at the market. As one of the founders of the market, she and other group members are also part-owners of the market. She speaks about their involvement:



Godliva Segela Semagogwa
Kakonko District, Kigoma

A woman was behind this project to build a modern market here. She told us categorically that women should be at the forefront, leading this facility and utilizing it. The new market has retail stalls and modern stores where we stock up our products. Most importantly, we (women) have shares here as joint-owners of the market. We would like to grow more as a group and be able to capitalize on this facility.

GREEN ECONOMY

MPALE VILLAGE SOLAR MICRO-GRID

THEME 1: THE POWER OF LOCAL DEVELOPMENT



Mpale Village, Korogwe, Tanzania



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SMALL VILLAGE SOLAR MICRO-GRIDS

Stimulating economic activity with greater access to affordable, reliable, and clean energy

Access to affordable and reliable electricity is vital for Tanzania's attainment of its socio-economic goals. Access to electricity is specifically difficult in Tanzania's north eastern village of Mpale in Korogwe District, where the mountainous terrain poses a technical challenge in deploying grid lines.

The Mpale 50 kW Solar Village Micro-grid Project is vital in increasing rural electrification which will directly and indirectly impact 3,000 people in Mpale village. The project serves as a demonstration platform with a massive potential for replication and scaling-up in other villages, in the region, and also in other parts of the country.

The project will contribute toward the sustainable and inclusive development of Korogwe District and beyond, by generating important transformative impacts.

Electricity was brought to the village of Mpale nearly 50 years after it was established as a village. Prosper Magali, the Project Manager at Ensol, a private sector company, says the idea of developing the Mpale 50 kW solar mini-grid was to connect rural communities with electricity noting the challenges of energy distribution to remote areas.

In three years of implementation, there are numerous accomplishments providing entrepreneurial opportunities to youth and women in small shops, salons, barbershops, carpentry etc. Connectivity is currently at 256 households of which 50 are SMEs – an increase from 50 homes in 2017.

For UNCDF, it was important to demonstrate the development impact of this off-grid renewable power plant (as opposed to diesel generated power plants) at this most remote and difficult to reach mountainous villages in Korogwe district. Once this first one is built, the local developer can demonstrate to local banks and other investors that there is proof of concept and a successful track record.

To serve rural and remote communities with this kind of technology and solution, the developer must design a payment plan within the capacity of the community to pay. Considering the high investment costs and the lack of economies of scale (initially) to make such a project attractive to purely commercial financiers, there is a compelling need for development finance to subsidize catalytic development projects to prove concepts and demonstrate the track record necessary for scaling-up.

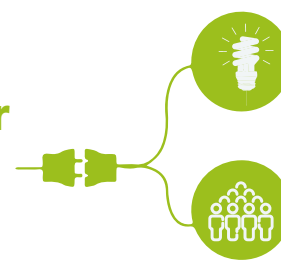
Hussein Mahonge, a small business owner who runs a restaurant says

“The partnership with UNCDF has been key in this project. In addition to receiving funding, UNCDF has been instrumental in providing technical support and other advice. Collaborating with UNCDF has added much credibility to the project among all our other partners and financial institutions.”



The project won the Alliance for Rural Electrification (ARE) award in the “Best Off-Grid Project in Africa” category. The award was presented during the ARE awards ceremony which was held at the 4th ARE Energy Access Investment Summit in Catania, Sicily on 13 March 2018.

The Mpale 50 kW Solar Village Micro-grid Project



Increased rural electrification

Serves **3,000** people in Mpale village.

Mpale was transformed to a vibrant village **“usiku kama mchana”**

Connections



256
households



50
Young people's
and women's SMEs



1
Dispensary



1
School

Innovation

Introduction of Energy Daily Allowance (EDA) - a daily energy consumption that customer subscribed to, the meter limits customers to consume beyond the subscribed amount. This gives a room to those with low income to have access to electricity based on their earnings.



MPALE SOLAR MINI-GRID

Personal Story

The Mpale dispensary caters to more than 300 patients per month. Consistent power supply has meant an almost 50 per cent reduction in running vital services such as vaccination, which in turn, has meant less costs for patients for the same services. Dr. Herman Magembe, Clinical Officer at the Mpale village dispensary says access to electricity has simplified their work and reduced their power costs by half switching from gas to solar power generation.

“



Dr. Herman Magembe
Mpale Village, Tanzania

We are grateful because now we have a consistent supply of electricity. When we used gas, we spent almost TZS 70,000 per month, but with electricity we spend about TZS 36,000. Now that there is full-time electricity, patients receive their vaccinations in time. Previously, when we ran out of gas for power generation, the vaccines would get destroyed and cause loss to the dispensary. Replacement of the gas cylinder was not a guarantee because of the rough terrain which made the roads to the nearest town impassable during the rainy season.



MPALE SOLAR MINI-GRID

Personal Story

A Form Three student at Mali Secondary School in Mpale village, 16 year old Amina Ismail remembers that before electricity she didn't have time to do her homework. She says:

“



Amina Ismail
Mpale Village, Tanzania

It was very hard for me to use the kerosene lamp because it produces a lot of smoke which affected my health. Sometimes my dad didn't have money to pay for kerosene which hindered my studying and affected my performance. I would often go to bed without finishing my homework. After the installation of electricity, I have enough time to study, participate in group work with my friends and adequately prepare for tests. My goal is to become a teacher so that I can teach kids from my village.

GREEN ECONOMY

OFF-GRID CLEAN ENERGY

SCALABLE DEVELOPMENT: A STORY COLLECTION

THEME 1: THE POWER OF LOCAL DEVELOPMENT



TANGAZO.
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2. MUDA KUCHUKUA
Saa: 12:00 - 1:00 Jlon
3. BEL YA KUCHAJI
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CLEAN ENERGY, CLEAN WATER

One off-grid box, a multitude of benefits to remote Ikungi villagers

Twelve off-grid boxes have been installed to three districts of Bunda, Ikungi and Busega in Tanzania. Ikungi is a district in Singida with most of its dwellers engaged in agricultural production. As the district struggles to lift its residents out of poverty, agricultural processing, particularly semi-processing by micro, small, and medium-sized enterprises (MSMEs), is viewed as a way out. However, a wide range of economic activities in Ikungi are hampered by a shortage of power. Without electricity, communities do not have access to services that support a dynamic rural and peri-urban lifestyle, such as grain mills, health facilities, small shops, schools, and water supply.

With this in mind, Ikungi District worked with UNCDF on piloting off-grid solutions for rural electrification. This included the installation of an off-grid solar box that integrates supply of electricity and supports water filtration and distribution to rural communities. These boxes are small, mobile, and installed on location.

Mungaa is a 30-minute drive from Singida municipality. Their off-grid box is installed close to the village primary school. The solar powered box collects energy from the sun and stores it before supplying to important recipients in the village. Apart from the school, the box filters water for distribution to villagers at a small fee. The water is also piped to the village dispensary and a tree nursery.

Villagers can buy solar lights and power banks that can supply their households with the necessary lighting. They can also use the power banks to charge their mobile phones and computers. The village off-grid box charges mobile phones of villagers at a lower fee than what they used to pay.

Helena Masiga is the caretaker-cum-operator of the Mungaa off-grid solar box. She says:

“People from the district council came here, installed the box and trained me on how to operate it, and I have been doing that since then, earning an extra income that I use to support myself and my family.”

Helena is also in charge of creating community awareness and marketing products for the off-grid box. She has impressive mastery of her work dealing with mobile phones, power banks and rechargeable lights.

“We used to have frequent cases of bilharzia here. Now I am mobilizing people to use safe water coming from the box, and we’re seeing less and less cases of water-borne diseases. The water here also nourishes the tree nursery with the aim of producing seedlings which will be distributed to villagers during the rainy season.”



120,000 liters
serve 5000 households per day



\$0.86

Amount spent per day on kerosene before the project

\$0.17

Amount spent per day for lighting after off-grid box installation



12
new jobs



12
Total number of off-grid boxes installed in three different districts in Tanzania



24,000
People served with electricity across three districts



IKUNGI OFF-GRID BOX

Personal Story

The off-grid box brings more potential to improve horticultural productivity, education, health and livelihood in general. Prisca Joseph Ntuh is a housewife and farmer. She produces sunflower and millet. She says:

“



Prisca Joseph Ntuh
Ikungi District, Tanzania

Getting water right here has made our life easy. I am really relishing this project since the tap is just across from my house. The most important thing for me is getting water near my house. It has really made my life better.

The water that we were using was cloudy and brown, not safe and clean. We just drank it since we had no alternative. We are very grateful to UNCDF for their support that has enabled us to enjoy clean and safe water.



IKUNGI OFF-GRID BOX

Personal Story

The off-grid box supplies water and electricity at the social service centers in the community, including the Mungaa Primary School and Dispensary. The headteacher, Pascal Mollel, and the Clinical Officer, Mercy Maselele describe what having water and electricity means. They say:

“



Pascal Mollel
Ikungi District, Tanzania

We need electricity in the whole school and in teachers' houses. Currently, we only have electricity in just one class but we are hoping that, with the off-grid box, we will get more. Our children would benefit more if we had electricity in all classes, especially during exams. With more reliable electricity, we would love to start offering computer classes.



Mercy Maselele
Ikungi District, Tanzania

The availability of water has greatly improved our services at the health facility, as it is vital for cleanliness. A few days ago, we were renovating one of the dispensary buildings for future use. The off-grid box helped us a lot with water supply during the renovation. The building has water taps very close to it, thus we will start attending to women giving birth right here because it requires reliable access to water.

ANDOYA HYDROELECTRIC

SCALABLE DEVELOPMENT: A STORY COLLECTION
THEME 1: THE POWER OF LOCAL DEVELOPMENT



GREEN ECONOMY

SMALL HYDROPOWER FOR RURAL DEVELOPMENT

Small-scale projects increase access to electricity

A short distance outside Lifakara, the Mtandasi river rushes and pounds into a thunderous waterfall. Janeth Andoya stands outside a small red-brick maize milling station nearby and points at the rapids. She says:

“This is where our clean energy story begins. My late husband would always come to this part of the river and ask: why do we think we have no power in our village while there’s enough energy in this water to power Lifakara and all the villages around it?”

Like most rural villages in Africa, the majority of people in Lifakara village used to rely on rudimentary and unclean forms of energy like firewood, charcoal, diesel generators, kerosene, and animal waste. Disconnected from the national power grid, Lifakara and surrounding villages of Mbinga District in Southwest Tanzania, lacked a reliable supply of electricity.

Energy access is at the heart of development and a fundamental requirement to meet basic human needs and grow economies. Without access to basic energy services for things like lighting, cooking, heating, transportation, and communication, people – most often women – are forced to spend much of their time and physical energy on subsistence activities. The disparity in access to electricity places rural areas at an economic disadvantage compared to connected, urban areas. Without access to electricity, rural households have fewer options to earn a living and their productivity is limited.

Andoya’s journey to provide power to Lifakara began with a basic hydroelectric-powered motor - enough to power the maize milling station. None of the villages outside of Mbinga town had access to electricity and Andoya’s vision was to connect all of them in order to power businesses, schools, hospitals, and households.

Following the success of the milling station hydro project, he built the Andoya Hydroelectric Power company (AHEPO) and grew it into a 500 kW hydropower plant connecting 210 households across rural Mbinga.

“While we were able to build and grow the power plant, our vision of connecting all the villages in Mbinga District to electricity was still a distant dream. UNCDF support was just the catalyst we needed to make this a reality.”

Electricity has transformed this community. In many ways, energy is connected to each of the sustainable development goals (SDGs) but particularly SDG 7: Clean and Affordable energy, SDG 5: Gender Equality and SDG 1: Poverty Reduction. The AHEPO small hydroelectric project is a driver for local development in rural communities creating jobs, meeting household needs, and providing quality public services.

500 kW
Hydropower plant

210
Households
connected across
rural Mbinga

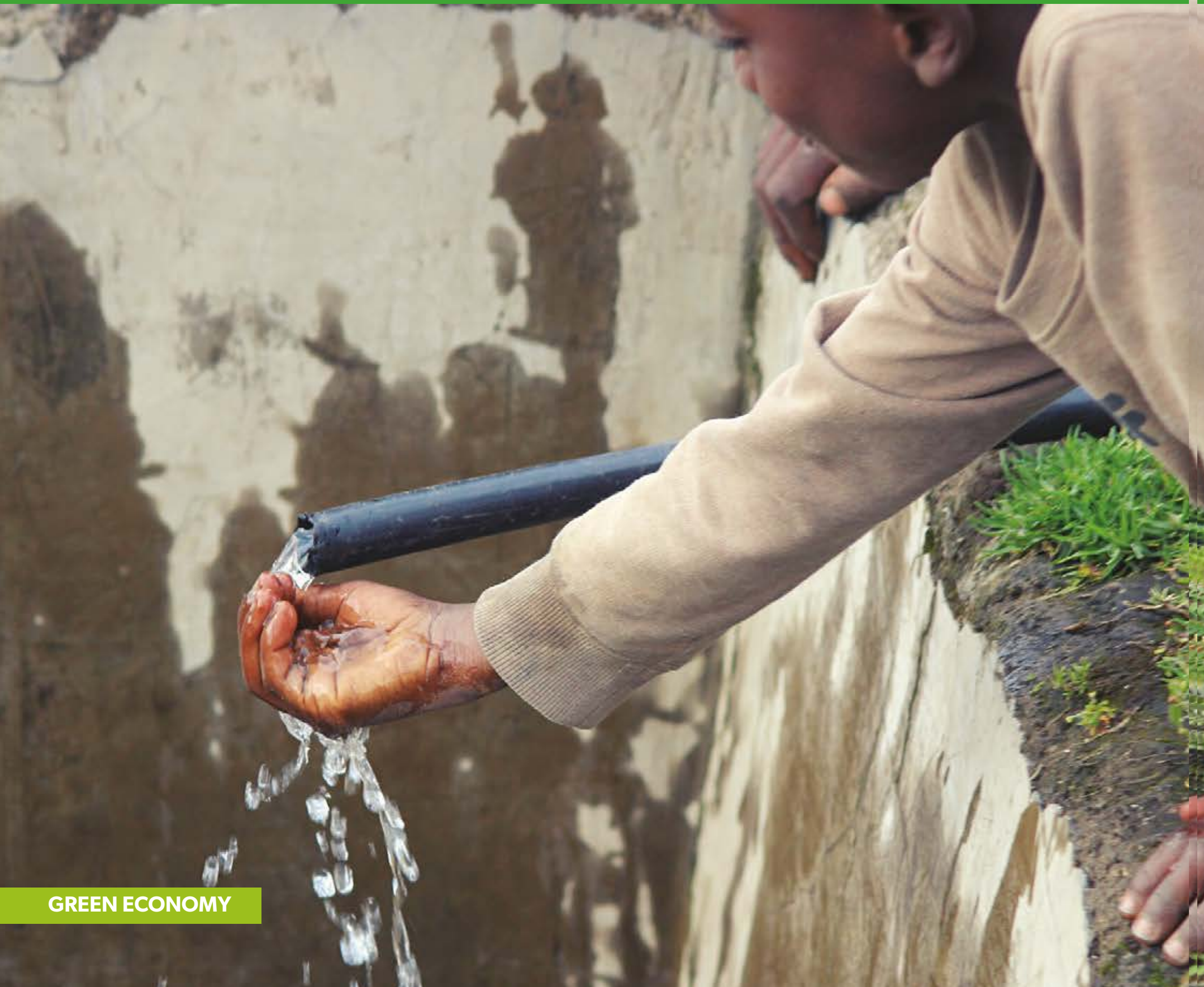


UNCDF IN-HOUSE CAPACITY

GREEN WATER BOND

SCALABLE DEVELOPMENT: A STORY COLLECTION
THEME 1: THE POWER OF LOCAL DEVELOPMENT

GREEN ECONOMY



GREEN BONDS: A REVOLUTION IN FINANCING DEVELOPMENT

Long-term capital to finance significant improvements to Tanga’s water infrastructure

Rapid population growth and the migration of people from rural settlements to urban areas, coupled with the increasing trend toward investment in industrial and commercial sectors have increased the demand for water and sewerage services in the recent years.

While that is the case, and eventually causing the demand for water to plummet, the capacity of the Tanga Urban Water Supply and Sanitation Authority (Tanga UWASA) to provide water and sewerage services has not been improving amid inabilities to increase investment in water supply and sewage services infrastructure. In addition to this, a significant component of the existing infrastructure is highly dilapidated.

Access to clean water remain one of the big developmental challenges in Tanzania and developing countries in general. Limited access to clean water contributes to environmental degradation because unserved communities find other ways to get water to survive.

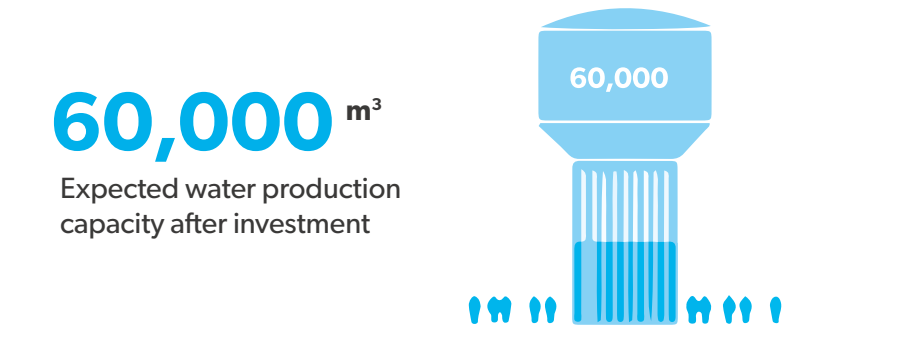
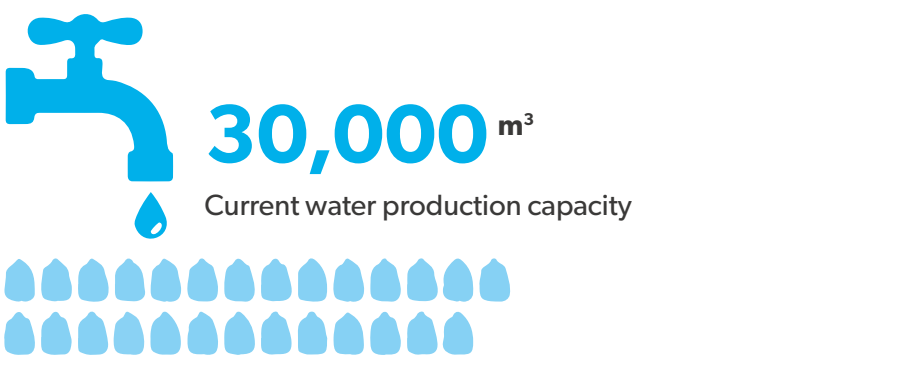
With reality of climate change at hand, problems related to clean water access are likely to compound especially in urban areas characterized with high population.

UNCDF is supporting Tanga UWASA to access long term capital using a “revenue project bond” instrument in order to finance infrastructure development. Specifically, the 15-year bond proceeds will finance the Tanga city’s water supply improvement project with the aim of increasing clean water production, treatment, and distribution capacity for the city of Tanga and nearby townships of Muheza, Horohoro, and Kasera.

The proceeds will also go towards the procurement and installation of smart water metering, which is expected to ramp-up revenue collection capabilities.

Planned investment will double water production capacity from the current 30,000 cubic meters per day to 60,000 cubic meters. This will provide enough water to serve the existing and future households and institutional customers. It will further increase efficiency in terms of volumes of billed water and revenue collection capacity.

To meet the good governance requirement by regulators, an appropriate structure will be established to ensure smooth implementation of the project; monitoring; and the ring-fencing of revenue for timely repayment of bondholders and other commitments.



Environment and Climate Resilience

Part of the funds from the bond will be used to conserve the environment around Zigi river, which is the source of water supply for Tanga city



COOKFUND

SCALABLE DEVELOPMENT: A STORY COLLECTION
THEME 1: THE POWER OF LOCAL DEVELOPMENT



GREEN ECONOMY

CLEAN COOKING SOLUTIONS

CookFund to accelerate market roll-out of clean cooking solutions in Tanzania

With support from the European Union, UNCDF is implementing a three-year CookFund initiative to accelerate the market roll-out of clean cooking solutions in Tanzania. The program is a key component of the broader integrated approach for enhancing the sustainable cooking value chains program, which aims to contribute to Tanzania's climate change commitment by increasing the share of the population with access to sustainable cooking solutions.

The program is implemented in urban areas of five regions, namely Dar es Salaam, Pwani, Morogoro, Dodoma and Mwanza. The United Nations Industrial Development Organization (UNIDO) will co-implement the program only in Dar es Salaam City, reaching the market with Bioethanol.

Specifically, the program provides financial and technical assistance to support the accelerated market rollout of clean cooking solutions (stoves and fuels), leading to an improved environment, new jobs and business opportunities along the value chains.

Its main objective is to address the policy and market challenges of the cooking energy sector in Tanzania to improve livelihoods, empower women, and reduce climate change impact. The program targets SME producers such as importers, wholesalers, suppliers, and retail distributors of cooking technologies, as well as consumer households, businesses such as industries, hotels, and restaurants, and institutions including schools, hospitals, and colleges.

It is expected that over 640,000 households will be reached, leading to the substitution of over 180,000MT of charcoal. By supporting over 350 SMEs, the program is expected to lead the creation of 13,000 jobs, including 1,700 direct and 11,300 indirect jobs. Additionally, the project will save 23,000 hectares of forest and lead to the reduction of 5,000,000 metric tons of carbon emissions.



640,000+

households to be reached

180,000 MT
of charcoal.



350+ SMEs



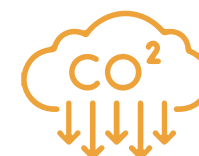
13,000 jobs

1,700 direct and
11,300 indirect jobs.



23,000
hectares of forest saved

5,000,000 MT
Expected carbon emissions reduction.



SUSTAINABLE AGRICULTURE

KIBONDO BIG POWER

SCALABLE DEVELOPMENT: A STORY COLLECTION
THEME 1: THE POWER OF LOCAL DEVELOPMENT



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SUSTAINABLE AGRICULTURE

THEME 1

Supporting agri-value chains through crop aggregation

Kibondo Big Power Group (KBPG) is an agricultural-based cooperative with a total arable land area of 1,200 acres. Currently, the cooperative is using 650 acres for various agricultural activities that involve intercropping short-term crops such as maize and beans with mid-term and long-term activities such as forestry occupying over 200 acres of pine and eucalyptus trees.

Supported by the Kibondo District Commission, KBPG were given this land in 2005, where, after experimenting with sorghum and groundnuts, the crop was changed to cassava, and by 2006 they had their first successful harvest.

Despite having such a sizeable portion of land, Kibondo Big Power's productivity and growth was limited by the lack of electricity. Mr. Kennedy Salundari, the cooperative's chairman maintained very good relations with the local government, and when UNCDF came to Kibondo, the District Executive Director of Kibondo Council made the much needed introduction between the two parties. Kennedy says:

"We are in the middle of a forest, so facilities such as electricity aren't available to us due to our geographical location. But, with the help of UNCDF, we now have solar electricity which gives us a total of 3,200 watts. This is enough power to light up two villages."

Water, despite being a key factor for agriculture, had been a major challenge for the cooperative. The cooperative dug wells to collect water to be used for their farms, but this method posed numerous challenges to them, leading to poor productivity.

"Our methods of collecting water posed a challenge to us. However, UNCDF provided us with start-up tanks, and, with solar electricity connected, we are now able to pump water from the well to the farm. We are also looking to construct a well able to collect 3-5 million liters

of water that can sustain our farms and up to three villages."

The availability of water and electricity provided with support from UNCDF has made a difference. Now, Kibondo Big Power runs a fully fledged processing operation that adds value to their cassava produce. In the past, the Kibondo Big Power Group exported dried cassava to neighboring Democratic Republic of Congo (DRC) or Burundi because of the lack of factories in Kigoma producing high quality cassava flour. This means the group had to accept lower prices for their products.

The processing plant, capable of producing cassava flour from the dried cassava from the farm, produces 20 tons of processed cassava flour with markets in South Sudan, Uganda, Burundi, Rwanda and the Democratic Republic of the Congo.

Processing capacity

Before UNCDF support



40 MT during production season with an average of 5 months per year.

After UNCDF support



175 MT during production season with an average of 5 months per year

Number of workers

Before UNCDF support



1 worker (processor)

After UNCDF support



8 workers



Revenue

Before UNCDF support



TZS 40 mn per year

After UNCDF support



TZS 298 mn per year



Norwegian Embassy
Dar es Salaam



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KIBONDO BIG POWER

Personal Story

Mr. Baraka is among the members of KBPG who has achieved considerable growth after joining the cooperative. Like Mr. Salundari, the Chairman, Baraka was a homeless street hawker before he joined the cooperative. His life has been turned around from living in abject poverty to having valuable skills as a planter, a stable income, plenty of food, and a comfortable place to call home. Despite being ridiculed by peers when he first started working on the farm which is considered too agrarian and backward by urban-based young people, Baraka's determination and inspiration from Mr. Salundari kept him going until the very end. He says:

“



Mr. Baraka
Kibondo, Tanzania

My work has earned me enough money to sustain my life because before I had this job, I was poor. I slept on the ground and sometimes on grass, but I give thanks to Kibondo Big Power for empowering me to have my own house and a life that I desired for a long time.

The journey wasn't all merry. I had to make a tough and unconventional choice to be where I am today. Even some friends who ridiculed me when I started working here have joined me in the farm after seeing my success.

ENHANCING LOCAL GOVERNMENT OWN-SOURCE REVENUE

SCALABLE DEVELOPMENT: A STORY COLLECTION
THEME 1: THE POWER OF LOCAL DEVELOPMENT



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ENHANCING OWN-SOURCE REVENUE

Kibaha Town Council bus terminal: An income-generating infrastructure project

It is 5:00 a.m., and 23-year-old Annet Skoyo is proudly clocking into work. Unlike many at this hour, she already has a stream of customers queuing outside her office. Annet is a bus booking agent at Kibaha bus terminal. The station caters to 14,000 passengers a day and Annet tends to the various needs of travelers. This was not the case just a few years ago as the terminal was ill equipped with support infrastructure such as shaded seating areas and adequate toilet facilities.

In Kibaha, on the outskirts of Dar es Salaam, Tanzania, UNCDF worked with Kibaha Town Council by providing seed capital and technical assistance for the development and construction of a new bus terminal. During construction, labor was sourced from the local community providing a number of job opportunities to residents.

The new facility gives Kibaha the opportunity to fully capitalize on the town's strategic location as a transit point for all vehicles traveling to and from 29 regions of Tanzania and the neighboring countries of Kenya, Uganda, Malawi, and Zambia. Since its opening, the local authority has seen its revenues double. Kibaha Municipality officer **Innocent Byarugaba** says:

"We have seen increased revenue to the local and national government, more jobs have also been created. There are young people that sell products like fruits and biscuits. They have employed themselves instead of turning to petty theft, now they have a place to earn money and take care of their families."

Baraka, a petty trader at the terminal, previously relied on casual day work. The presence of the station has provided him with a steady job and income. He says:

"There is a lot of activity at the station with people traveling to different regions across the country. I make a decent income from the goods

I sell to them and I'm able to provide for my wife and child. Previously, I would go up to one week without earning any money."

The increasing activity led to additional investment in complementary infrastructure in Kibaha town by the central government. Brand new roads leading to the terminal have been built, there is connection to electricity and sewage lines, and new businesses have grown. And with the town's strategic location, a new market for agricultural goods is now under construction across the road from the bus terminal.

Through strategic investments in sustainable local projects, UNCDF lays the pipeline for larger public and private investments for communities like Kibaha town. Additionally, the presence of the terminal addresses the sustainable development goals (SDGs), namely, SDG 1, SDG 5, SDG 8, and SDG 11.



The station caters to
14,000
passengers



64,960
passengers per day



Kibaha is strategically located as a transit point for all vehicles travelling to and from **29 regions of Tanzania** and the neighboring countries



12
full time employees



TZS 50 mn
monthly average revenue

KALEMAWE DAM

SCALABLE DEVELOPMENT: A STORY COLLECTION
THEME 1: THE POWER OF LOCAL DEVELOPMENT



FISH FARMING: KALEMAWE COMMERCIAL FISH FARMING

Increasing food security and boosting local economic growth in Same District

The negative effects of climate change in semi-arid climatic condition like Kalemawe in Same District, Tanzania is a good example of how human life, animals and settlements are being threatened. The effects extend to social inspiration and economic returns. Mitigation using legislation and punitive actions are not always effective.

To be inclusive and multi-encompassing, local government authorities have to adopt a business approach, and private capital injection can help to generate gainful opportunities.

Tanzania has huge potential for fishing activities mainly in those areas which border sea, lakes, and other water bodies such as rivers, ponds, and dams. However, semi-arid areas such as Kalemawe have not enjoyed benefits coming from the fishing sub sector, including economic and nutritional benefits.

Same District Council (SDC) is endowed with a sizable man-made lake which is located at Kalemawe and Ndungu Administrative Wards. The dam was constructed by the British Colonial Government to control floods and support agricultural activities of the Pare pastoralists who were evicted from the Mkomazi Game Reserve in 1951.

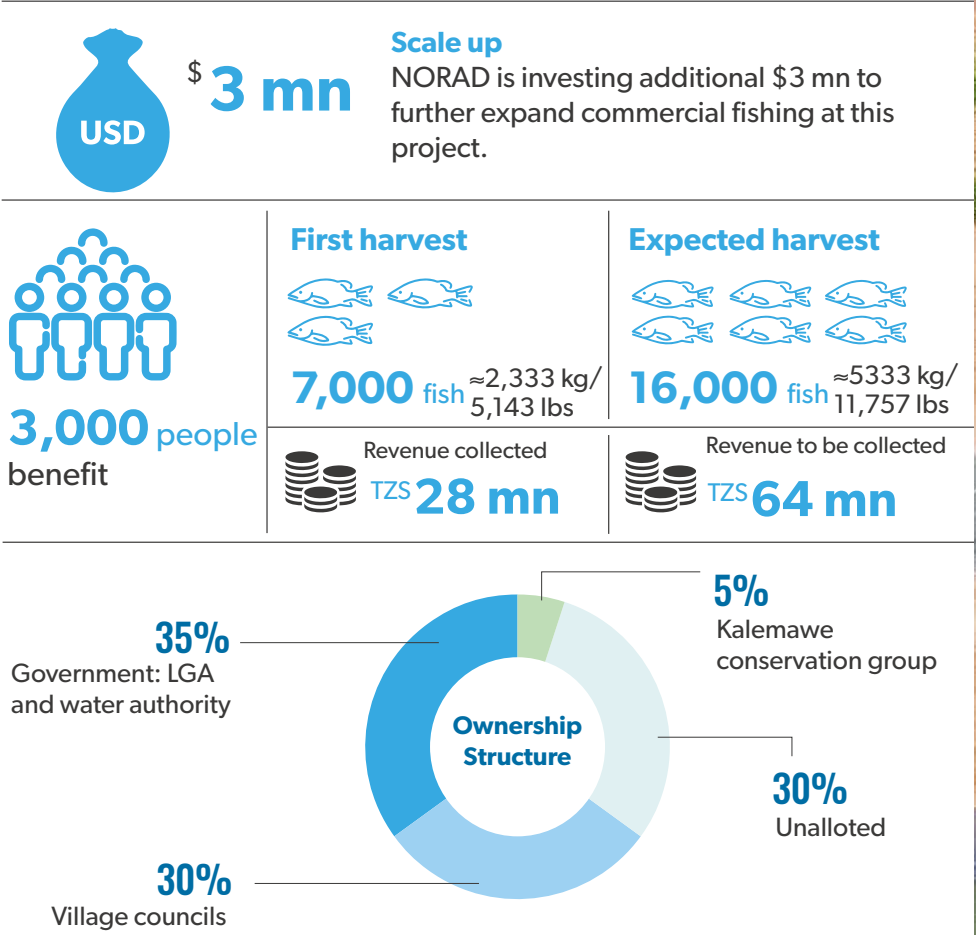
The communities around Kalemawe have taken up commercial fish farming as a centerpiece in efforts to reverse the economic, social, and environmental challenges in their area. With support from UNCDF, Same District, its surrounding communities, and the Pangani Water Basin Agency has embarked on a commercial fish farming project since 2017. These stakeholders have formed Kalemawe Dam Investment Ltd, a Special Purpose Vehicle (SPV) company to spearhead this economic activity.

With technical assistance and a seed capital grant from UNCDF, the project has established cold chain facilities for its own production and will gradually increase the size of the facility to buy from what are known locally as “out-keepers”.

Commercial fish farming has generated a number of employment opportunities ranging from water pumping from the dam to the ponds; to supplying or/and processing of fish feeds, and production, harvesting, storage, and distribution.

Other than direct employment in the company, women are participating in fish farming as out-keepers. The company has tailored specific training and technology transfer programs to support entrepreneurial activities among women. The water from fish ponds is also used for irrigating fruit and vegetable gardens established by women’s groups, thus contributing to their income and nutritional improvement.

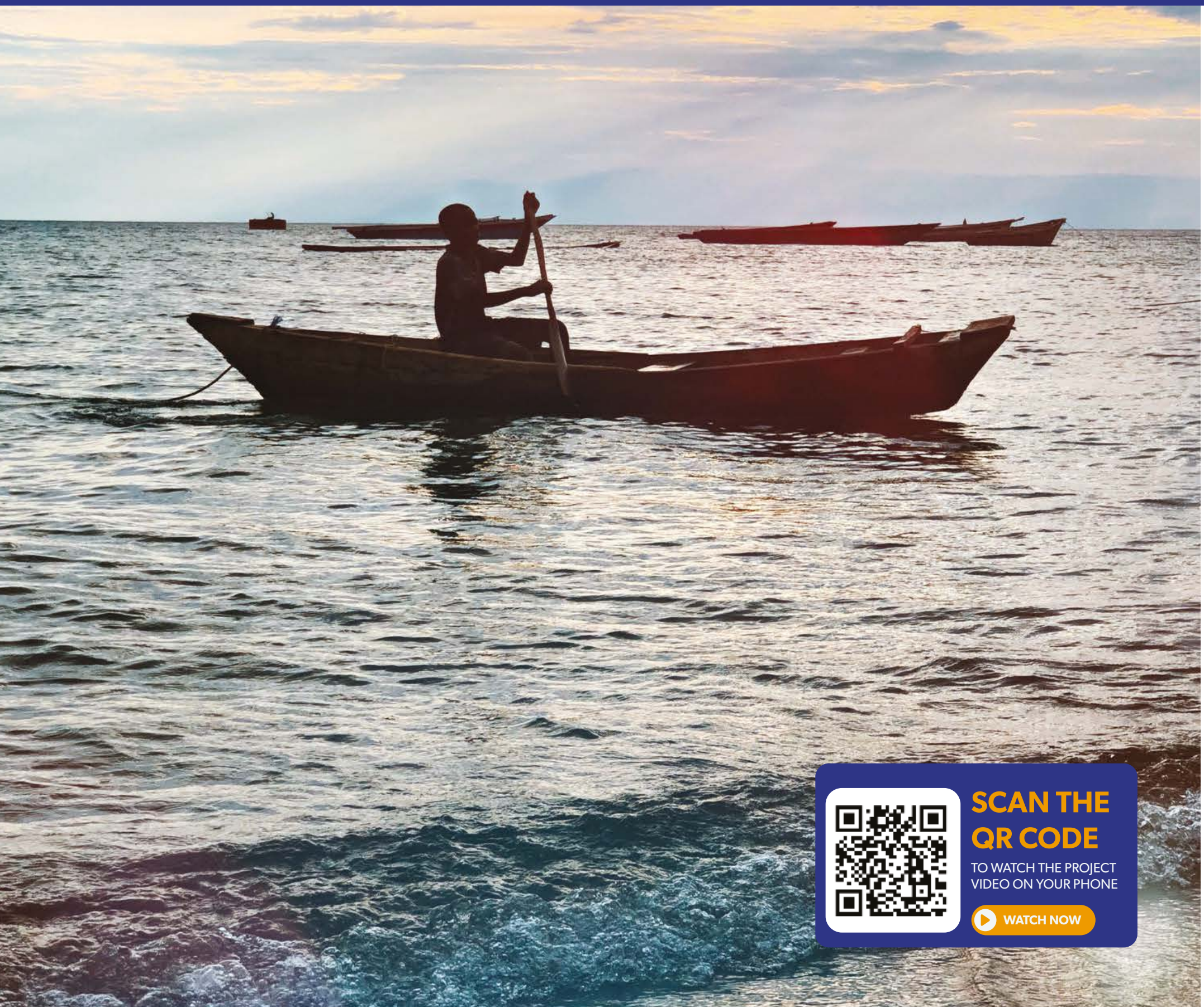
The continuous and stable flow of water to the dam has motivated community members to voluntarily plant trees along the banks and catchment areas or the dam. The communities now restrict the feeding of livestock along the river and dam banks as a way of controlling excessive siltation.



BLUE ECONOMY

KAZI WOMEN

SCALABLE DEVELOPMENT: A STORY COLLECTION
THEME 1: THE POWER OF LOCAL DEVELOPMENT



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MAINSTREAMING GENDER IN INVESTMENT

THEME 1

Kazi Women in Ujiji District

As the sun sets over the shores of Lake Tanganyika in North-Western Tanzania, Flora Nyabbi stands by a large consignment of sardines. She is joined by three other members of the Kazi Women Group and have brokered a deal with the women selling the latest catch of the day.

Women in Kigoma play a significant role as intermediaries in the sale of fish, especially sardines. But this market is often unpredictable as it depends on the catch of the day as well as the ability of the women to dry the sardines.

Traditionally these women sun-dry their sardines, by spreading them over large trays in the open air. This proved to be not only an unhygienic environment, but also, without a proper way of controlling moisture, the products' shelf life was limited.

In 2016, Petro and Sons started operations, processing sardines using one machine with the capacity to process 4MT per day. The company established a reliable source of raw fish and secured market channels. In order to grow and take the production capacity to scale, the company needed sufficient investment and working capital to satisfy the market.

UNCDF's technical assistance and grant funding was able to ensure the women suppliers' and facility users' contract schemes created a beneficial partnership for both parties. The technical assistance support was extended to the developer to secure part of the funding gap from commercial banks.

Additionally, funding support from UNCDF was used to improve the working conditions at the factory through accommodative structures such as a break room for women, toilets, cafeteria, and kitchen.

Through UNCDF's Kigoma Joint Program, Flora and 18 members of Kazi Women Group are now shareholders in Petro and Sons. The partnership enables them to add value to their produce by giving them access to sardine drying machines and packaging for their products which ensures a steady income stream. A total of 69 individual women entrepreneurs have registered their interest to utilize the facility with Petro and Sons. **Flora says:**

"We are now able to have high quality sardine products through these modern drying machines allowing us to penetrate new local markets. Also, we have seen a growth in our capital."

Processing Capacity

Before UNCDF support



0.1 MT per day

After UNCDF support



4 MT per day



69 WOMEN

Entrepreneurs registered

**18 women
shareholders**



Norwegian Embassy
Dar es Salaam



UNITED NATIONS
TANZANIA



KAZI WOMEN

Personal Story

With the processing equipment in place, the shelf life of the fish is now 6 months, which reduces post-harvest losses and extends their market reach. The project intends to enter into a supply contract that will ensure the women have a predictable market at a predetermined price. There are plans to include an additional 90 women from 3 landing sites that will benefit from the program.

Flora, one of the first members of Kazi Women Group and a shareholder in **Petro and Sons** says:

“

The project has had a huge impact on our lives. The quality of our products has improved, and we have also managed to reach out to other women from different wards and districts to have their sardines dried at Petro and Sons.



Flora Nyabite
Ujiji, Tanzania

ILEJE COMMUNITY RADIO

SCALABLE DEVELOPMENT: A STORY COLLECTION
THEME 1: THE POWER OF LOCAL DEVELOPMENT



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THE POWER OF COMMUNITY RADIO

Radio stimulating all-round development in rural communities

Ileje is one of four districts in Songwe encompassing 307 villages with a total population of close to 1,200,000 people. Rural communities like Ileje face major challenges in communication and access to information. Farmers have trouble finding accurate and timely information on things like good agricultural practices, techniques to boost farm productivity, and fair market prices for their goods. Small entrepreneurs, like Neema, also find it difficult to inform customers about their businesses and products.

In 2015, the United Nations Capital Development Fund (UNCDF) partnered with the Ileje District Council and the Ileje East Environmental Conservation Group to establish the district’s first community radio station. UNCDF helped Ileje FM acquire and install the radio communications equipment they needed to establish the radio station. For the first time in its history, the Ileje community was connected, providing residents with local and national content which is critical for social and economic development.

Agriculture is the lifeblood of the Ileje economy. Subsistence farming activities account for about 80% of total economic activity. The new Ileje community radio has meant that farmers can now access information that helps them increase their yields. **Neema Hamisi**, a listener from Ileje says:

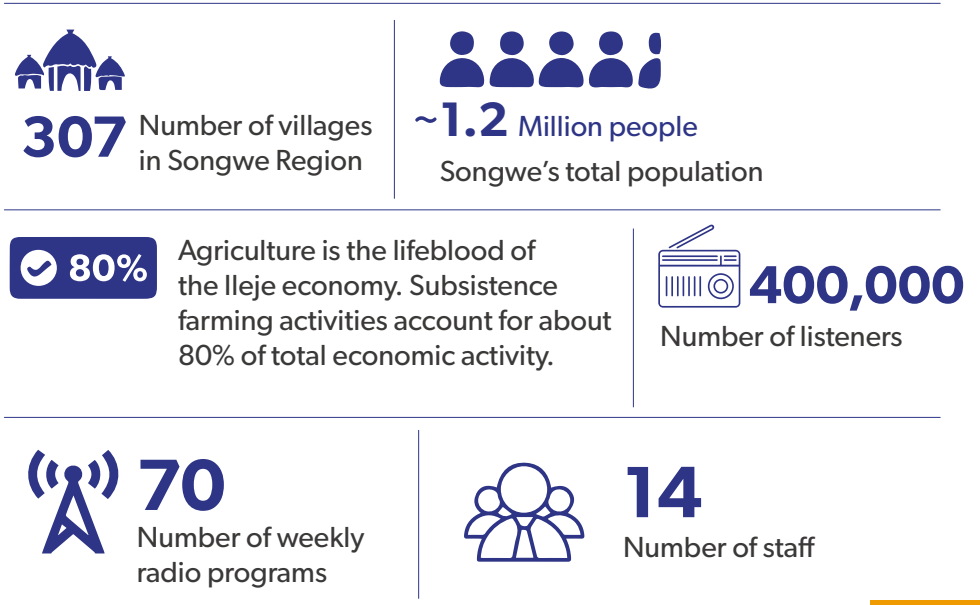
“Ileje FM has changed the way I farm and the way I do business. I tune in and listen to people who teach us better methods of farming, seasonal planting, weeding, and timely harvesting. This has helped me grow more than just what my son and I need to eat. I grow maize and beans and now sell them in the market.”

The community radio also provides a marketing platform for small businesses. Small-scale entrepreneurs advertise their products and services for a small fee and reach potential customers beyond their own village and immediate network. As the first community radio in the area, Ileje FM draws listeners from the entire Songwe region, parts of the Mbeya region and even as far as Malawi.

The District Commissioner, **Hon. Joseph Mkude**, notes:

“Ileje FM community radio are partners to the government in driving development and social change. I’ve built a strong relationship with the producers and presenters because I use the radio to speak directly to citizens, listen to call-ins on current issues they are facing and share the vision we have for bringing about the change our district needs.”

With its multidimensional impact on the thousands of farmers and small-scale entrepreneurs like Neema, and its direct support of the district government’s development agenda, the Ileje FM project is an excellent demonstration of how ICT can be put to work at the community level to improve access to information - ultimately empowering communities. By unlocking private and public resources, UNCDF makes finance work for the poor!





ILEJE COMMUNITY RADIO

Personal Story

Neema Hamisi is a tailor and mother of one from Ileje, a remote district in Tanzania's Southern Highlands. Like most other people in the district, Neema also engages in small-scale subsistence agriculture. Ileje FM has had a visible economic impact on Neema and her household, representative of its multivariate impact on the district. The radio station has also been a catalyst in the empowerment of women across the district and in rural areas by addressing social and reproductive health issues that affect women. **Neema** says:



Neema Hamisi
Ileje District, Tanzania

Advertising on Ileje FM is affordable, easy to do and it works. I just write down the message I want aired, pay a small fee and the guys at the radio station produce and air the advert. This has worked well for me - I even had customers from outside Ileje call my number and place huge orders. Since I started advertising on Ileje FM, I am always busy - I have a big flow of orders. I've managed now to buy my own sewing machine, and I intend to buy another one soon to meet demand. Oftentimes as we work, the other ladies and I will have Ileje FM playing in the background. There's a show we like that addresses women's issues and our group of tailors is one of the most active groups of women who call into the show.

THEME 2:

INCLUSIVE DIGITAL ECONOMIES





INCLUSIVE DIGITAL ECONOMIES

SCALABLE DEVELOPMENT: A STORY COLLECTION
THEME 2: INCLUSIVE DIGITAL ECONOMIES



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INCLUSIVE DIGITAL ECONOMIES

Joint efforts turning Kigoma localities into inclusive digital economies

From the 1990s, Kigoma region has hosted thousands of refugees escaping insecurity in the African Great Lakes. National data from Tanzania in Figures (2020) shows that Kigoma is the second income-poorest region in Tanzania with a per capita GDP of only TZS 1.47 million.

Compared to the region with the highest income, Dar es Salaam at TZS 4.67 million, this means a resident of Dar es Salaam earns three times what one in Kigoma receives. Nationally, this TZS 4.1 trillion regional economy contributes only 2.8% to the Tanzania GDP. It is a rural, agricultural economy with most of its 2.8 million residents relying on subsistence farming with difficulty in accessing modern agricultural practices.

To respond to this situation, United Nations agencies and the government of Tanzania through its Kigoma local government authorities initiated the Kigoma Joint Program (KJP). The program is now implemented by a consortium of UN agencies and other partners cutting across various development domains.


Alunas Mwamakimbula, KJP Agriculture Coordinator, says the joint effort will increase agricultural production, quality, storage space, and expand the markets afterwards.

Alunas explains the impact of the joint efforts:

“We focus on three crops; maize, beans, and cassava. Four years after we started in 2017, one major result recorded is the immense increase in productivity per acre. For instance, as a result of practicing modern agricultural practices following training courses we offered, maize farmers have increased their production from 400 kg to 1,500 kg per acre, and bean farmers from 95 kg per acre to 400 kg.”


The significant increase in yield per acre has prompted joint storage and marketing techniques, assuring farmers better markets. To that purpose, the UNCDF supported the building of five crop aggregating centers in the districts of Kasulu, Kakonko, and Kibondo in order to accommodate the growing agro-production in Kigoma.

In addition to this, UNCDF and several partners also facilitated the setup of village lending and savings groups and enhanced the digital and financial literacy of the group members in order to address the systemic constraint of villagers’ lack of financial inclusion.




11,516

Total number of farmers who received financial literacy training



Maize farmers increased their production from 400 kg to 1,500 kg per acre



Bean farmers increased their production from 95 kg to 400 kg per acre



Norwegian Embassy
Dar es Salaam





Personal Story

The project has strengthened savings groups in the target areas as a mechanism for peer-to-peer lending which can get beneficiaries to a level where they qualify to access the loans from formal financial service providers. Neema Amos is a member of Ushindi Kilimo Group at Kumwambe Village in Kibondo District, Kigoma. She says:

“



Neema Amosi
Kibondo District, Tanzania

Through the project, we received training on saving, business management and crop storage. We now separate and grade our harvests, store and sell together. We were also taught how to be strategic and grow other crops during the off-season. We are now earning more money from vegetable farming and we can see ourselves growing with access to loans from the group. Our group started trading in small-scale nutrition and food products then we graduated into a community bank with members holding shares, and with our own savings and credit programme. Our group expanded and managed to access a local government loan, which enabled us to start a trading business. We have now grown so much individually and as a group.



INCLUSIVE DIGITAL ECONOMIES

Personal Story

More last mile beneficiaries are subscribing to this new digital system established with support from the Kigoma Joint Program. Claudia Christopher is a farming input dealer in Kitahana Village in Kibondo District. Her business handles the distribution and selling of agricultural inputs, mostly seeds, fertilizers and pesticides. She says:

“



Claudia Christopher
Kibondo District, Tanzania

Nowadays, many farmers prefer buying these farming inputs as a group. This new digital system helps in the distribution of fertilizers and giving access to more farmers. We were given mobile devices which really help in registration of farmers in our area and also on record-keeping. The farmers now get these inputs in our community and at more affordable prices as recommended by regulators. Previously, they wasted time and money traveling to Kibondo town just to get the inputs.



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THEME 3:

POST-COVID ECONOMIC RECOVERY



TANTEX LTD

SCALABLE DEVELOPMENT: A STORY COLLECTION
THEME 3: POST-COVID ECONOMIC RECOVERY



Zanzibar’s undisputed ‘queen of fabrics’ braves the Covid-19 storm

Tantex is a small textile industry located within The Zanzibar Micro, Small and Medium Industrial Development Agency. Known for its most famous product brand name “Khanga Kabisa”, the company produced products from fabrics such as kanga, kitenge, linen and others.

Sabrina Othman is the owner of Tantex and Zanzibar’s exceptional queen of fabrics. Thanks to her unique knowledge of quality fabrics and taste for exceptional patterns, she has gained and maintained a number of clients in the lucrative hospitality industry in Zanzibar. She also boasts a healthy clientele outside of Africa where Tantex exports its Khanga Kabisa products to countries such as Sweden, Norway and others.

Her story with Khanga Kabisa started around 2006 when a Swedish family opened up a factory for making clothes. At that time, Sabrina was a young ambitious girl who was eager to work and learn. **She says:**

“I am naturally talented when it comes to fabrics. I did not go to any design school, but I taught myself and paid attention to how the Swedish family ran the business.”

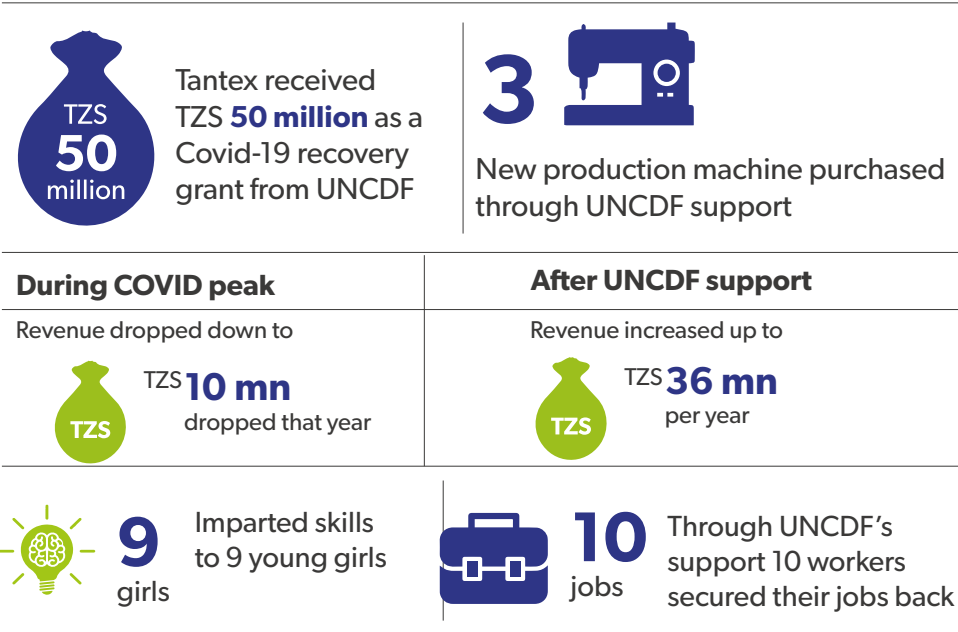
Sabrina was just an assistant at the time the Swedish family had to return to home, and decided to sell part of the business. She then bought 75% of the company shares and the business was left in her capable hands. Her inspiration comes from the drive to support her fellow women and young girls. Her business has been the source of income to more than 10 workers, majority of them being women, as well as hundreds she sources from.

However, when Covid-19 was at its peak, the slump in tourism in the Isles caused her revenue to drop significantly from an average of TZS 50 million to TZS 10 million that year.

As a result of, half of the employees had to be retrenched because the business could no longer afford to pay their salaries. This greatly affected many families, considering that even those who were lucky enough to keep their jobs suffered pay reductions.

Tantex then received TZS 50 million as a Covid-19 recovery grant from UNCDF. With these funds, the company bought more efficient machines and sourced more materials for new product lines that could be sustained without being too dependent on the tourism industry. Within a short period, the company was able to make a few samples of their products and secured orders from South Africa. **Sabrina** says:

“Thanks to UNCDF, the business is now afloat and we have big hopes of doing even better in the near future after the pandemic. I have big plans in the pipeline, and with all the machines that I now have, those that are on the way, plus the materials that I have already sourced, I will grow the business tremendously.”





TANTEX LTD

Personal Story

Tatu Khamis is a young girl who grew up in the village with no stable means to support her education. She was orphaned at a very young age, leading to her inability to continue with school altogether. She started teaching herself the art of sewing clothes. Being in a remote area of Zanzibar, she didn't have many options in her pursuit to acquire enough skills for this job. The equipment she used was old fashioned and therefore not productive enough to help her flourish as a tailor. Thanks to Khanga Kabisa, Tatu moved close to the factory where she enrolled to be trained as a tailor and, in a short period, due to the high demand for Khanga Kabisa's products, was given a full time job. However, right after her second pay-check, Covid-19 hit and her job was very much at risk, due to a significant fall in the company's revenue. Her salary was reduced by half. With the support Tantex received from UNCDF, she is now fully paid and is excited to be working on new product lines.

“



Tatu Khamis
Zanzibar, Tanzania

I started earning TZS 150,000 monthly. For a girl of my age, that is a good starting point. This money sustained me, and I also supported my sister and her young children who are hosting me at their home. I am now back to working full-time and I have my full salary. I am very happy because I also get to upgrade my skills with the new product lines that we have introduced with the support Tantex has received.



TANTEX LTD

Personal Story

With support from UNCDF, Tantex also resumed and expanded its training program, and is expecting to hire most of the girls who will graduate from their program as full-time employees. Sauda Juma, 19, is one of many girls in the Isles who have no access to economic opportunities, largely due to patriarchal systems that do not encourage women to engage in economic activities. After finishing her primary school education, Sauda stayed at home where she faced the possibility of being forced into an early marriage, something that went against her dreams and wishes. She says:

“



Sauda Juma
Zanzibar, Tanzania

My family did not want to support me through school beyond the primary level. They believed it would be a waste of time for me to go to secondary school. Rather than sit at home and do nothing, I thought it wise to join the training program here so I can also give myself a chance to earn an income. I want to work here because Sabrina's story is very inspirational. If she could do it, against all odds, I can also do it. Working under her for a few years is exactly what I need to be in a position to start a company of my own. For now, my hopes are hinged on the sustainability of this company.

ZANOP LTD

SCALABLE DEVELOPMENT: A STORY COLLECTION
THEME 3: POST-COVID ECONOMIC RECOVERY



SPICE FARMING AND PROCESSING

From an illegal immigrant to a resilient spice maker and trader

Nassor Hamad Omar was trained as an English teacher and went on to become one immediately after he received his credentials in the late 1980s. With his relative mastery of the language, spice farmers near a school where he worked started calling on him when they needed to sell spices to tourists. Before long, Nassor had acquired enough of an interest in the spice industry that he quit his teaching job in 1995 to work full-time as a spice trader.

During this period, Nassor notes that there were no local processors. He worked for an aggregator who packaged the spices in gift bags that visitors would take back home with them, mostly as souvenirs. He says:

“I saw a massive opportunity in the processing of spices. So, in 1999, I quit my job again to establish my own spice processing business. I had acquired a knack for blending spices that quickly made my products extremely marketable among tourists.”

His tourist connections helped Nassor have a few opportunities to travel overseas. After attending a FairTrade event in Newcastle, England in 2003, then in his 30s, he decided to start a new life as an immigrant in the United Kingdom. But the thought of his business collapsing was a constant reminder for him to rethink this move. He says:

“I was constantly bothered by the fact that I had left a business that had the potential to make millions. I had let down my customers, employees, and most of all, myself as the visionary of the business.”

In 2005, Nassor decided to come back and revive the business. He never looked back since then, and his business, ZANOP, had seen steady growth rates up until 2020. The Covid-19 pandemic then became the biggest threat ZANOP had faced after 2005. The decline in the number of tourists in Zanzibar meant less orders coming from hotels and spice shops. Shortly after March 2020, ZANOP’s processing figures declined from 1 ton of spices processed every week, to a mere 200 kg. Under such circumstances, all the 15 staff who worked at the factory had to be retrenched as Nassor contemplated closing the business.

UNCDF offered a lifeline for ZANOP with a TZS 50 million loan. The money has enabled the company to pay suppliers with which the company was in debt to the tune of TZS 14 million. After settling this debt, the company has regained the trust of its suppliers, and is assured of a steady supply of raw materials as it revamps its business operations.

With the support from UNCDF, ZANOP has given jobs back to 15 workers. The company has procured more efficient packaging equipment that will allow its most sought-after product, tea, to sell enough volume to sustain the business. Nassor says:




“The equipment is what we have always needed to boost our productivity. For instance, with the ability to make tea bags, we can comfortably expand our flavor range and thus pack in peppermint, hibiscus, herbal tea and spiced black tea. This will help us diversify our clientele, hence be more resilient to shocks such as this pandemic.”



UNCDF offered a lifeline for ZANOP with a TZS 50 million loan



15 jobs
Through UNCDF’s support, 15 workers secured their jobs again

Production	
During Covid peak	After UNCDF support
 <p>0.8 tons per month</p>	 <p>4 tons per month</p>
 <p>TZS 14 mn debt was cleared through UNCDF support</p>	



ZANOP LTD

Personal Story

Hatib Khamis, 22, is one of 7 young employees brought back at ZANOP after the operations of the company were brought to a halt following the outbreak of Covid-19. He passionately narrates what the job meant to him: Faced with the prospect of going back to being unemployed, Hatib was desperate. He narrates how he made fruitless attempts at securing an income after he and 14 other factory workers were told to wait for the economic situation at the factory to improve. He says:

“



Hatib Khamis
Zanzibar, Tanzania

I did everything I could. Here in the Isles, tourism is a big business. So, your best hope as a young person is to at least get a small job as a casual laborer at a hotel or restaurant. But when Covid-19 hit, none of that was possible. I went around looking for temporary jobs that would earn me an income, but it seemed like nobody was hiring. So many young people are out there leading their lives without hope because of being jobless. We are grateful that ZANOP is still operational.



ZANOP LTD

Personal Story

Mwakaje village in Unguja is famous for its many spice farms. Suzana Isaya Mabula, a mother of 4 is a farmer in the village, mostly supplying cinnamon. Without ZANOP, a lot of the cinnamon farmers would not have a reliable market for their produce, nor the skills to semi-process their produce for the lucrative tourist market. Like many farmers in Mwakaje, Suzana went through a period where she did not have a market for her produce as a result of production disruptions at ZANOP. She says:



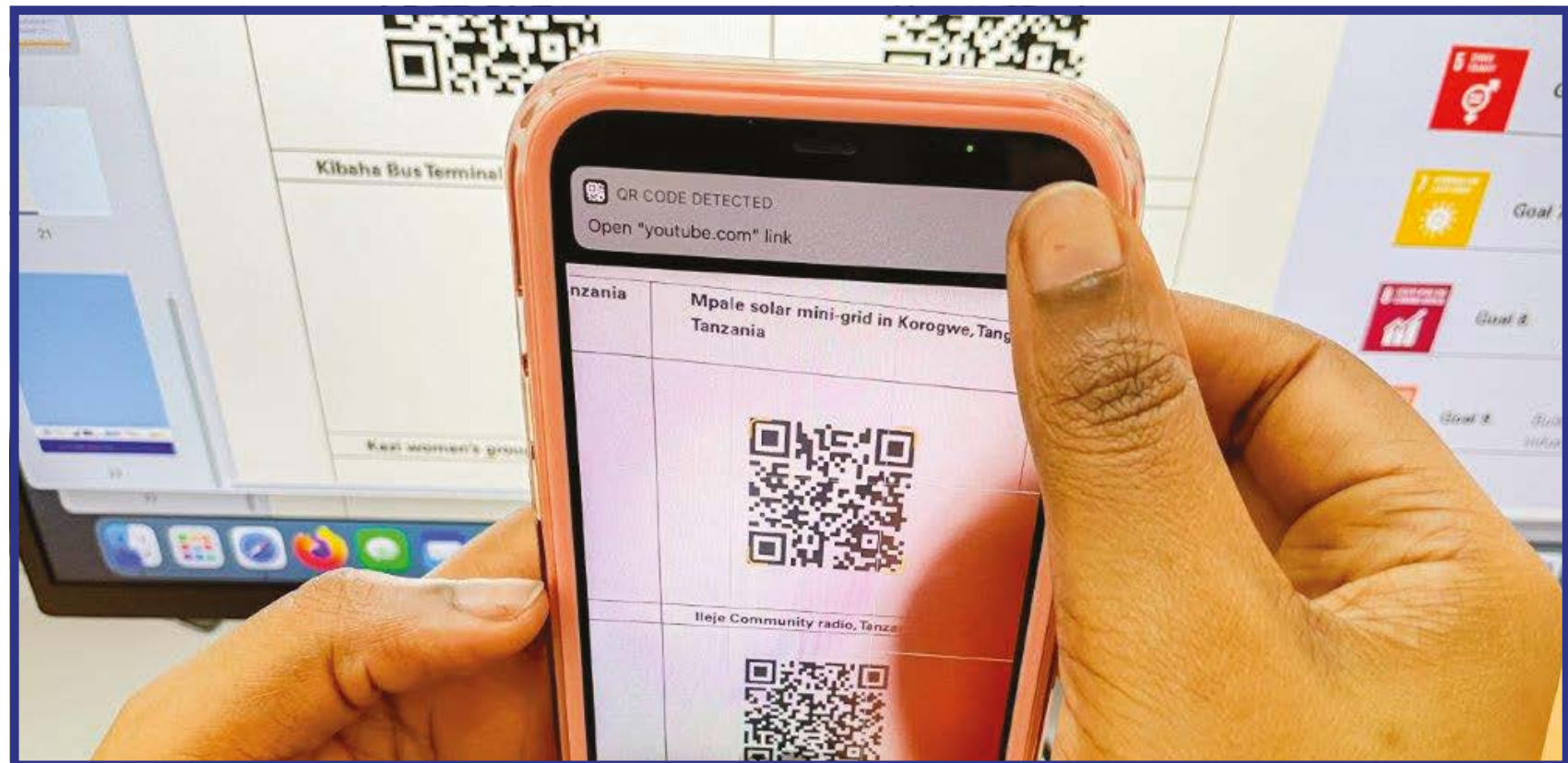
Suzana Isaya Mabula
Zanzibar, Tanzania

Mzee Nassor has always been with us. We did not care much about standards at first, but he has trained us to a level where we can supply high quality cinnamon for the purposes of processing. We did not care so much about this pandemic that we heard all over the news. It was only when Nassor told us his factory could not stock any more cinnamon due to a decline in business that we understood how serious the situation was. Luckily, they (ZANOP) are now back in business, and we can still earn some income from them that we use to support our families.

SCAN QR CODE TO WATCH THE VIDEOS

We are presenting the (QR Codes) for readers to watch short videos of our work. Please follow instructions below when you have your smart phone camera ready:

1. Open your smartphone camera or QR reader
2. Focus the camera on the QR code by gently tapping the code
3. Tap the YouTube banner on the screen to complete the action
4. The video will start playing



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