Impact of Youth Microfinance Asset's Ownership in Masasi Districts Council Mtwara Region

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ABSTRACT

This study investigates the impact of youth microfinance asset ownership in the Masasi District Council. The study conducted at the Masasi District Council among youths who were the beneficiaries of the microfinance program. A sample of 40 respondents who were the youths benefited from microfinance and operating income-generating activities within the study area were interviewed. The data analysis conducted by using qualitative thematic content analysis techniques, tables, and graphs were used. This study assesses the impact of youth microfinance asset ownership at the Masasi district council in the Mtwara region in Tanzania. The impact of Microfinance investigated on how microfinance empowered youth economically, the impact of microfinance on the asset's ownership of youth, and the impact of microfinance training skills on the economic empowerment of youths. The study findings indicated microfinance had an impact on improving the income, assets ownership, and improving the living standard of the beneficiaries. The finding of the study revealed that access to Microfinance enables the beneficiaries to engage in income-generating activities such as small business and agricultural activities. Most of the youth improved their business activities due to the credit and other services granted to them, and microfinance had also positively improved the knowledge and management skills of the youth due to the entrepreneurship training programs provided by Microfinance institutions. This study concludes that access to microfinance to institutions has a potential contribution to increasing the income of the youth, asset ownership, and improving the household livelihoods. Therefore, it is essential for beneficiaries (youth) to use the microfinance obtained from MFI effectively in income-generating activities to increase income and alleviate poverty among the youth. Microfinance training for the youth is recommended on entrepreneurship and business growth. It recommended the Masasi district council to facilitate the training of the youths by the community development officers to provide regular training related to microfinance and entrepreneurial business for the effective utilization of loans, financial management, market strategies, business innovation, and product added values for increasing profits in business.

Keywords. *Youth, Empowerment, Microfinance, Micro-Credit, Economic Empowerment, Masasi DC*

1. Introduction

Microfinance sector in Tanzania become one of the active economic sector which help and attract poor household's income class against poverty, women and youth empowerment, small and micro business development as well as entrepreneurship sector in emerging economies (Massele, J *et al* 2015). The microfinance sector has been expanding the frontier of finance by providing loans and other financial services to less privileged, underserved and poor households. The evaluation of the Microfinance services in Tanzania started in the 1990s which provided the loans to low income households to ensure that financial systems play efficient roles to boost the economy and strengthen the investment environment in their countries (Jackson and Layda, 2016). However, access to microfinance services becoming one of the challenges facing low income household, poor families, small peasants and small business entrepreneurs in both urban and rural area.

Many poor people in Tanzania lacked opportunity to access microfinance services despite existing number of financial banks such as national microfinance bank, Tanzania postal banks and national bank of commerce. The establishment of microfinance seems like an alternative method for accessing financial services to low income households, small farmers and small businesses in both urban and rural.

Microfinance institutions in Tanzania are categorized in different forms such as; NGOs-MFI, Banks, Community village bank (VICOBA), Saving and Credit Cooperatives Societies (SACCOs), Government

Credit Schemes (Masasi district council), Village and Loan Association (VLSA), Credit union, Microfinance companies, Cooperatives Banks, Licences banks, Insurance companies (Jackson and Layda, 2016).

Microfinance institutions in Tanzania facilitate the process of providing microfinance to the entrepreneurial activities such as an agricultural activities small business such as fishing, small shops carpentry, tailoring shop, and keeping poultry and cattle. The main objectives of microfinance services are to empower women and youths, improve the standard of living and development of entrepreneurial business activities to reduce poverty (Massele J, *et al*., 2015). There is a need to ensure an efficient and effective microfinance policy that supports the development of financial services to help the low-income households. It is important to participate in micro- finance sector with financial as well as an economic system of the country. Microfinance services in Tanzania experiencing amazing growth due to an increasing number of organizations engaged in the provision of microfinance services (Massele J, *et al*., 2015).

Microfinance in Masasi district council established in 1994 started effective providing loans on 2008 and its benefits both youth (female and male) age between18-35. The purpose of the microfinance is to improve entrepreneurship and business activities and economic empowerment of youth and women. The district used its 5% of annual revenue collected from different sources to provide youth as a loan. Also, microfinance in Masasi characterized by interest rates of 10% and the purpose of interest rate is to cover administrative cost and facilitation process. The microfinance services are based on individual lending in which youths aged between 18-35 applied for the loans.

The loans in Masasi district council provided into four phase every year (Masasi strategic plan, 2016). According to Masasi strategic plan regulations (2016), district council provided loans to 530 youths where by 265 were female and 265 were male, those loans were provided annually in four phases. The estimated amount of loans needed per year was about 530,000,000 million Tanzania shillings, while in single phase the district provided about 132,500,000 million Tanzania shillings which is equivalent to 25% for one phase.

Table 1: Trends of the loan per year in Masasi district council

Phase 1	Phase 2	Phase 3	Phase 4	Total
125,500,000	132,500,000	135,500,000	136,500,000	530,000,000
23.6%	25%	25.5%	25.7%	100%

Source: Field data, 2018

The criteria for accessing microfinance in Masasi district are; The loans provided to youth or women who have a business plan or loan application form which shows the number of loans needed, a youths and women must have a bank account to deposit the amounts of loans when it is approved by the district, youths and women should repay both loans and the interest rate for a period of one year. Also, youths and women are allowing to take the second loan after completion of the first loans according to the agreements. Another criterion for accessing microfinance is that youths or women need to have a clear development project which will bring profits. The collateral properties are needed as the security of the loans. Both female and male youths should be ready to follow rules and regulation set by the Masasi district council. The frequency for loan disbursement per person is determined by on how quick the debtor repay the loans, these loans are directed into agribusiness and small business.

Youth unemployment in Tanzania is the one major challenge not only to the government and policy makers but also to the society and families. The youth's population in the Masasi district who age range between 18-35 are 40,540 and out of this 20,130 are female and 20,410 are male and among of them 10,189 employed in formal sectors and 9,140 employed in informal sectors and the remaining 21,211 youths are unemployed. (ILFS, 2016). Youth unemployment is characterized by lack of employment opportunities in both urban and rural areas which result in underutilization of most of the labor force (Msigwa, 2013). Since microfinance institutions provide microcredit which has contributed to significant income and employment opportunities for the poor people in developing countries especially in small businesses Makorere, (2014 and Mtani M *et al*., (2020a).

Among other activities which microfinance institutions major into is to facilitate community groups to improve their welfare. This is because microfinance institutions are considered as a set of effective tools to combat some of the community problems in the society through the provision of basic services which involve savings, relatively affordable credit, skill-based training and even access to affordable medical care (Raji, 2017). Microfinance institutions (MFIs) are therefore crucial in filling the institutional voids at the grass-root- level by levelling the playing field and the rules of the game to facilitate inclusive growth in the society (Mair, Marti, & Ventresca, 2012). The unemployment in Tanzania for both men and female for the year 2016 is 2,368,672 people which are equivalent to 10.7% of the labor force population (NBS, 2016). Most of the studies conducted in Masasi district do not address the performance of microfinance to Masasi district council on improving economic empowerment of youths Nyangarika *et al.*, (2020a).

Masasi district council as commissioner is lacking information on the influence of microfinance services in the economic empowering of the among the youths in Masasi area. (Haji, 2015). Conducting this study in this locality will provide information on the performance of microfinance institution in empowering youths' development agenda as advocated in the Sustainable Development Goal number 10 which stresses on reducing inequality within and among countries. The findings from this study will have significance for the Masasi district council. Masasi district council will benefit from these findings as they will be able to know the status of the livelihood of the youths in terms of living standards, income, employment level and poverty level, to know how they can empower youths and provide solutions to challenges facing youths in the country and at local perspective in general. The results from this study will serve as a booster tool for the stakeholders which engage youths in their operations and to help youths access credit facilities for their economic development and to achieve the objectives.

2. Material and Methods

Microfinance allows poor youth to move from everyday survival to planning, investing in better-improved living conditions. Microfinance is a marginal sector and primarily a development concern for the donors, government and socially responsible investors to achieve their full potential of reaching many poor people, microfinance should become an integral part of the large financial sector (Stanley, *et al.,* 2014). Access to microfinance has the potential to assist the poor in earning income from micro enterprises, smooth their income and consumption and help the household to diversify their income saving (Anand e*t al.,* 2005). According to Mayoux, (2005) microfinance makes a significant influence on the reduction of poverty. It helps to increase income and assets building opportunities which make household less reliant on a single assets type and consequences deal with disasters. Microfinance and entrepreneurship training skills enabling youth to understand the important skills and knowledge in financial matters was crucial. Microfinance training has a significant in promoting the capacity and efficiency of youths in enhancing them to understand skills and knowledge in entrepreneurship and financial matter which are important in youth empowerment (Mecha, 2017). Entrepreneurship training enables the youths to equip with entrepreneurship skills and altitude Nyangarika *et al.*, (2020a).

Skill training in microfinance such as financial management, business and marketing skills and record keeping has a great impact on the business performance of the beneficiaries. They can make a better decision on their business, improving their selling and market capabilities. Most of the beneficiaries of microfinance lack entrepreneurship and business management skills to run successful businesses. A successful entrepreneur possesses microfinance training skills that enable them to start and manage their business in a manner that improves their business and increase their income. Hence, access to microfinance needs to be complemented with the requisite entrepreneurship skills to archive better results (Chowdhury A, 2009). The training skills on microfinance offer young entrepreneurs the chance to learn a better way of production through effective management of productive resources and better management of production processes, leading to high quality and quantity productivity. According to (M, Nelly and Dunford 1998) MFI's can benefit direct or indirect from the training support it offers to clients. If the beneficiaries improve their business and entrepreneurship activities as the results of training, then it is possible that MFI stands to benefit from high repayment rates of loans.

Mensah and Benedict, (2010) argued that the microfinance training has a potential impact on enhancing the capacity of small and medium enterprises for jobs creation and growth in the South of Africa. They also assert that the entrepreneurial training will be more effective when combined with microfinance service. Also, microfinance training enables the youth to have a basic knowledge and skills that facilitate easy management of the business and entrepreneurship and in order to realize the positive returns on the

investments of their projects (Grace and Johnson, 2016)
Training skills on entrepreneurship and business in microfinance lead to increase the capability of the beneficiaries to consider several investment opportunities and make a choice that would improve re- turn or profits. Through training received by youth from MFI enable them to gain knowledge in doing business and other economic activities which actual lead to increase income Abdul N, (2015) and Nyangarika *et al.*, (2020b).

Microfinance has a great impact on the asset's ownership of beneficiaries. According to Berhace and Gardebroek, (2010) Microfinance influence the livelihoods of beneficiaries since the loans received from MFI used to invest in economic activities that generate income. The income provides easy access to basic needs, especially foods, paying for school fees for their children, and other medical expenses. In some cases, part of the income generated from economic activities is saved toward a long-term goal, for example acquisition of assets such as land, livestock keeping or improvement of housing facilities. Ojo, (2009) in his research on the role of microfinance in entrepreneurship development, found out that there was a significant difference in the number of entrepreneurs who used Microfinance Institutions and those who do no, those who took the loan their life standard improved significantly than those who did not take the loan. Microfinance is sustainable for the development of entrepreneurship activities in Nigeria and that Microfinance has affected entrepreneurship in the country positively through the economic multiplier effects Nyangarika *et al.*, (2020a).

The impact of Microfinance on livelihoods was focused on the changes in livelihoods assets and the use of livelihood assets to cope with vulnerability. The provision of MF can assist the poor with the means to protect their livelihoods against shocks and to build up and diversify their livelihood activities (Johnson *at el,* 1997). Chowdhury *at el,* (2004) argued that if microfinance is to fulfil its social objectives of bringing financial services to the poor, it is important to know the extent to which its wider impacts contribute to poverty reduction Nyangarika *et al.*, (2020b). Microfinancealsocontributestobuildinguplivelihood'sassetsof the beneficiaries. According to Mosley *et al, (*2004), Youths reflected significant increases in ownership of livelihood assets such as live- stock, equipment and land. Through these assets enables youth or clients to be empowered economically.

3. Methods

This study was conducted at Masasi district council in Mtwara region. Two villages within the district Mwena and Mpowora. A total number of 40 respondents were interviewed in those villages, because the selection involved two villages due to proximity and availability of respondents required to get the diversity of ideas and perspectives from different respondents. In each village, a total number of 20 respondents were selected for semi-structured interview to get in-depth information from the respondents, and three key informants from microfinance institutions and in Masasi district council were interviewed. This study used both primary and secondary data, where the primary data collected directly from the field which gathered from the study area through respondents using the semi-structured interview. While the secondary data accessed through Libraries, reports, articles and relevant authorities. The villages were selected based on youths who were the beneficiaries (receivers) of the microfinance from Masasi district council. The second criteria were the existence of active microfinance institutions which provide loans based on four phases annually to the youth in that villages. Also, the researcher works in that area and knows the place better. This study contained qualitative approach with comprehensive understanding of the context of the research problem among the youth in Masasi district council. The case study assisted the researcher to use different methods like observation, probing and crosschecking to get in-depth information from the respondents. This method was used to collect the information on the role of micro- finance institutions on the economic empowerment of youth from respondents and key informants. Forty respondents were interviewed by the researcher to gain in-depth information about the re- search study. According to Black and Champion (2016) remarked that the interview provides rich information that is particularly useful in providing insights for a description of social reality which no other method of data collection can provide as shown in (Figure 1).

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Figure 1: Researcher having an interview with the respondents
Source: Field data, 2020.

4. Results

The main purpose of the microfinance is to help the household to acquire and develop assets ownership. Microfinance has a positive impact on asset ownership and improving the livelihoods of the poor youth. The study found that most of the respondents spent the amount of loan given in improving both the quality and quantity of the business in place and spent the loan in expanding ongoing entrepreneurial activity. The result found that most of the male and female had the urge to grow and develop their businesses hence total commitment in channeling the loan in the business. This business enables youth to accumulate income and some of their returns or profits enable them to own assets.

The study revealed that the profits of the business and other entrepreneurship activities helped youth to accumulate income and in owning different assets. The respondents had used some of the returns of their loan to buy different assets. The results of the findings indicated that 4 male youths brought land to facilitate easy agricultural activities, 3 respondents bought power tiller machines, 1 had bought and keeping poultry, 3 respondents managed to construct residential houses, 2 respondents bought goats, also 2 respondents bought cattle and 2 of the respondents bought a motorcycle. The 3 respondents out of 20 male respondents have not owned any assets because they took loans for the first time as shown in (Figure 2).

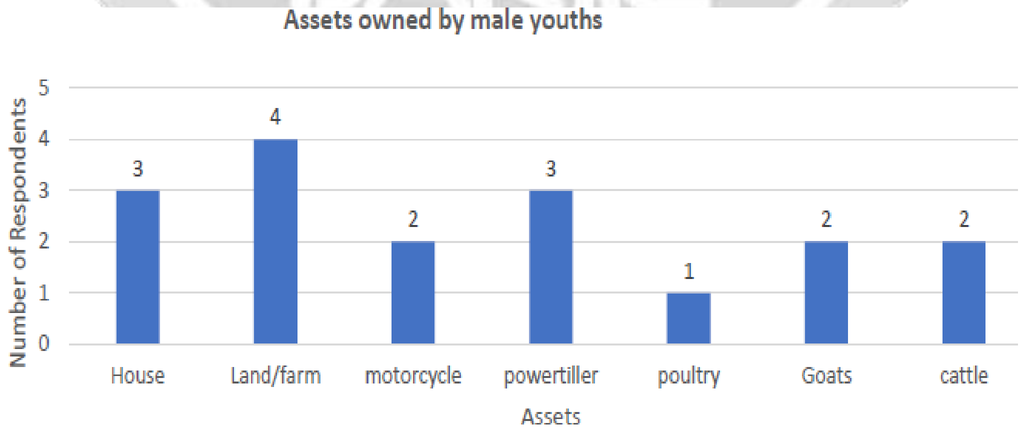

Figure 2: Impact of microfinance on assets ownership by male youth
Source: Field data, 2018

The two respondents revealed that *''I have a house with two bedrooms, which I have constructed in my homeland after earning a profit from my business''.* Another respondent revealed that…. *After I received my loans, I* *decided to invest in keeping goats and poultry which brought income and empowered me economically''.*

Also, the finding of the study revealed that microfinance has an influence on the asset's ownership of the respondents, because it shows that the respondents could improve their economic status such as improving the living standards by participation in the program, amount of the credit borrowed, and the training provided by the program. The use of the credit among the respondents appeared as the major factor for the borrowers raising their income. Also, the study revealed that the access of the credits has an impact on improving the livelihoods assets such as land, motorcycle, job creation, livestock keeping and sending children to school and managed to health expenses. Both male and female youths' respondents do not only borrow for entrepreneurship purpose but also for purpose of making them grow economically in wealth creation and growth. The results show that the respondents were not only in need of working capital but also needed to build up assets and create wealth.

Respondents were asked to indicate whether micro finance funding has helped them to diversify their business and reduce vulnerability. The findings of the study found out that microfinance had impacts on livelihoods of (youth)respondents and confirmed what the key informants had indicated that majority of the youths benefited economically from their products regarding education, health, from business, school fees, loans and savings. The results of the findings indicated that 2 female youths bought land for garden activities, 1 female bought power tiller machine, 4 are keeping poultry, 3 respondents managed to buy the milky cow, 3 respondents bought goats, also 1 respondent constructed a house, and 1 respondent bought a bicycle. The 2 respondents out of 20 female respondents were not owning any assets because they took loans for the first time as shown in (Figure 3).

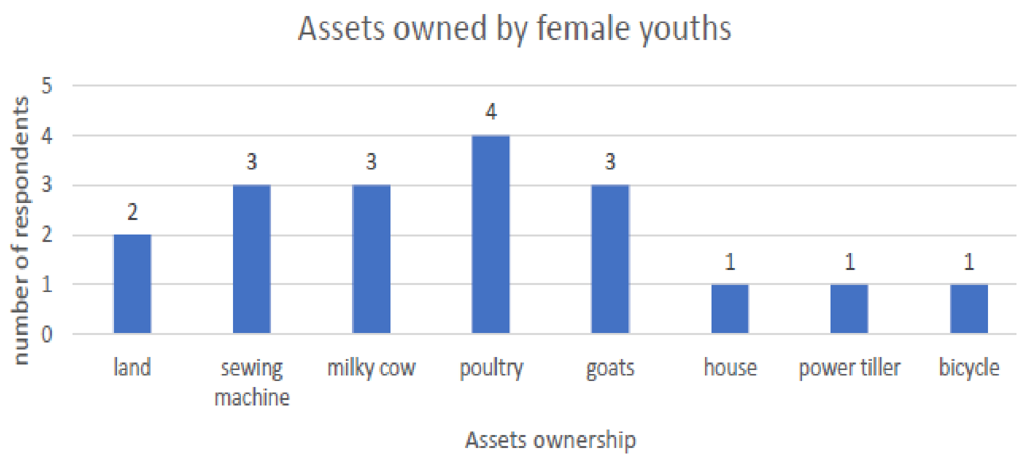

Figure 3: The impact of microfinance on assets ownership by female youths
Source: Field Data, 2020

Both male and female youths revealed that although they get loans from a microfinance institution, there were still facing some challenges in accessing the microfinance. The following were the challenges faced by male youths in accessing microfinance: - Waiting for the loan for a long time: Most of the microfinance institution takes so long time during the application and in the time for delivering of the loans and this affects the business planning of the clients. The finding of the study revealed that 4 respondents blamed MFI for taking so long time in delivering the loans which were applied by the clients. They said that sometimes it might take almost two or three months the loan to be delivered. High interest rates of the loans: High-interest rates of the loans in the microfinance institution were among the challenges facing youths in accessing loans and this was revealed by 7 respondents. The respondents agreed that interest rates of 10% were high and believed that they were working for the benefits of the Microfinance Institutions and not for themselves.

Short repayment period: Some of the microfinance institutions forced their clients to make repayments of the loans on a weekly basis. This finding of the study showed that 2 respondents revealed that the short repayment period of the loans was among the challenges which discourage youth in the accessing credit from MFI. This was too short a time for the business to have yielded returns and profits and making repayments of loans. Lack of security for the loan: Most of MFI demanded collateral as the pre-condition for accessing loans and most of the youth didn't have security. The finding of the research revealed that 4 respondent's lacked collateral or security. ''*One of the male respondents revealed that…… I failed to acquire the loans for the first time… because I didn't have a collateral property for my loans. So, it was a major challenge for me''.*

High expenses incurred in travelling for looking on credit**:** Most microfinance institution which provides credit or loans are in urban areas. This makes high expenses (cost) incurred in travelling in an urban area on looking for credit at the MFI**.** The results of the study showed that 3 respondents revealed that high expenses incurred by the clients in travelling for looking credit on MFI were one of the challenges facing youth in accessing credit. *One of the respondents revealed that….*'' One of the challenges which I faced during the process of acquiring credit was high transport cost I incurred in the travelling process for looking at the credit in MFI as shown in (Figure 4).

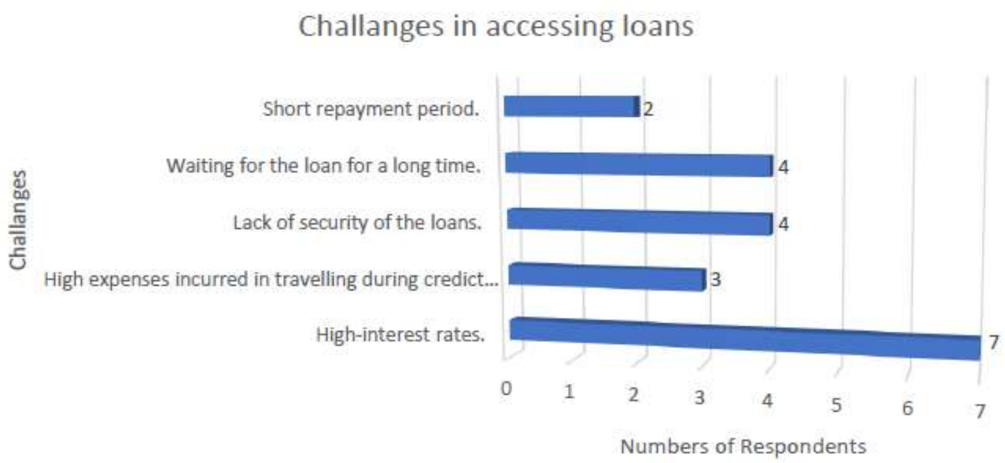

Figure 4: Challenges faced by male youths in accessing microfinance.
Source: Field Data, 2020

The study also indicated the challenges in which female youths faced when accessing the loan from Microfinance institution: - Delay of loans from a microfinance institution: -Microfinance institution takes so long time to deliver the amount of the loans which requested by clients. The delay of the loans from MFI affects the business planning of the women especially in the entrepreneurship activities. The finding of the study revealed that 3 out of 20 respondents blamed that MFI takes so long time in delivering loans of the clients. The amount of loan is too small**: -** The respondents revealed that MFI does not provide the amount of loans requested by women during the application of loans, this affects the performance of the business. Three respondents said that the amount of the loan provided by the MFI was very small to cover the business plan of the clients. Lack of collateral security of the loans**: -** Collateral assets on the loan is one of the conditions needed by the MFI in the provision of loans to the clients. The finding of the study indicated that 4 respondents said that collateral security was among the challenges facing them in accessing loans from MFI. Week repayment period: - Women indicated that many financial institutions demanded clients to re- pay the loans on a weekly basis which lead many women to fail in paying back the loans to MFI because business cannot yield the profits over a short time. This was revealed by 4 respondents and blamed on short repayment on the loans provided by MFI. Interest rate of the loans**: -** High-interest rates of the loans in the microfinance institution were among the challenges facing women in accessing loans and this was revealed by 6 respondents. The respondents agreed that interest rates of 10% were high and believed that they were working for the benefits of the Microfinance Institutions and not for themselves**.**

These challenges reduced the rates of the female and male who were looking for credit in the micro- finance institutions. On the influence behind the decision on the application and taking the loans or credit from a Micro-finance institution, the results of the study revealed that 37.5% of respondents were self-motivated, 25% friends' motive, 20% of the respondents were motivated by the Government leaders while 17.5% were motivated by the self-help groups. *One of the female respondents said that…. ''I decided myself take the credit from MFI to improve my existing business of buying and selling second hand wear clothes to my customers to improve my household income''*

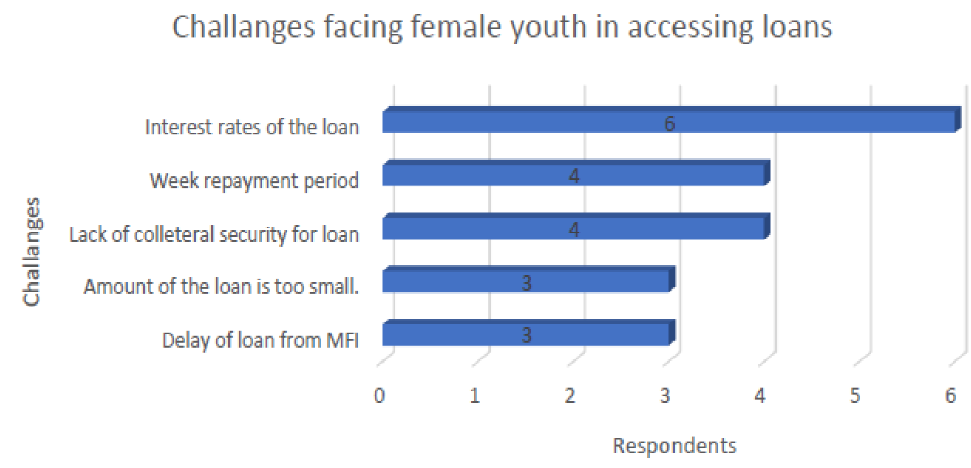

Figure 5: Challenges faced by female youths in accessing microfinance.
Source: Field data, 2020

On the exploring the reasons for the accessing credit from Microfinance institution. The findings of the study showed that 25% of the respondents revealed that they decided to takes the loans for improving the existing business, 20% were motivated by the availability of the markets for their products, 7.5% were influenced by starting a new business,17.5% were motivated by engaging on agricultural activities especial irrigation system (irrigation) while 27.5% respondents were interested in live- stock keeping such goats, cows and chickens and 2.5% of the respondents were driven on improving household income as shown in (Figure 5).

Microfinance has an impact on assets ownership through its production and consumption effects as well as its social effect in empowering women, youth and promoting entrepreneurship. Access to small financial services facilitated the expansion of existing or setting new up non-farm microenterprise by mobilizing and putting up together the resources owned by the household (Ziaul, 2014). The findings of the research revealed that microfinance has a positive impact on improving the living standard of the people and part of their profit is used in creation of the assets such as buying of land to facilitate easy agricultural activities, buying power tiller machines, keeping poultry, managed to construct residential houses, bought goats /cows and bought motorcycle which is used for transport. This result is in line with Hietalahti, J *et al*., (2006) who noted that suitable microfinance scheme improves client's business and increase their profit earning potential, which turns significantly to improve their assets ownership. Increase in income results in high saving and re-investment thereby increase the size of the client's business. The income of microfinance can be observed from both social and economic perspectives.

The findings of the research agreed by Tareno *et al*., (2015) narrated that microfinance has a positive impact to the borrowers, because the access to microfinance has an impact in terms of job creation, business profits and assets creation. Also, microfinance is an important strategy that improves the living standard of the people such as health, education, food, other social benefits and an alternative in reducing poverty level in the households (Mahmood *et al*, 2016).

Also, the finding of the study revealed that microfinance funding had helped the respondents to diversify their business and reduce vulnerability. This research found out that microfinance had impacts on individual livelihoods of (youth)respondents and confirmed what the key informants had indicated that majority of their customers benefit economically from their products regarding education and health through the business, health and school fees, loans and savings. This result is in line with Onyina, P *et al*. (2013) narrating that microfinance empowers beneficiaries by providing a job with regular income enabling them to acquire more assets such as land, paying for children's education and improves profits. Also, the result findings agree with Nangipiire, C *et al*., (2012) arguing that beneficiaries could earn a high income, promote their business, access health care, pay for the education for their children, acquire more assets and participate meaningfully in communities' activities more than beneficiaries.

Youths faced different challenges when they decided to look for loan at the Microfinance institution. The finding of the research revealed several challenges facing both female and male youths in Masasi district council. In the findings of the study, research shows that; 8 (4 females and 4 male) respondents lacked collateral properties in acquiring loans from MFI or local government institutions. This result of the research is in line with Ng'ang'a, (2015), narrated that collateral is one of the factors which prevent youth entrepreneurs from accessing loans. Usually, youths possess little resources and assets that are inadequate and, in some cases, unacceptable as collateral for loans or credit. Also, Wanjohi, (2009) revealed that banks and MFI have had difficulty in providing loans to the youth operating their business. This is because of lack of collateral required by MFI, poor compiled financial records and lack of technical management skills by the youths.

Also, the findings of the study revealed that high-interest rates of the loans in the microfinance institution were among the challenges faced by youth in accessing loans as this was revealed by the respondents. The research revealed that 13 (6 females and 7 male) respondents agreed that interest rates were high and believed that they were working for the benefits of the Microfinance Institutions and not for themselves. This result is line with Simeyo *et al*., (2013), she narrated that most of the female and male youths faced high-interest rates when they were seeking a loan from Microfinance institution. High expenses incurred in travelling for looking credit at MFI**,** the results of the study show that 3(male) respondents revealed that high expenses incurred by the clients in travelling for looking credit on MFI were one of the challenges facing youth in accessing credit. This result is line with (Anne, J et al. 2014), she narrated that most of the youth entrepreneurs faced difficulties in obtaining credit such as high expenses incurred in travelling in the process of looking for credit since most of the micro- finance institutions are in urban areas.

5. Conclusion

The finding of the study indicated the provision of microfinance to male and female youths had facilitated the increase of their income. The study concluded that, access of microfinance enables the male and female youths in phase two up to four to increase their income, through engaging on income generating activities hence increase investment and improved income of the beneficiaries. On the influence of microfinance on assets ownership of male and female youths. The finding of the research revealed that microfinance has an impact on acquiring assets of the male and female youths. This was evidenced that the participation of youths in income generating activities facilitated the increase of income which enables them to buy and own assets such land, house, power tiller, sewing machines, goats, milky cows, poultry, motorcycle, beds, water wells and carpentry equipment. The youths in phase two up to four owned more assets compared to phase one which does not own assets because they took loans for the first time and the profits were still low to acquire assets. Microfinance training for the youth is recommended on entrepreneurship and business growth. It is recommended to Masasi district council to facilitate training of the youths by the community development officers to provide regular training related to microfinance and entrepreneurial business for effective utilization of loans, financial management, market strategies, business innovation and products added value for increasing profits in business. If there are no funds for training, Masasi district council can source for funding from other stakeholders through proposal writing and this can be done by the year 2020. Microfinance training plays a significant role for youths' borrowers, and district council should offer training to youth before granting loans and at the middle of conducting business. The research revealed that microfinance has an impact on the income of the beneficiaries. It is recommended that the male and female youths must ensure that the loans received from district council should be utilized effectively in entrepreneurship and business activities to help them to repay the loans and save for the future. This can be done by Masasi district council following up on the economic activities of the youth on a regular basis and in that way the will be able to assist youth in managing their resources in a better way.

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