

CASE STUDY

Engineers Without Borders Canada (EWB) and Numida Technologies

Name of Organization:

Engineers Without Borders Canada (EWB)

Name of Project:

Numida Technologies

Type of Investment and Technical Assistance (T.A.):

Convertible debt and in-kind T.A.

City, Country:

Kampala, Uganda

Sector/s:

FinTech, Micro-Finance Institution (MFI)

Measurement Framework and Primary Metrics:

Bespoke metrics based on Theory of Change:

Gender disaggregated new customers, repeat customers, size of loans, repayment rate.



Numida is a digital microfinance institution based in Kampala, Uganda. EWB was their first institutional investor and delivered venture co-building support consisting of 12 full-time support staff embedded within their management team since 2016 for an average of 12 months at a time.

Numida started with a bold ambition to unlock capital in Uganda for micro and small businesses that are financially excluded. It designed a mobile application that allows small business owners to keep digital records of their transactions. Through the app, Numida provides immediate, unsecured working capital and growth capital loans.

Since 2017, they have disbursed about \$3.6 million in unsecured credit to 4,800 businesses. Their client base is 33 percent female, with an average loan size of less than \$200.

The pandemic lockdown hurt Numida's clients, but given their digital platform, Numida was able to get real-time feedback from shop owners' experiences. They extended loan repayment schedules at no penalty to users in lockstep with government lockdowns and designed a back-to-business package for when lockdowns were lifted. Numida acted with integrity, courage and commitment to impact – putting their clients' welfare first – when other MFIs focused on collecting repayments.

Numida earned strong customer appreciation in 2020 and has shown significant growth since. In early 2021 they succeeded in closing a US\$2.3M seed round led by MFS Africa.

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Deal or T.A. Program Size (\$) T.A. + seed capital at a cost:

-US\$190,000 total

Instrument Used:

Convertible debt, in-kind T.A.

Expected IRR and Impact:

- Expected IRR: ~65%
- Current impact: ~2,500 current small business owners, ~30% women, accessing unsecured business loans and digital business performance tracking
- Achieved product-market fit means the existence of a new inclusive mobile banking product in the Ugandan market

Investment/T.A. Program Date:

Started in 2015

