

# **Final Report – CORDAID: July 2008 – June 30<sup>th</sup> 2011**

## **0. Basic Data:**

- War Against Poverty (WAP) Project No. 154/10171

Business and Entrepreneurship Support Tanzania (BEST)

Name of Contract Holder: Praise Ngowi- Manager

Project started 1<sup>st</sup> July 2008 and will end June 2011

Reporting period: Year Three: July 2008 – June 2011

## **1. Context**

War Against Poverty (WAP) is a project addressing poverty at grass root level. The main objective of the project is to alleviate poverty among the micro entrepreneurs and small-scale farmers in Arusha and Arumeru Districts through the provision of gender sensitive, business management skills, advisory services and enable micro-entrepreneurs to access to micro-credits.

The Tanzanian government is in favor of entrepreneurship policy. This makes the intervention easily acceptable to beneficiaries and leadership. The project started by the introduction at the district level, Ward and village level. The introduction was all about what the project is and modalities of its implementation, how beneficiaries will be identified and the role of leaders, BEST as well as beneficiaries.

Throughout the project implementation, the leadership was happy because the project touched the grassroots level where poverty is great. The leaders supported the intervention because of its importance in reducing poverty. The entrepreneurship intervention has made micro-entrepreneurs to be active in and effectively spend time with consciousness.

The trained entrepreneurs have gained and utilize skills to develop micro-enterprises. Their lives have changed within a short period. The evaluation report highlights this evidence.

Micro-credit has facilitated the micro- entrepreneurs in acquiring additional goods that boosted their working capital. More goods mean that people have acquired more sales with the realization of higher profit in comparison to the time when there were no credit facilities. Close follow-up and supervision of the micro-entrepreneurs have made possible for them to perform well due to the fact that they have time to ask for clarification and be advised on issues that were not clear at the grassroots level. Learning in class and application of the skills in the field is different. The combination of the classroom training and field advisory services enriched the entrepreneur's knowledge.

Most of risks lie in the provision of micro-credit to unfaithful groups. There are those who formed the group for the purpose of accessing loan. However, in the cause of implementation, it was found out that the groups disintegrated soon after receiving the loans. For the groups of

those characters, there were problems of collecting and recovering those loans. Sometimes BEST imposed control by involving village leadership which acted as a link between the beneficiaries and BEST. Village leaders were tasked with the duties of uniting the groups to ensure smooth recovery of the loans.

The project is well recognized by the district authorities because when we needed support and conducting meetings with beneficiaries they were always positive with our plans as well as our interventions.

## **2. Objectives (for the period covered by Report)**

*The general objective:* At least 1800 micro-entrepreneurs and farmers in Arusha and Arumeru Districts are provided with gender sensitive business management skills, advisory services, access to credit and able to do viable and profitable businesses. ( In the second year changes were made, target was reduced to 1575).

*Specific Objective:*

At least 1,800 micro entrepreneurs and farmers in Arusha and Arumeru districts are provided with gender sensitive business management skills, advisory services and 1,080 gain access to credit by 2011 June.

From July 2008 to June 2011 1,681 micro entrepreneurs and farmers were trained in basic business management as follows: First year, 650 entrepreneurs were trained, the target was 600. In the second year 407 were trained. The target was 375 instead of 600 per year due to the problem of funding, and the change was agreed upon by both BEST and CORDAID. In the third year 629 beneficiaries were served. All together 1,160 women and 521 men were equipped with skills in business management. The target of 1,575 therefore was exceeded by 106 beneficiaries. This was due to the fact that it was planned one class to be composed of 30 people but sometimes due to high demand, the number in one class went up to 40 or more. The training comprised of the subjects; Business and Family, Business Idea Generation, Marketing, Costing and Pricing, and Business Record Keeping.

From follow up visits and final evaluation, it has been revealed that trained entrepreneurs are able to keep records, to calculate profits, and many have opened bank accounts. They are also more creative and have improved in customer care and are able to advertise their businesses due to improved marketing skills. There has been significant growth of existing businesses and engagement in new and profitable IGAs. Improved and strengthened family relationship from gender awareness has been reported.

In the three year period, 613 beneficiaries of BEST services have been visited for purposes of follow up, supervision and giving business advice. This exercise has been beneficial to both BEST and the entrepreneurs. BEST has been able to draw lessons for improving her services, while the beneficiaries got the opportunity to air their concerns give their opinions, and receive advice. 50% of these kept proper business records, and had increased their profit by 16% to 25%. Those who were not yet able to keep proper records were instructed again. BEST was able to see what changes have taken place in the businesses, what improvements have taken place on the

nutrition status and changes regarding acquisition of assets, access to health facilities, children's education, and family relations.

*At least 1,080 trained entrepreneurs increase their business capital by 50% through loan acquisition by year 2011*

A total of 988 loans were issued in the three years to 492 trained entrepreneurs.

The target was to issue 1,080 new loans. In year one only 135 loans were issued. In year two 486 loans were issued. These included 186 new loans, and 300 second and third loans.

In year three 367 loans were issued. They included 171 new loans, and 196 second and third loans.

With more capital, entrepreneurs were able to increase their profits, and some could even start additional businesses. Before being given the loan, they were facilitated to form groups which acted as the security for the loans.

### **3. Program Activities**

#### **(i) To mobilize and create awareness on business management training to micro entrepreneurs**

Mobilization sessions were held in seven wards of Arusha and Arumeru districts. 150 leaders attended the sessions. They received well the idea of training entrepreneurs because it addresses a pressing need for the people, anticipating that trained entrepreneurs will come up with income generating activities that will earn them income. They saw that this project will complement the government's efforts in fighting poverty.

During the project duration BEST worked closely with this leaders. They mobilized the community members and arranged for training venues in their areas.

#### **(ii) To conduct training on small-scale business management skills and gender issues for entrepreneurs.**

Training for small - scale entrepreneurs on business management skills was conducted in Arumeru and Arusha Districts. 1681 entrepreneurs were trained, of which women were 1160 were women and 521 were men. The trainings offered to the target group empowered the entrepreneurs (especially women) and enabled them to increase the value of their businesses in terms of quantity and quality. If women earn an income, they get empowered and encouraged to participate in making decisions concerning the businesses and other household issues.

Micro-entrepreneurs were taught on: Business idea generation, Marketing, Business planning, Pricing and costing and Record keeping. Other topics included training in new IGAs and Gender awareness. Gender awareness raising has helped improve family relations as was learnt during follow up and evaluation. Couples now work together and the businesses are regarded as family businesses instead of a woman's business and a man's business as it was the case before intervention.

**WAP 2008 – 2011 BENEFICIARIES ACCORDING TO WARDS  
BUSINESS MANAGEMENT TRAINING**

<b>DISRTICT</b>	<b>WARD</b>	<b>WOMEN</b>	<b>MEN</b>	<b>TOTAL</b>
<b>Arusha (Rural)</b>	Olkokola	16	-	16
	Ilkiding’'a	80	16	96
	Moivo	68	2	70
	Mateves	20	35	55
	Kisongo	30	-	30
	Mlangarini	33	12	45
	Nduruma	45	45	90
			<b>292</b>	<b>110</b>
<b>Arusha Municipal</b>	Baraa	87	34	121
	Lemara	65	4	69
	Terrat	61	82	143
	Elerai	56	4	60
	Moshono	290	126	416
	Sokon 1	25	5	30
			<b>584</b>	<b>255</b>
<b>Meru</b>	Usa river	119	16	135
	Nshupu	69	16	85
	Maji ya chai	30	-	30
	King’ori(mareu)	30	-	30
	Maroroni	80	80	160
	Total	<b>304</b>	<b>112</b>	<b>440</b>
	<b>GRAND TOTAL</b>	<b>1204</b>	<b>477</b>	<b>1681</b>

Direct beneficiaries targeted Year 1.....600  
 Targeted Year 2.....375  
 Targeted Year 3 ....600  
 Total .....1575  
 Achievement 106.7%

**Direct  
Beneficiaries 2008 - 2011**

**ALL ACTIVITIES**

<b>ACTIVITY</b>	<b>FEMALE</b>	<b>MALE</b>	<b>TOTAL REACHED DIRECTLY</b>
Business Training	1204	477	1681
IGAs Dissemination	64	56	120
Service to Extreme Poor	220	26	246
Credit	413	79	492
Food Processing	80	-	80
TOT Food Processing	20	-	20
TOT Business Management	28	15	43
<b>Total</b>	<b>2012</b>	<b>650</b>	<b>2662</b>

Food processing techniques was taught to eighty entrepreneurs from two villages of Arumeru District and two of Arusha Municipal. From each village 20 entrepreneurs were taught on Food processing techniques. Training of trainers (TOT) was taught to twenty participants. Each of the four villages was represented by a group of five members.

The Methodist Relief Development Fund (MRDF) funded the food-processing project from January to December 2008 as a separate project.

**(iii) To research for new income generating activities and disseminate information and training to entrepreneurs**

This activity was done only in the first year, and then suspended when one of the donors decided they were not going to work with partners in Tanzania. It was agreed by both BEST and CORDAID to suspend the activity in year 2 and 3. Five new IGAs were identified and disseminated in the wards of Ilkidin'ga, Mlangarini and Terrat, to 120 beneficiaries.

The IGAs identified were:

1. Cultivation and sale of Rosella Plant
2. Cultivation and sale of Jatropha Plant
3. Local Chicken hatching
4. Dry Manure business
5. Production and sale of the solar stove "Solar Cookit".

Rosella and Jatropha cultivation was received well in Mlangarini and Terrat. Farmers from Terrat were introduced to a Jatropha company so that they could get a market for their produce.

**(iv) Conduct training on loans and savings management**

A loan department was established in the first year of the project, after the credit manual was prepared by BEST and approved by CORDAID. Personnel were recruited to credit department. Accountant and a loan officer were employed. The target was to give loans to 1080 trained micro-entrepreneurs. However due to budget limitation only 492 trained beneficiaries were given loans. In the first year of the project 135 trained entrepreneurs received loans of a maximum of Tshs. 300,000/- each. In the second year 186 new loans were issued including farming loans to 6 peasants. 300 second and third loans were also issued making a total of 486 loans issued in the second year of the project. In the third year 367 (151 new loans, 196 second and third loans) were issued. The total number of loans issued in the three years, is 988 first, second and third loans altogether. The targeted number of 1080 beneficiaries was not reached, it was short by 588 due to the withdrawal of one of the expected donors at the beginning of the project. BEST is still issuing loans since the loan fund is revolving.

Frequent follow on loan repayment has been done so as to prevent total default on repayments. Repayment rate is 96%

There is a great demand for business loans, and BEST will continue with this activity with the revolving fund available and any other funds which may be obtained.

**(v) Make follow-up and provide business advice to trained entrepreneurs and loan recipients**

In the three- year period, a sample of 613 trained micro-entrepreneurs was visited for follow up and advice. During these visits, business records were checked, interviews were done in order for BEST to monitor progress, and advice was given to those who required advice. The monitoring revealed various lessons for both BEST and beneficiaries as follows:

**(vi) To mobilize and create awareness among poorest of the poor and provide basic business training. To provide seed capital to the mobilized poorest of the poor**

In the first year of the project this was one of the activities. It was expected to identify 50 people from the extreme poor, provide them with basic business management skills, then give them seed capital averaging Tshs. 50,000/- each to start small income generating activities. It was possible to train 29 people and give seed grant to only 20 for the year, since the Tshs. 50,000/- proved to be inadequate for most of the income generating activities chosen by the beneficiaries.

In the following years this component of the project was separately funded by MRDF. For the second year, 161 beneficiaries from the extreme poor were served and in the third year 120 people were served. MRDF will continue this activity for another year, to end in October 2012. From this target group 6 people were successful to the extent of procuring farming loans from BEST in the second year of the project. In the third year at least 20 have applied for farming loans.

**(vii) To make follow up and give business advice to the serviced poorest of the poor**

Frequent follow up to monitor progress of this target group was done. More than 50% have conducted successful small businesses which are growing continuously. Those renting plots for rice farming have increased the size of plots from quarter acre to half, and half acre to one acre, as in the case of Agnes Bashiri, Beatrice Joseph, and Leonia Mosha. Some with small shops have increased their capital and added more goods to their shops as in the case of Philemon Emanuel and Hawa Ayubu, while those selling vegetables are able to sell on more market days than it was previously.

BEST has learnt that, even the poorest of the poor can be liberated from poverty if they are given appropriate service; they are not a complete failure

**(viii) To procure equipment and means of transport**

The desk top and lap top computers planned for were acquired, but the vehicle was not purchased due to lack of funds supposed to be obtained from another donor. It was agreed by BEST and CORDAID to suspend the purchase of a field vehicle.

**(ix) To conduct training of trainers as a phasing out strategy**

Training of trainers was conducted for 43 trained entrepreneurs from all the wards served under the project. The trained entrepreneurs are now conducting training and giving business advice in their areas.

**(x) To conduct mid-term and end of project evaluation.**

Only end of project evaluation was conducted in the third year of the project. A consultant was hired to conduct evaluation in the project area, and one project stakeholder's workshop was conducted. A representation of stakeholders from project operational area attended the session and gave their feedback regarding the project and suggested future implementation of the following programs.

The Evaluation Report has been forwarded to CORDAID

## **Lessons learnt from follow up of BEST beneficiaries of WAP**

**Changes which have taken place in the business:**

There is a commendable growth and increase of working capital. More capital was realized from the acquisition of loans and increased of sales. Part of the profit was injected in the business to increase the working capital.

Increase of sales lead to the increase of profit. The profit increases by an average of 16- 25% per individual.

Micro-entrepreneurs are keeping business records and calculate profit. Before the project intervention there was no business records kept because the micro-entrepreneurs did not know the value of keeping such records. Through the training they realized the importance of keeping those records.

There is addition of new businesses to some individuals. Micro-entrepreneurs have learned that more profit will be gained through more sales, thus they are trying to utilize the available opportunities to make sure they sell more products so as to realize profit. New businesses have been established to utilize the opportunities.

The economic situation has changed per household. For example there was a tendency of selling livestock to pay school fees. Just after the intervention, the profit gained is used instead of selling the livestock.

Increased ability to purchase better products, for example; seeds for those doing vegetable farming. Before the intervention poor farmers were applying unimproved seeds but now they are buying improved seed which yield high production.

#### **Improved customer care (Case study of Damari- Ilkiding'a):**

Micro-entrepreneurs didn't know secret of attracting customers. Through the learning processes they realized the importance of caring customers and thus increase sales. In that case, Damari used to chase away customers and always she could sell less daily. Soon after the training, she changed her behavior and approach to customers by asking them what they need most; how they prefer the services to be carried out, when they want what, she changed from rude to soft language to her customers and through that way she attracted the customers. She has realized more sales hence high profit. That helped her to expand her business.

#### **Increased creativity:**

Before the project the poor micro-entrepreneurs were stagnant doing one business that was yielding or not yielding high profit. Just after attending the training, the micro-entrepreneurs and poor farmers have opened their eyes and ears for new opportunities and ventures. That made them to be creative and hence employ more people. For example the case of Dora from Ilkiding'a who was a tailor used to make clothes for her customers. For years she was there with her single sewing machine. After training she used the skills properly. She added sewing machine and employed additional worker. She added embroidery machine. She started purchasing cloth materials and sell to her customers instead of waiting customers to bring them to her. She opened hair dressing saloon. She also sells *vitenge* and *khanga*. Through that way she attracted more customers.

#### **Opened bank accounts:**

Poor micro-entrepreneurs hardly use bank facilities. They thought bank is institution for highly paid people and big business men. However they realized that banks are there to serve all clients according to their size. Now they keep their savings in the bank.

#### **Business Advertisements:**

Micro-entrepreneurs have found the importance of advertising their businesses as a step to attract customers. Through advertising the business, the businesses are known to customers and hence easy accessible. For example Fatuma Daffa of Usa River managed to increase sales through business advertisement.

#### **Improvements which have taken place on nutrition status**

The majorities of trained micro-entrepreneurs and poor farmers can afford 3 meals per day. That resulted from application of business skills and knowledge gained which enabled them to practice the principals of entrepreneurship. They are now using the balanced meals. Now take tea that includes bread, milk and eggs in comparison to the previous time when they used to take only tea or porridge. Meals include fruits, meat, Irish potatoes instead of just maize meal.

### **Improvements which have taken place on household assets**

Houses have been improved through remodeling. Better furniture installed. Before the project poor families selling family assets and livestock to carter for daily needs. Right now they are not selling family assets like farms and livestock to cater for daily needs. Others have gone further to acquire means of transport such as motor cycles and bicycles.

### **Improvements have taken place on family/gender relations**

Husbands and wives are living in harmony. Understanding and cooperation between couples is highly recognized. Husbands now appreciate wives' efforts. Husbands do housework while wives are out on business something that was impossible before the project intervention. When wives were late they were beaten by their husbands. Now the husbands follow and escort their wives back home when they are late. Husband and wife check business records together and advise better ways off running the business. Annet Kasambala - Usa River is a good example. Her husband is working close to her and also takes care of the business. Children are happy as they eat well, dress well, and school expenses are paid promptly. Children are motivated to attend school because they are no longer chased away due to late payment of school fees.

### **Negative impact:**

Some husbands are giving less money for household expenses because wives are doing better in business.

### **Changes which have taken place in accessibility of health services**

Before the project intervention, it was very hard for the people to afford private hospitals and other medical expenses. The government hospitals are cheap but lack facilities, even medicines. When they go for services at government hospitals, they are still required to buy medicines from private pharmacies, which are very expensive. Thus some have used up all the small capital they had, in order to pay for medical expenses. Since the businesses have grown and are yielding more profit after the project intervention, they are able now to afford better health services provided by private hospitals.

### **Changes that have taken place regarding children's education**

Primary Education in Tanzania is free, but there are some ad hoc expenses such as exercise books, pens, pencils and uniforms to be provided by parents. If a child lacks any of these, he/she has to stay out of school until they are obtained. Before intervention of the project, this was a regular phenomenon, but now parents who are beneficiaries of BEST are able to provide for their children in school. Nevertheless government schools lack facilities required for quality education. Parents who can afford it, pay for extra tuition, others enroll their children in English medium schools and private secondary schools. BEST beneficiaries are now among those who can afford quality education for their children, due to profitable businesses they conducting as a

result of skills and capital obtained from BEST. One example of a parent who has transferred his children to private secondary schools is Saing'ori of Majimoto village.

## **Social Change**

Increase in ability to contribute for community and social affairs, eg. Weddings, road projects, school projects: It is the tradition to contribute in cash or kind to community projects, but to many of the community members it is difficult due to lack of income. This was the case in the project area before intervention. After the intervention, the beneficiaries are able to contribute, not to only community projects but also social affairs like weddings. This helps them to feel as a part of the community.

Ability to advise others who have not received BEST services: Even before Training of Trainers course was conducted, some BEST beneficiaries had started training and giving advice to others in their areas. Josephine of Ilkiding'a is an example of these. Later she was one of those trained to be trainers as a part of Phasing out strategy.

### **What the community around says about BEST services/BEST beneficiaries**

Beneficiaries commend BEST for their trainings in Business Management and follow up which have made them to become competent in doing businesses. They also commend the system of monthly repayments unlike other institutions' system of weekly repayment. Monthly repayment provides ample time for conducting businesses and be in a position to make the payment. Entrepreneurs who need to travel from one place to another to look for commodities find weekly repayment to be cumbersome. Besides that the project came to an end those who did not receive BEST services are now asking for them.

### **Reasons for success**

From the follow-up visits most entrepreneurs aired their views regarding their successes by saying that, Loans from BEST increased their capital which made them to acquire more sales. They also pointed out that they gained and utilized business management skills acquired through training conducted by BEST. Few of them said that they attended a mass training conducted by other organization, but they didn't understand the subjects until when BEST came in. They appreciate the modalities of conducting the trainings and follow-ups. They are now able to analyze all costs incurred in comparison to profit gained.

## **Future Plans**

Open savings account:

Before project intervention, some had never entered a bank building. They had no money to save, neither the confidence to approach a bank. Now they have gained profit enough to put away some savings, thus they want to open bank accounts, where they can later ask for bigger loans.

Build better houses:

From the increased income, some are now able to buy corrugated iron sheets and cement blocks to build houses better than their present mud huts.

Start a bigger business project e.g. poultry, livestock keeping a transportation (motorcycles or mini buses):

With the increased profits and some savings some BEST beneficiaries are planning to take the third loan and embark on bigger businesses of poultry, livestock or even acquire motorcycles to hire like taxis and mini buses.

Establish a group fund (e.g. Umoja group Oltulelei):

As a result of the Group Dynamics they have learnt from BEST, some beneficiaries have seen the advantage of formal economic groups, so they have started building up a fund which later may become a savings and credit society. An example of this is the Umoja Group of Oltulelei village.

### **Reasons for failure**

Seasonal Business that leads to high competition:

There are a few beneficiaries who were not able to perform well because they depended on only one type of business. Because these businesses are seasonal, for example grain season which is not very profitable during the harvest season. These also faced competition problems especially for women of Terrat where almost all of them conducted the same business

### **Challenges to BEST**

Default on repayments:

The beneficiaries who were not successful, defaulted on loan repayments, and BEST is still using its resources to follow up on them.

Diverse area of operation:

The project area included three districts of Arusha region. This proved to be very diverse and therefore costly to operate in and also difficult to measure impact since only a few people in a large area are reached. For future projects, BEST plans to operate in smaller areas concentrating on particular wards and villages.

Illiteracy and semi-illiteracy causes many not to keep records:

Business records are an important factor in measuring increase in income and profits. For those beneficiaries who were not able to keep records because of semi illiteracy to many of them and illiteracy to a few, it has been difficult to measure exactly the progress of their businesses. BEST could only learn of the changes by interviewing them.

### **Beneficiaries' Recommendations**

On Training:

Beneficiaries are asking for more training. They recommend training to be conducted to phases that will suit the low and middle level trainees. They also argued BEST to review training time after time

On credit provision:

Beneficiaries are asking for non-cash loans such as machinery to help them to process and manufacture some of products. This is a challenge to BEST since BEST has no enough funds to buy such machines. Others will prefer the repayment to be collected at their businesses premises by BEST. This is not possible because will attract additional costs to BEST.

Group cohesion:

Within the group, there are that who are not faithful and hence cause misunderstandings especially on the repayment time. Group loans discourage others from borrowing. They consider individual loan to be better. BEST is looking for a fund to issue individual loans to beneficiaries who will repay well the first to third loans.

### **Changes agreed with CORDAID in the intervention period**

Due to financial constraints BEST and CORDAID agreed to reschedule the activities to fit the monies available.

- Reduce the number of BM trainings from 24 to 15
- Suspend the purchase of a vehicle and use the funds for operational activities which will include service and maintenance of the old vehicle
- Suspend the identification income generating activities for year two and three
- Reduce the planned staff trainings

## 4. Project output

IMMEDIATE OBJECTIVE	OUTPUT
1.0: 1,800 entrepreneurs in the target area are trained in Business management and gender, and are able to do profitable businesses by 2011	1. Total of 1,686 entrepreneurs and farmers; 1,165 females and 521 men acquired skills in Business Management and gender, and conduct profitable businesses
2.0: 600 trained entrepreneurs are visited for close supervision	2.1 43 TOTs for business management trainings (among them 28 females and 15 males) installed in the project area.  2.2 Total 603 businesses of trained entrepreneurs are performing well. Among them, 485 are females and 128 are men
3.0: 50 people from the poorest of the poor community are promoted to become micro entrepreneurs	3.1 301 people from the poorest of the poor started and are managing micro businesses. Among them 260 are women and 41 are men
4.0: 15 New Income Generating Activities are identified and promoted to 200 people	4.1 5 Income Generating Activities identified and promoted to 120 entrepreneurs.
5.0: 1,080 entrepreneurs increase their business capital by 50% through loan acquisition	5.1. 988 micro loans business received by 492 beneficiaries
6.0: 80 entrepreneurs are trained on food processing, quality products and packaging techniques by June 2009	6.1 80 entrepreneurs acquired knowledge and skills on food quality, processing and packaging  6.2 20 TOTs of food processing acquired training skills
7.0: Enhance BEST capacity	7.1 BEST staff trained on: Short course on Business Development Services Providers, Agriculture Economics, Entrepreneurship, Training on Loan Tracking, Resource Mobilization course and Quick Books Accounting System.  7.2 BEST acquired desk top and laptop computers.

## 5. Outcome

The trained entrepreneurs have gained entrepreneurial skills. They are applying the skills of doing profitable businesses. For that reason, their micro-businesses are growing well. They are

keeping business records. Before the introduction of the project intervention, they could not keep record and hence it was not easy to trace the trend of their businesses.

The growth of businesses resulted from different factors:

- Increase of working capital from loan fund. The loan was given in a group of five each.
- Application of entrepreneurship skills and knowledge gained from the training.
- Group formation that made members exchange ideas, share experience and willingness of helping each other.
- Gender training that motivated couples to have a feeling of equal rights in owning family properties

Poorest of the poor have improved their living standards within a short period. The targeted poorest have started micro-businesses and are doing well. They afford at least three meals per day and they do not suffer much in contributing school expenses as they used to do before the project intervention.

The project has made the beneficiaries to conduct micro-businesses that enabled them to get income for household and developmental activities. The project made people to become entrepreneurs. Families are living happier as a result of the project. Children are well dressed, eat well, sleep comfortably and attend school properly.

Couples have increased love among themselves. Husbands are working close with their wives. They share responsibilities and help each other. The issue of gender discrimination is slowly moving out of the benefited families. There is creation of employment. The diversification of the businesses has enabled employment to youth.

Entrepreneurs are now time conscious. They value time because is an important resource that should not be wasted. People are busy working to achieve their objectives. The businesses are growing; hence more sales and high profit.

Beneficiaries have realized/recognized the importance of the trainings and for that aspect they are asking their fellows to follow the trainings. Un-trained entrepreneurs are still asking for the training. Others are asking for credit. Trained entrepreneurs have changed their attitude from negative to positive side and thus attract more customers which results to more sales. Trained entrepreneurs are tracing, keeping and interpreting their business records.

### **Establishment of Loan Department at BEST office**

CORDAID has made possible for BEST to start up credit facility in her own. That has been honored by our previous donor TRIAS who supported the function. The department is equipped with qualified staff and the credit functions are progressing well. The credit has made BEST to known at large because women are looking for credit facilities all over the place. With BEST they find the loans favorable because of the favorable conditions which among them are monthly repayment compared to weekly repayment.

The system of used to manage loan is quickbook. It was planned to purchase and install loan software tracking system which its price was high compared tour budget. In that sense, BEST purchased the quickbook system which serves the loan purpose as well as organizational purposes. At this time the loan performance is good. The repayment rate is 96%

## **6. Organization**

BEST organization remains stable in the period of project intervention. Staff movement was in and out in the credit department besides that everything remained constant. During the project period, BEST approached other organizations providing services in the program area and established a working relationship. BEST worked in collaboration with Tanzania Productivity Program (TAPP) where BEST provided business management training to her people.

During the project, BEST staff has been able to go for the following trainings:

- Capacity Building for Business Development Services Providers, attended by Manager, Program Officer and one Trainer.
- Agriculture Economics, attended by one trainer
- Short course on entrepreneurship, attended by one trainer
- Training on Loan Tracking, attended by the Accountant and the Credit Officer.
- Resource Mobilization course, attended by the Accountant and the Programme Officer.
- Quick Books Accounting System training for all project staff.

BEST has established income generating activities as a means of obtaining funds to subsidize the operational costs. The projects are the cloth soap production. The two projects are at premature stage.

Towards the end of the project, BEST signed a memorandum with SELF (Loan department at Tanzanian Vice Presidents Office) to support her with credit funds to distribute to her clients.

## **7. Forecast**

The forecast of BEST is to continue implementing the same activities in the different wards where beneficiaries have expressed their concerns about the same intervention. That was aired by the project stakeholders attended the project evaluation and suggested the project to be extended to more beneficiaries due to its necessity. Also during the project implementation BEST received requests from several wards asking for the same intervention.

**C Annexes**

**Expenditure overview for three years July 2008 to June 2011**

Project No **154/10171WAP**  
 Organization **BEST**  
 Country **Tanzania**  
 Period covered by report **July 2008 to June 2011**  
 Currency **Tshs**

<b>Expenditure</b>	<b>Expenditure/ Income in reporting Period</b>	<b>Annual budget</b>	<b>Remainder Annual Budget</b>	<b>Spending</b>
	<b>Ts</b>	<b>Ts</b>	<b>Ts</b>	<b>%</b>
	<b>A</b>	<b>B</b>	<b>B-A</b>	<b>A/B</b>
<b>Investments</b>				
Office Equipments(Laptop,Desk top and loan tracking software)	6,160,360.00	8,242,080.00	2,081,720.00	74.74%
Credit Funds	89,183,920.00	77,948,640.00	-11,235,280.00	114.41%
Purchase of second hand Vehicle				
	<b>95,344,280.00</b>	<b>86,190,720.00</b>	<b>-9,153,560.00</b>	<b>110.62</b>
<b>OPERATIONAL COSTS</b>				
<b>Training activities</b>				
Mobilization sessions	3,700,000.00	3,659,040.00	-40,960.00	101.12%
Business management training	72,190,360.00	71,426,942.40	-763,417.60	101.07%
Supervisory visits	19,831,260.00	19,724,023.60	-107,236.40	100.54%
Identification and training on new IGAs	16,686,050.00	15,327,840.00	-1,358,210.00	108.86%
Servicing of the poor	5,031,900.00	5,596,800.00	564,900.00	89.91%
Training Staffs	7,931,000.00	11,413,670.00	3,482,670.00	69.49%
Food processing				
<b>Specific costs</b>				
Project monitoring and evaluation cost	8,407,100.00	7,315,827.20	-1,091,272.80	114.92%
Project phasing out and sustainability	8,324,500.00	7,930,384.00	-394,116.00	104.97%
	0.00			

	<b>142,102,170.00</b>	<b>142,394,527.20</b>	<b>292,357.20</b>	<b>7.91</b>
<b>PERSONNEL COSTS</b>				
Salaries	172,770,389.87	175,072,195.20	2,301,805.33	98.69%
Social security (10%) NSSF	20,110,097.95	17,508,275.52	-2,601,822.43	114.86%
Accomodation Expense	10,535,555.25	10,419,200.00	-116,355.25	101.12%
Medical treatments	10,535,555.25	10,419,200.00	-116,355.25	101.12%
Gratuity	7,095,000.00	7,094,984.91	-15.09	100.00%
	<b>221,046,598.32</b>	<b>220,513,855.63</b>	<b>-532,742.69</b>	<b>5.16</b>
<b>ADMINISTRATION COSTS</b>				
Telephone	4,085,386.10	4,082,320.00	-3,066.10	100.08%
Electricity	3,125,360.58	3,098,568.00	-26,792.58	100.86%
Transport and Travelling	8,449,345.40	8,446,028.80	-3,316.60	100.04%
MV repair and maintainace	1,440,489.60	1,440,489.60	0.00	100.00%
Insurance and licence	653,000.00	821,603.20	168,603.20	79.48%
Utilities	2,551,900.00	2,552,105.60	205.60	99.99%
Office equipments repair	1,034,100.00	532,153.60	-501,946.40	194.32%
Office stationery	1,933,500.00	1,933,676.80	176.80	99.99%
Payroll	413,700.00	5,237,760.00	4,824,060.00	7.90%
Audit fees	5,259,800.00	5,341,441.60	81,641.60	98.47%
Bank charges	1,684,500.00	440,789.60	-1,243,710.40	382.16%
	<b>30,631,081.68</b>	<b>33,926,936.80</b>	<b>3,295,855.12</b>	<b>90.29%</b>
<b>Grand total</b>	<b>489,124,130.00</b>	<b>483,026,039.63</b>	<b>-6,098,090.37</b>	<b>101.26%</b>

<b>INCOME</b>	Budgeted income	Realized Income	Difference	
<b>FUNDING ORGANISATION</b>				
Cordaid	440,000,000.00	440,000,000.00	0.00	100.00%
MRDF	26,347,200.00	18,079,590.00	8,267,610.00	68.62%
Exchange gain		17,757,840.00	-17,757,840.00	#DIV/0!
<b>OWN FINANCIAL ORGANIZATION</b>				#DIV/0!
General Funds	22,454,080.00	9,920,000.00	12,534,080.00	44.18%
Client contribution	9,482,880.00	3,366,700.00	6,116,180.00	35.50%
			0.00	#DIV/0!
<b>TOTAL</b>	<b>498,284,160.00</b>	<b>489,124,130.00</b>	<b>9,160,030.00</b>	<b>101.87</b>

