

PILOT PROJECT

NUMBER 2

GFMW Partners with Tostan Microcredit Program in Dakar, Senegal

“All of the local women are participating in income-generating activities, selling spices and vegetables or raising chickens and goats. Before this program, it was unusual for women to work outside their homes, but now women are earning money and are able to buy things for their households. By donating some of our profits, we have also started a community savings account that can be used for medical emergencies or to finance community projects and have opened a 900,000 F CFA (\$1,800) line of credit with FDEA (a Senegalese national microfinance organization).”

~ Mariama Seck, participant from Keur Sanou, Thiès, Senegal

This is an exciting opportunity for The Global Fund for Muslim Women to partner with Tostan to offer a microcredit loan program in Dakar Senegal. The goal of this program is to enable villagers, particularly women, to start small projects that improve their quality of life and general well-being. Administered by the local Tostan-trained Community Management Committees (CMC), the small loans range in size from \$300–\$1,000 per community and providing average loan ranging from \$20–30. Participants typically invest in activities such as agriculture, fabric dyeing, animal husbandry, soap making, or small business ventures. Occasionally, loans are given to village groups that engage in larger-scale income-generating activities such as starting a community vegetable garden or market, or purchasing a mill to grind grains.

- **It helps participants to put into practice math, literacy, and management skills learned during their classes which are required before they can begin enrollment in the microcredit program.** The program also teaches, leadership skills, basic financial management, and ways that participants can tell whether a project has good chances for success. In this holistic model participants are also encouraged to **save and plan for the future.**

Profits from microcredit activities are often invested in projects that reinforce community health, education, and well-being to help **reduce poverty** in rural villages and **reinforce community solidarity**.

- During this program, participants learn about the **universal human right to free consent to marriage** and the **negative health consequences of giving birth at a young age**.

Many women who have received Tostan's microcredit training have become successful entrepreneurs by opening small businesses or learning a craft such as fabric dyeing or soap making.

Successful income generating activities will empower villagers and can ultimately finance other projects having a significant effect on the lives of villagers and improve the living conditions in the community by:

- Building a school or health post
- Improving village infrastructures
- Purchasing a millet machine or agricultural machinery
- Financing an irrigation system
- Building latrines
- Promoting good health and hygiene through social mobilization and awareness-raising campaigns.

Microcredit funds in the past have made possible the construction of a health center in the village of Soudiane, the installation of a water pump in Kebeum, the addition of a primary school classroom in Bona, and the launching of a women's dairy cooperative in Aby Siré Ba.

The program began in 1999 with a \$5,000 grant from then First Lady Hillary Rodham Clinton, made during a visit to a village in Senegal. The program has since expanded to six regions, with 311 communities receiving microcredit funds.

About Senegal:

<http://goafrica.about.com/library/bl.mapfacts.senegal.htm>

- *Senegal is a low income country, ranked 144 out of 169 on the UNDP Human Development Index. It scores slightly higher than the average for Sub-Saharan African countries.*
- *Among West African countries, Senegal has macro-economically performed relatively better than its neighbors thanks to its socio-political stability, booming tourism industry, and Dakar-based hospitality industry.*

Unfortunately, this economic prosperity has not extended to the rural areas where Tostan works.