



Rural women to business women



Massmart has partnered with Women's Development Businesses (WDB) in helping rural women establish themselves in their own businesses. "The loan from Massmart gives us resources to support women as their businesses grow," says Bernadette Moffat, CEO of WDB.

Massmart has entered into a partnership with WDB to create an Enterprise Development fund that will benefit rural women. WDB currently run a programme to help rural women set up their own income-producing businesses. A WDB/Massmart fund will be created with an interest-free loan of R1m that Massmart has agreed to make to WDB. The money will be used by WDB to make micro-loans from between R5 000 and R15 000 to rural women who have existing businesses they would like to expand.

WDB and Massmart hope to use the fund to help approximately 110 rural women over the next year. Massmart will also foot the bill for the salaries of two WDB Field Assistants. Their job will be to provide the participating rural women with ongoing business advice and support.

Private banking for the poor

Moffat explains that while her organisation has been able to locate candidates for loans and get them started, it was limited in the amount of capital they could offer women who excelled in their

programme. "There are some women who have made several loans in the final loan cycle, and they are prime candidates for larger loans," says Moffat.

"This is private banking for the poorest of the poor," she says. "Our micro-finance programme makes very small loans to very poor women.

The aim is to get them interested in something that will make their household more self-sufficient with some income-generating activity," explains Moffat. "The impact is immediate on the children of these women. Instead of eating five meals a week, now maybe they eat one full meal every day. As for the women themselves, they go from feeling hopeless and demotivated to feeling proud of themselves."

All for one

One of the most striking things about WDB's programme is the teamwork element. "In order to participate, women need to be part of a group of at least ten members. They learn from one another and even vouch

for each other," says Moffat, explaining that the loans are not hand-outs. Interest is charged and repayments are made fortnightly. "The women learn credit discipline, develop confidence and are encouraged to save. In rural areas people are really afraid of debt, so it takes motivation and confidence for them to take a loan."

Learning by doing

"We examine the local market with the women," says Moffat. "They know the area, so it's really just taking them through the questions which get them thinking. We provide the information," she smiles. "But it's the women who make the decisions." ■



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