



Tanzania - Arusha

MICRO-FINANCE

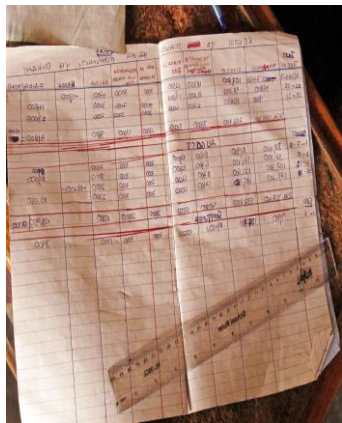


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1. Summary of Current Developments

During November all the women' groups moved into the third loan stage (300,000 Tsh / \$180 USD) with 15 loans distributed during the month. We continued to evolve the loan application process preferring to interview the women, after they completed a loan application form, to ask some more indepth and probing questions about the investment choice they were hoping to make. This followed on nicely from the Feasibility & Business Planning training which we introduced late October and continued to roll out to all groups during November.

During the month one women left the program after completeing her second loan. Grace from the Tupendane group was not offered a third loan on advice from the group Chairwomen that she was also taking loans from a different organisation. This challenged her commitment to working with Projects Abroad and we also did not want to burden her with additional debt.

During the month we also met with a new women' group based at the Golgatha Orphanage. This is a group of 20 women who were aware of the Arusha Micro Finance teams work and enthusiastic to meet us for some training. We met with them twice during November, once to meet with the chairwomen and be introduced to the group and the second time to do some basic training on Bookkeeping & Marketing which was well received. Our current thinking is that this group could replace the dwindling Riverside Group (4 members) when they have completed their 3rd loan repayments in 11 weeks time.

Two of our women' groups (Amani & Mshikamano) have created a savings scheme with us following on from the ideas around a large group kibati/ VICOBA which we mentioned in last months report. We have collected money from them for the last 3 weeks and they will continue to contribute weekly until the end of their 3rd Loan. The intention is then to collate this saving with their 4th Loan so that they have a larger sum to invest in their businesses early next year.

2. Volunteer Information



At the start of November a number of volunteers left the project reducing the team to just two; Chrissie Bell who has been with the project since August and Sondra Kiontke who joined mid October. However two new volunteers joined during the month; Jesper Johanson from Denmark transferred to Micro Finance from the building project and Jeanine Hardy from Canada arrived, both will stay for one month.

3. Loan Portfolio

Group	No. Women	Issue Date	Total Loan Value (TSh)	Repayment @ 01.12.13	Defaults	Outstanding Balance @ 01.12.13
Riverside	4	23 rd September	1,200,000	540,000	0	660,000
Tupendane	7	12 th November	1,900,000	190,000	0	1,710,000
Ikusura	5	5 Loans 19 th Nov	1,500,000	195,000	0	1,305,000
CHE	10	4 Loans 18 th Sep 6 Loans 16 th Oct	2,800,000	1,075,000	0	1,725,000
Amani	10	5 Loans 6 th Sep 5 Loans 25 th Oct	2,750,000	1,045,000	0	1,705,000
Mshikamano	6	4 th October	1,200,000	600,000	0	600,000
Total	46	36 Active Loans	11,350,000	3,645,000	0	7,705,000

Available Cash @ 01st December 2013: 3,645,000 TSh

Next Capital Required March 2014: 1,000,000 TSh

Please note that the capital requirement for March 2014 of 1,000,000 TSh assumes we continue to support the women currently in the program and do not take on the new Golgatha Group. However should we cease to support Riverside and support Golgatha instead there would be sufficient available cash to start them at Stage 1 (100,000 TSh) Loans.

4. Monthly Achievements

During the month we analyzed the results of the Survey handed out last month to identify what was working well with the project and areas for improvement.

Overall the women who responded indicated that working with Projects Abroad had improved their lives scoring “life improvement” on average 8.5 out of 10. Lower scores were correlated with women who believed that the size of the Loan offered was not big enough for their business. It is clear that the Loan is key but training and knowledge shared by the volunteers were called out as the best attributes of working together with the Micro Finance team.

Loan Size: Most women suggested 500,000 TSh as an appropriate amount and given this is the value of the 5th Loan Stage it is clear we are working in the right direction. A number of comments on how to improve the project suggested that we tailor the loan size to the different women’ businesses. These comments generally came from women with much larger businesses who really need financial support in order to scale up production (Catering business, Nutrition Flour supplier) or open additional sales outlets (Animal Feed business, Bar owner).

Training: Feedback has been very positive on the content of previous training but it is clear that repetition of key skills (bookkeeping, marketing, business planning) is still needed and desired by the women. As a result we will continue to roll out the bookkeeping refresher training and re-run some marketing training focused on retail selling.

Relationship with PA: Throughout the survey the women' appreciation of the support Projects Abroad gives them is clear and enthusiastically received. Additional activities like the Chicken Seminar run last month and/or opportunities to meet with other groups were highlighted as valuable to the women. The survey also included a question on the ideal length of stay for volunteers and 86% of women suggested 3 months or more. Recent volunteers also suggest a recommended stay of 3 months in order to build a strong working relationship with the women and provide some continuity for both them and the project between groups of volunteers.

In order to give you an opportunity to draw your own conclusions some of the key data points are summarized in the attached appendix.

5. Future Developments

the huge success of the chicken seminar we were thinking about organizing a jewelry workshop for our women groups. Such a workshop would not only help the women to think about new designs, but also form a network with other groups. While evaluating the surveys we gave them within the last month, we got the impression, that they would really like to meet and share ideas with other groups. It would also be an opportunity to let volunteers from other projects meet the women, spending an afternoon together and learning from each other. To not forget about the business the volunteers can buy the produced jewelry and support the women with their work.

The last month we also increased the number of business visits. Like this the volunteers could see what exactly every woman is doing and what she is using the money for. We started to check their financial records every week to not only put a little more pressure on them, but also be able to see if there is anything they could improve and be there to help and maybe give some advice. We are happy to get lots of questions and about the trust the women put into us.



Recently we visited a woman who has 300 chickens in the group called Anna. She sells around 270 eggs a day. Her business was financed by money she borrowed from the microfinance project.

We finished to evaluate all the surveys we gave to the women and now try to draw conclusions from them. We got a lot of feedback, which is the basis for our future planning.