

Evaluating Sustainability of SACCOs in Tanzania
A Case Study of Wazalendo, Kindi and TPC SACCOs in Kilimanjaro Region
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Several Microfinance Institution (MFIs) have established and have been operating towards resolving the credit access problem of the poor. In light of this study this dissertation attempted to look at MFIs performance in the country from outreach and financial sustainability angles using data obtained from primary and secondary sources. The study sought to evaluate the sustainability of SACCOS in Tanzania. The study was conducted in selected SACCOs namely Wazalendo, Kindi and TPC all located in Moshi Urban and Moshi Rural District in Kilimanjaro region. The study found that SACCOs played a fundamental role in providing financial services through mobilization of savings from members. Such practice encourages members to save more so as to borrow more from their SACCOs. In this study sustainability of SACCOs is measured by Return on Asset and Return on Equity while performance is measured by financial viability, portfolio quality, profitability, coverage capital adequacy and outreach to poor and welfare impact. The dissertation found that, from a development policy perspective there has been some encouraging activity in the microfinance industry over the past few years However according to the definition of financial sustainability adopted in this report, it was found that all the selected SACCOs in Kilimanjaro are not yet financially sustainable.