

Tanzania, Arusha

MICRO-FINANCE

Monthly Report - February 2015



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SUMMARY OF CURRENT DEVELOPMENTS

■ General Developments

One issue that arose during February was the need to continue working with certain groups that already completed repayment of their fifth loan. In order to complete the training of those groups, we devised a new document that will be used as loan applications but more closely resembles an actual business plan. It asks very specific questions concerning the way of doing business. The women will have to seriously analyse certain parts of their operations. After the evaluation and analysis of their business plan, if the plan is realistic and satisfactory, we will be able to provide these women with another loan and will continue working with them.

■ Training

We had previously been on a streak of conducting trainings that all the women found helpful; we were regularly innovating and creating new ways to teach the women different concepts. The imminent arrival of new volunteers will help us to continue conducting productive training sessions.

Our current agenda for our trainings is to reteach every group how to count their expenses and revenue because we found that almost everyone has been reporting them incorrectly. We devised a series of exercises that we have already began employing that are meant to teach them what to include in their business and personal expenses, as well as their income. These trainings will also help the women understand that the balance they write at the end of each day should accurately represent how much money they actually have.

We are also working on teaching the groups that have completed their fifth loan how to comprehensively fill out our new loan applications. When helping the three women who don't read or write, we obtained very good answers and gained meaningful insight that we had not had before.

■ Business Visits

We conduct business visits on a regular basis, making sure to give everyone a turn. They are very eye-opening for us, as they give us an insight into how the women run their businesses. They also help us learn about things we should include in future business trainings. For example, there are two women (Esther and Anna, CHE) who keep chickens. They buy a bunch of chickens at once, then have no income for a significant period of time until they sell them all at the same time, and then repeat the process. We explained the concept of staggering, so they can have a steady income. Also, while on a business visit to Fortunata (CHE) we learned she now owns a shop but did not tell us. She explained that she was not including anything related to this shop in her daily numbers because it was not related to the loan received.



Micro-finance volunteers on their way to visit one of the women's businesses.

During February the volunteers have worked hard on training women's especially returning to the basis of bookkeeping training, on business planning and on basic English.

LOAN PORTFOLIO

GROUP	NO. WOMEN	ISSUE DATE	TOTAL LOAN VALUE (TSH)	REPAYMENT 28.02.2015	DEFAULTS	OUTSTANDING BALANCE @ 01.03.2015
Chemchem	9	9 loans, 26th January	1,800,000	425,000	0	1,375,000
Tupendane	7	7 loans, 21st October	2,700,000	2,056,000	0	644,000
Ikusura	8	8 loans, 21st October	4,000,000	3,600,000	0	400,000
CHE	9	6 loans, 20th August 3 loans, 23rd July	3,750,000	3,710,000	0	40,000
Tunaweza	9	8 loans, 27th November	1,600,000	600,000	0	1,000,000
Amani	7	5 loans, 15th August 2 loans, 5th September	3,200,000	3,200,000	0	0
Mshikamano	7	3 loans, 17th October	700,000	700,000	0	0
TOTAL	56	51 Active Loans	17,750,000	14,291,000	0	3,459,000
Available Cash						11,798,000
Next Capital Required						2,000,000

MONTHLY ACHIEVEMENTS

Loans

During the month of February, as usual, all payments on all loans were made by all women with no defaults.

In February, no new loans were issued. Most of the women of CHE group completed the repayment of their loan and the last one will complete hers in the first week of March.

Loan applications have been provided to CHE, Amani and Mshikamano groups and we have started to evaluate them. For all the women asking for a sixth loan, we will require a business plan with formal measurable objectives and more details about the way they run their business. The Amani group received the new loan application on the last Friday of February.

Training

With up to six volunteers on the project, we were able to continue the training on a regular basis. In January, we have been through a new training on bookkeeping but we did not see many changes in the data provided by the women, even if the women said that the training was very useful. After asking many questions and analysing the data, we found out that the basic notions of revenues and expenses were not well assimilated. So in February and for the month of March we will focus on what business expenses need to be reported, how to present all the revenue and what is viewed as personal expenses. We are asking them to write a cash book for a while, in order for us to guide them and to evaluate their business more adequately, in particular for the ones on their last loan.

■ Online Store

The initial draft of the online store has been completed with photos of our women's products and can be seen at: <http://sokonitanzania.weebly.com>. Up until now, we only had a few visits but we will promote it during social events and any time we meet with volunteers.

■ Volunteer Support

In February, the women of Ikusura introduced us to a grandmother who takes care of a few of her grandchildren with absolutely no support from their parents. She is struggling to feed them on a daily basis and they all share a two-room house. Marian, Rachel and Ainsley bought her a pair of goats, the female being pregnant to help her. In future, she will be able to use and/or sell the milk and sell the baby goat.

As a group, we also raised money and bought land for Fatuma from ChemChem. Fatuma sells vegetables for a living and her husband is very sick, so her revenue is the family's only source of income. They live with their three children in a mud house, sharing the place with neighbours with improper behaviour. We are currently trying to raise more money to build her house but the quotations we have obtained for building are a lot more than expected and with fundraising being challenging, it will take more time than expected to complete the process.



Micro-finance volunteers at their placement in Tanzania.

With Tunaweza group, we ran into an issue with sponsorship of the scholarship received from a previous volunteer for a local girl. We thought the subject was closed when the girl gave her consent to go to school and she was accepted at the boarding school to begin on Friday the 27th. Unfortunately, it seems that her commitment was not strong enough because finally, when taken to her place to pack her personal belongings, she ran away. We will follow up on this issue, to either find another girl to go to the boarding school or to get a refund from the school. The matter will be addressed early in March.

FUTURE DEVELOPMENTS

All groups would like more English training. While we have introduced some phrases, we will need to work out a better curriculum in order to make this a meaningful training.

We are still pursuing ways of increasing the market for the women in our groups. Plans are underway for a market day in the high volunteer season and we will continue to push the website and shop to other volunteers. We should also look into putting up signs and posters with more information on what volunteers can purchase from our women.

■ Group-specific Future Developments

Chemchem – We are still waiting for them to give us feedback on the idea of the group business being cake mix. Hopefully this moves forward soon.

Tupendane – The main issue with this group is that members do not attend regular meetings so, at the end of their fifth loan, we may have to replace them with a more cohesive group.

Ikusura – This group is continuing their English training and will soon host the networking event that we hold every three months. We are still working on them holding an excursion for the Projects Abroad volunteers to see their garden.

CHE – They are still working on their idea for sanitary pads. We gave them an idea of how to make them and asked them to see what they could come up with. They are actually collecting material. They are also looking at doing soap training as a group activity, we are waiting to hear a date for their training.

Amani – This group's yearly plan focused on more training and networking events. Both of these are being implemented and will continue to be in the future.

Mshikamano – This group has moved to Thursday afternoon, which means that in the future they shouldn't miss out when we have activities on Friday. This means we can really focus on their training and getting them up to a much higher level as they have been neglected in the past.

Agape – As a new group, the future plans involve getting to know the ladies, their businesses and their plans. We will begin basic bookkeeping training and ensure that they understand what they need to record and the importance of recording their income and expenses.