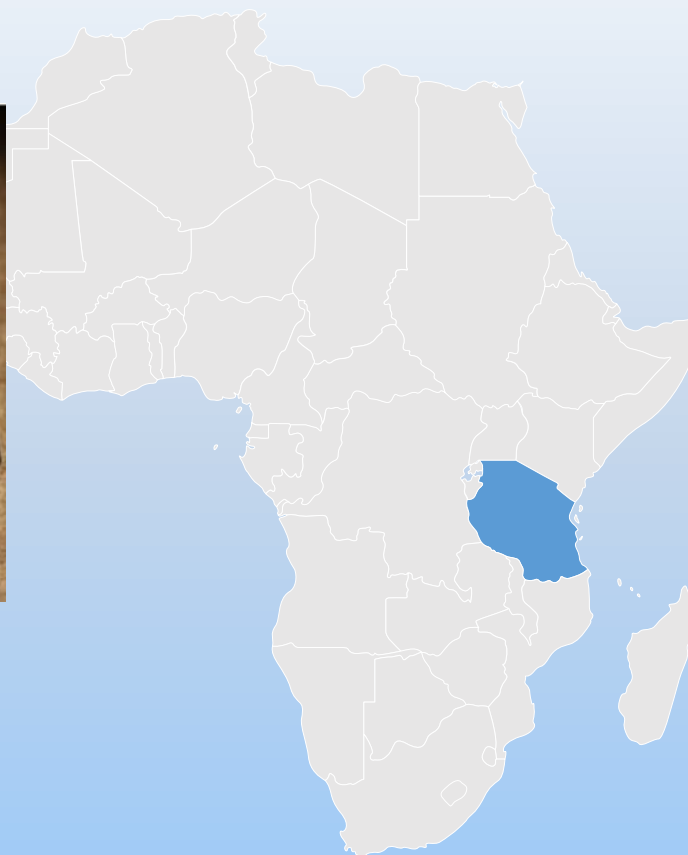


Dutch Good Growth Fund



Ministry of Foreign Affairs of the Netherlands

Dutch Good Growth Fund



Equity for Tanzania Ltd (“EFTA”)

EFTA was founded in 2005 by the British NGO Equity for Africa. After their transformation in 2015 it became the first licensed leasing company in Tanzania. EFTA provides lease finance to SMEs, primarily in rural areas of the country. It uses an innovative credit assessment methodology where collateral or a banking history are not needed. EFTA serves 174 clients with a gross loan portfolio of USD 3.4M. The institution is currently not yet profitable due to the limited scale of its operations. The expansion of its management team, strengthened processes and product improvements position it well for further growth.

Sector(s)

Agribusiness

Amount Invested

USD 4 million / approximately EUR 3.5 million loan, to be disbursed in the local currency, Tanzanian shilling.

Manager of the FI

Equity for Tanzania Ltd (“EFTA”) is a Tanzanian financial leasing company specialised in serving SMEs and farmers, headquartered in Moshi, with 7 offices in Northern Tanzania.

Impact

Through the loan, DGGF will support EFTA to significantly expand its operations and to reach a scale needed to attract funding from a broader investor base. The market EFTA targets is substantially underserved in Tanzania. Many SMEs in the country have little collateral and typically lack credit history, making it challenging to access finance from commercial banks. By offering long-term leasing products to SMEs that are too big for MFIs but do not meet requirements of commercial banks, EFTA addresses the financing gap between USD 10,000 and USD 60,000 with a focus on agricultural companies. DGGF’s loan is expected to finance approximately 160 SMEs, of which the vast majority (around 90%) will be in rural areas.

Website: <http://www.efta.co.tz/>