

“SILC”, THE WEAPON TO FIGHT POVERTY

SILC, a motivation tool to fight poverty to coffee out-growers in Karagwe and Kyerwa

Saving and Internal Lending Community Scheme (SILC)

Saving and internal lending community (SILC) scheme is a model commonly established with primary purpose to provide simple savings and loan facilities, in a community that does not have access to formal financial services. Normally, the loans provides a form of self-insurance to members, supplemented by a social fund which provides small but important grants to members in anguish.

The SILC model is thought as a motivating tool to trigger members who ranges between 10-30 members maximum to meet regularly, share ideas, contribute money, buy shares, give loans among group members and hence promote petty business among members and encourage

them. SILC would create opportunity to save and borrow flexibly as they need, and make attractive profits on their savings. Nevertheless, SILC would assist members in case of death, disease or natural disaster; local money lenders may not be willing to provide this service to the poorest; and most importantly, SILC help members build self-respect, self-reliance, self-dependence and self-confidence. These in general would build to long-term sustainability of community water supply owned organization (COWSO) if SILC would be patched into it. It Would trigger monthly meeting and set time to discuss water issues, their challenges and remedial

measures.

Thus, to this concept, SILC is hereby thought to be a triggering and motivation tools to make COWSO members meet regularly, discuss issues among others related to water infrastructures which they are commissioned to operate on behalf of the entire community.

Volume 1; Issue 4

September 2015

Walking the talk is a biggest motivation to comprehend universal requirement of sustainable Development Goal (SDG) agenda 1



With SILC, loan in village is no longer a dream



Allowing people to meet every month, buy shares, contribute on social funds and most important exchange business ideas and thereafter access loans easily without bonds is a big relief to rural community that the livelihood improvement project has brought to coffee out-growers in Kyerwa and Karagwe Districts under Olam Tanzania Ltd

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