

Tanzania, Arusha

MICRO-FINANCE

Monthly Report - April 2015



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SUMMARY OF CURRENT DEVELOPMENTS

■ Group Meetings

Group meetings have been constant and successful in April. We had good attendance across the board, even (surprisingly) from Tupendane. The new members are showing up regularly and seem eager to participate and learn. However, rain season has started this past week. Heavy rain has been and continues to be very strongly correlated with absences from meetings, so we hope to convey to all the group members in the coming week that rain is no excuse to miss meetings.

Many group meetings have consisted of discourse about the possibility of a fifth loan and how the members would use the loan money. Through these discussions, the women are starting to think more in-depth about the future of their businesses in a strategic manner. We are still continuing to struggle with the concept of realistic projections for businesses but we remain optimistic.

■ Training

In April, we did not do any training due to the short number of volunteers; we will start training at the beginning of May.

■ Business Visits

As usual, we continued doing a business visit to a member of each group after the training session concluded. One huge success was finally seeing Rose's products, which are timber. As she does not have a place of business but instead buys trees from people to cut into pieces and sell, seeing the products did suffice, and was quite helpful because it sparked a long conversation about the different directions in which she could take her business in the future. This was great because doing a business visit with her had been on our calendar for at least the past three months, so finally getting it done was nice.

LOAN PORTFOLIO

GROUP	NO. WOMEN	ISSUE DATE	TOTAL LOAN VALUE (TSH)	REPAYMENT 30.04.2015	DEFAULTS	OUTSTANDING BALANCE @ 01.05.2015
Chemchem	9	9 loans, 26th January	1,800,000	1,437,500	0	362,500
Tupendane	7	7 loans, 21st October	2,700,000	2,700,000	0	0
Ikusura	8	8 loans, 14th April	4,800,000	480,000	0	4,320,000
CHE	9	7 loans, 8th April	3,500,000	468,000	0	3,032,000
Tunaweza	9	9 loans, 27th November	1,800,000	1,740,000	0	60,000
Amani	7	7 loans, 13th March	3,700,000	888,000	0	2,812,000
Mshikamano	7	5 loans, 13th March	1,300,000	393,000	0	907,000
TOTAL	56	51 Active Loans	19,600,000	8,106,500	0	11,493,500
Available Cash						
Next Capital Required						2,000,000

MONTHLY ACHIEVEMENTS

■ Loans

This month, we gave out loans to the Ikusura and CHE group. All the women were very happy with the loans and they promised they will use loans according to the business planning.

■ Training

We have continued refreshing the ladies on expenses and income so that they record in the books correctly.

FUTURE DEVELOPMENTS

We will continue stressing the importance of bookkeeping, which includes refresher training on revenue and expenses and cost-per-unit exercises. To help women better understand cost-per-unit exercises, we will train on specific businesses, including cost analysis on raising chickens/pigs and making chapati/batik/soap/jewellery. We will provide exercises with charts and ask the women to calculate and fill in numbers themselves. One main goal is to ensure that women understand not only how to calculate numbers for bookkeeping but know the concept and meaning behind it. Over the next several months we will also keep building on English training, providing flash cards and picture-with-word exercises for women who cannot read. We will also urge members that understand bookkeeping well, to help train other women in their groups.



Another future development is finding the next step for women moving past the fifth loan, which means preparing them adequately to handle loans from a larger organisation, if that is possible. Most women, however, will not have the assets/security to approach larger organisations or banks for loans – for these women, we evaluate their financial health after the fifth loans are completed, to see what improvements in their understanding of their businesses have developed. Eventually, the goal is to urge groups of women to create their own “banks” and run a regimented system amongst themselves.

For all groups, we are continually looking to increase the size of the market for their products and advertise as much as we can, whether that is bringing products for display at the Projects Abroad office or consulting them on ways to diversify locations for sales. The marketing website (<http://sokonitanzania.weebly.com/>) will be updated and publicised to the Projects Abroad Facebook page to aid these efforts. Also, after conducting marketing training this month (led by Pia), we will be conducting discussions with all the groups and soliciting feedback on what they think about product, pricing, placement, and promotion to see how each woman improves her business over time.

■ Group-specific Future Developments

Chemchem – The cake mix business got off to a slow start; the women mentioned that the mixes had trouble selling, as people questioned what was in the mix. They will try selling on the street and showcasing the cakes as opposed to simply marketing by word of mouth and neighbours. Also, the women have discussed potentially diversifying products, so we will consult on these over time; businesses discussed are juice, batik clothes, and food.

Tupendane – This group has recently attended more meetings and has been more active than usual, which is encouraging. However, the PA team has noted that a number of the women are no longer in need of loans, so the plan to replace Tupendane with another group is still in place.

Ikusura – They have been hosting the networking event and the farm excursion. Both were very well planned, including lots of food and drinks. We haven't had much time for the trainings in the first two weeks, but have been focusing on checking their books and doing marketing training which will continue.

CHE – They have expressed a continued interest in soap training, so we are trying to facilitate a date and time for the event.

Tunaweza — There is continued need to train the Tunaweza group on bookkeeping concepts, they are going to finish their second loan at the beginning of May.

Mshikamano – We have decided to stick with total cash on hand amounts for bookkeeping for all groups, which means we will need to retrain Mshikamano. Active business visits will continue to help women grow their markets.

Amani — The group is doing fine and their businesses are growing. According to business visits, they are even better than what appears on the bookkeeping. We have constant training for Angelina to teach her the alphabet and we see she has been practicing. We do have a few problems with the chairwoman; she is not doing bookkeeping properly and doesn't want to say where the money is from. We have still been "obliged" to give her the loan but said we would take it back if she doesn't commit.

Agape — We are still at the beginning of the process; some women only show once expecting to immediately receive the money, while others are putting efforts into their bookkeeping even though they still don't really see the point in doing it. We have been doing bookkeeping and marketing training.