

Partner Profile: MicroLoan Foundation Zambia



Photos by Gary Nicol, MicroLoan Foundation Zambia



In Zambia, an estimated 55 percent of adult women and 67 percent of low-income adults lack access to formal financial services.¹

MicroLoan Foundation Zambia (MLF Zambia) is a Zambian microfinance institution and a partner in Global Partnerships' Women-Centered Finance with Education initiative.²

WHO IS SERVED:

MLF Zambia currently serves over 40,000 clients, with a focus on female microentrepreneurs living in poverty. 100 percent of its clients are female³ and an estimated 70 percent live on less than \$3.20 per person, per day.⁴

WHAT IS DELIVERED:

MLF Zambia offers group loans designed to support female entrepreneurs with their businesses. Loan and training officers are able to reach rural areas by motorbike to meet with current and potential borrowers. This practice and a

satellite branch model allows MLF Zambia to reach particularly remote and underserved areas.

Before loans are disbursed, all borrowers receive training in financial literacy, group dynamics, and business management. This training was designed for women with low literacy and incorporates dance, song, and role play. Borrowers also receive post-disbursement training on a monthly basis throughout the course of the loan, with a flexible range of training topics available depending on the needs identified by participants, and an emphasis on participants sharing their business experiences with one another.

WHY IT IS IMPACTFUL:

Access to loans and education enables MLF Zambia clients to make more informed decisions and invest in income-generating activities, resulting in improved economic resilience. A 2022 study⁵ of MLF Zambia borrowers found that 98 percent of respondents reported increased earnings because of MLF Zambia and 88 percent reported an increased ability to manage their finances. MLF Zambia also helped clients improve quality of life for themselves and their families: 98 percent said their quality of life improved, 88 percent reported that the number and quality of their family's meals increased, and 65 percent reported spending increased amounts on their children's education.

1. "The Global Findex Database," The World Bank, 2021, <https://globalexindex.worldbank.org>.
2. MLF Zambia was a current borrower of Global Partnerships Social Investment Fund 6.0, LLC, as of December 31, 2022.
3. Data as of September 30, 2022, as reported by MLF Zambia.
4. Based on responses from 275 MLF Zambia loan clients in a 2022 study by 60 Decibels, Inc.
5. *Ibid.*