



SUCCESS STORY

Getting the Credit to Grow

Entrepreneurs expand their businesses with the help of small loans



Photo: Chemonics/Laura Larigue

Emmanuel Bida sells cold drinks, audio cassettes and CDs — and even rents out stereo equipment — at his shop in Yei, Southern Sudan.

“The loan has allowed me to do things I could not do otherwise because I didn’t have the capital,” said Bida. “My oldest child is in school, and now I can provide my family with three meals a day.”

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Shortly after he finished school and got married in 1999, Emmanuel Bida says he got caught up in the events of Sudan’s civil war. He and his wife were forced out of their home in Yei, Southern Sudan, and ended up in a refugee camp, raising their first child. When they were finally able to return to Yei after the peace accord was signed in 2005, Bida started a business importing audiocassettes from Uganda and selling them in the local market. But, he said, “I didn’t have any capital to make my business grow.”

That’s when he saw an advertisement for the Sudan Microfinance Institution (SUMI), a USAID-sponsored organization that provides loans of \$100–\$3,000 to small businesses. SUMI has been an integral part of USAID’s effort to provide stability and foster economic recovery in Sudan as its people face the challenge of rebuilding their country after a 22-year civil war. SUMI now has four branch locations, and an overall repayment rate of over 95 percent — an extraordinary accomplishment given the challenging environment. The SUMI board meets quarterly to make operational decisions and monitor policies and procedures, which further enhances the organization’s accountability and sustainability.

But it is SUMI’s clients who create the institution’s true success. Now that they have access to credit, clients like Bida can learn how to take advantage of formal loan processes and finally help their small businesses grow. He has taken out six loans ranging from \$100 to \$1,700 that have allowed him to diversify his business. “I sell whatever people will buy,” says Bida, who now stocks cold drinks, cassettes, and CDs — and even rents stereo equipment for local events.

Bida’s oldest son is now five years old and in school, and he and his wife recently had another baby. “The loan has allowed me to do things I could not do otherwise because I didn’t have the capital.” He adds, “My oldest child is now in school, and now I can provide my family with three meals a day.”