

TANZANIA

STRENGTHENING SMALL BUSINESS VALUE CHAINS (SSBVC)



The economy of Tanzania is growing, but small entrepreneurs and small and growing businesses often struggle to contribute to the economic system. Through MEDA's Strengthening Small Business Value Chains project, entrepreneurs and small businesses will increase their ability to access financing, contribute to the growing economy and train their employees for increased performance.



Creating business solutions to poverty

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QUICKFACTS

- Population 48 million
- 73% live in rural areas
- 28% of GDP from agriculture
- 80% labor force in agriculture
- Most people lack access to land
- Ranks 134 of 185 in the World Bank's Doing Business 2013 indicators
- Prospects of becoming a major producer of natural gas
- GDP has grown by 7% over the past decade

Background

Tanzania has experienced steady economic growth over the last decade, but the country still faces many challenges. According to the World Bank, less than 16% of small businesses can meet the required standards to obtain foreign investment.

Industries specializing in extractives and energy are rapidly growing, but the necessary support from small and growing businesses is not available. Poor management often prohibits small businesses from growing into the expanding profitable extractives and energy markets.

Businesses throughout the country lack the ability to access financing, quality business development and the knowledge to access new market opportunities. These challenges often marginalize individuals who have a vested interest in growing their own enterprise. When businesses struggle to grow, entire communities are affected.

MEDA's Assessment

MEDA aims to increase the influence small and growing businesses have on the growing Tanzanian economy. Working in three regions of the country – Mtwara, Arusha and Morogoro – we will partner with female and male entrepreneurs to help them increase the performance of their small and growing businesses.

The Strengthening Small Business Value Chains project will help to increase job creation and economic growth for small businesses and small entrepreneurs working in the construction, extractives and energy sectors. MEDA will provide business training, support supply chain development, and improve access to financing to ensure continued, equitable economic growth and job creation.

This project will seek to integrate small entrepreneurs into existing local business alliances. Through these partnerships, businesses will experience strengthened value chains and sector-wide local collaboration. Businesses will grow and continue to increase their contributions to the Tanzanian economy. In turn, incomes will flourish.

Outcome | 6-Year Project Budget

- 250 small and growing businesses increase performance
- 20,000 small entrepreneurs access profitable markets and value chains
- 10,000 employees experience increased incomes
- Local business alliances foster sector-wide collaboration
- Entrepreneurs and employees increase access to financing

