

Evaluation report of the AP program 2003-2007

Chapter one

Introduction

Business and Entrepreneurship Support Tanzania is a non- for profit, registered organization working in the Arusha and Arumeru Districts in Tanzania since 2001. The organization entered into an agreement with TRIAS ngo in 2003 to implement the Local Area Development Strategy (LADS) Program in the aspect of entrepreneurship.

Geographical location

BEST is situated in Arusha region in the north eastern part of Tanzania. BEST operates in Arusha and Arumeru Districts. The area of operation is evergreen, on the slopes of the famous Mount Meru, where villagers are engaging in agricultural activities as well as cattle keeping. The rain fall is about 1000mm in the northern zone (in the slopes of Mount Meru) and 500mm in the mid zone and 300 mm in the lowlands. Temperature ranges from 33⁰C in lowlands to 20⁰C in the slopes of the mountains.

BEST serves twelve wards of the Arumeru District with population density of 179 people per square kilometer and nine wards in Arusha Municipal with 226 people per square kilometer. More people are found in Arusha Municipal and on the slopes of Mount Meru and fewer on the semi-arid land. People are doing petty business in four markets namely Usa River, Tengeru, and Kikatiti in the eastern part and Ngaramtoni ya juu in the western parts of Arumeru District. The market places are rather semi-arid and situated on the main roads where transport is available and people can do businesses.

The LADS (Local Area Development Strategy) aimed at improving the livelihood of the community through capacitating them in doing viable businesses, identifying and adopting new income generating activities. In so doing people could initiate their own businesses that are profitable. Also the project enabled entrepreneurs to get business advisory services through close follow up conducted by BEST trainers after the business management trainings. The training on entrepreneurship contained five modules which could be covered in five days. The modules are: Business Idea Generation, Marketing, Business plan, Pricing and Costing and Business Record keeping. The modules were simplified to fit the grass root entrepreneurs as it was first analyzed during the baseline survey which indicated the level of education to the target group.

The new income generating activities were identified in their localities to enabled them use the available resources to earn income. Entrepreneurs were very interested on the identified IGAs as they could get opportunities of accessing markets without problem. Cross cutting issues such as gender, HIV/AIDS and Group dynamics were taught to beneficiaries. Micro-credits were given to entrepreneurs to boost their working capital.

Micro-credit could be linked to business management trainings and there was a condition that, unless entrepreneurs have attended business management training could not be able to access the micro-credit. That condition could force clients to attend business management trainings which later on entrepreneurs realized the important of those trainings. Some could even not take loans after realizing that their weaknesses were in the record keeping and not the cash.

Live situation have changed after BEST interventions. People have gained income to sustain their lives and thus able to afford households supplies and development activities that include sending their children to school, affording minor medical treatment, remodeling of their houses, pay contribution to village/wards development issues such as construction of school buildings and repairing of village roads.

Some of the entrepreneurs have grown to become exporters after attending different courses conducted at BEST. The export trade is within East Africa because they are still at a small scale production.

Having worked with the target group for five years it has come a point where all stakeholders need to make evaluation to see the effectiveness as well as failures of the project.

BEST, TRIAS and the Beneficiaries and other stakeholders including the districts authorities have been involved in the evaluation process.

The overall objective of the evaluation is to measure and report the impact of (LADS) the five year program. Each stakeholder has a specific objective in the evaluation report. BEST organization has an objective of evaluating the program on the impact of her on the target group. At the level of the target group BEST and TRIAS want to see the extent of the sustainability of the program. Also BEST want to evaluate the extent of the cross cutting issues. All partners at the end were interested to share experiences and lessons learned from the implemented program.

In the project each partner has a role to play and so needed to evaluate herself to realize additional value of the project. TRIAS has a role of giving funds for the project. Being a donor, TRIAS wanted to see the effectiveness of the funds in changing the livelihood of the poor households. How the implementing partner used it and what are the outputs.

BEST has to implement the project by capacitating entrepreneurs in entrepreneurship skills. All efforts done by BEST to implement the project by training entrepreneurs could be evaluated to see if at all there are changes and how those changes could be sustained.

The beneficiaries have to implement the project by doing physical activities that could realize change. Those included the adoption of the skills from the trainings and conduct viable businesses that could result into profit. The profit at the end could be used to improve their living conditions and expand their businesses. So the entrepreneurs on their

side were interested to evaluate their lives situations before and after the project intervention.

The evaluation was carried out in the months of June, July, August and part of September 2007. Several meetings with stakeholders were carried out to make sure information required was obtained. Village authorities and few clients that benefited from the project were involved in the focus group discussions where they could clearly talk about the project. Questionnaires were given to clients to fill.

Chapter 2

Methodologies

BEST used different methods in evaluation exercise. It was possible to apply several styles in data collection so as to make participant participative. The whole process of the evaluation of the project was participatory. From the level of TRIAS down to the beneficiaries there was recognition of involvement. TRIAS being a donor could sit with her partner to explain the need of self assessment at all level including TRIAS. The meeting with TRIAS was very useful as partners could ask questions and get clarifications on how to conduct the processes.

All AP were invited to participate in the first meeting and at least to share lessons learnt at organizational level before approaching beneficiaries. In that meeting partners could make a time table for the whole exercise as from June to September, the time to produce the report.

BEST choose the different methods of collecting information from the clients and the stakeholders. These involved the sending questionnaires, holding meeting with the clients, conducting focus group discussions, reviewing the current reports, observations at the level of the target groups and the role play.

To influence the process, the evaluation team was appointed to work closely during evaluation exercise. The evaluation team was comprised of:

- Mr. Jan/Ishengoma from TRIAS
- Mrs. Praise Ngowi – Manager BEST
- Mrs. Juliet Ngasa – Program officer BEST
- Vedasto Mwijambele – Board Member BEST
- Mrs. Joyce Raymond – Leader, Sidai Group
- Mrs. Grace Nnko – Leader, Mareu Group
- Mrs. Monica Krispin – Leader, Unga Limited Group
- Mrs. Elly Mbise – Leader, Maji ya Chai Group

The evaluation team has the task of mobilizing and educating clients on the importance of evaluation of the project. Also it has to select the methods appropriate to the target group.

The Evaluation team chooses three methods for the conduction of the evaluation processes. The methods are: Questionnaires, Focus group discussions and the meetings/workshops.

Each method was applied to different people at a time. A sample of trained clients was involved in the evaluation process. Three hundred among the trained clients was chosen to participate in the evaluation exercise. Three groups from Arumeru East were chosen. Two groups from Arumeru West were also chosen. Only one group in Arusha Municipal was chosen. The selection of the groups was done by looking at ratios of groups per

district. There are more clients in the Eastern Arumeru compared to the west and decreases in the Arusha Municipal.

Questionnaires were given to every participants involved in the evaluation exercise. The team had information sessions with the participants before issuing the questionnaires. Information on why the exercise is important, when the evaluation to be done, what to be evaluated and who to participate in the evaluation exercise were clearly elaborated in those sessions. Participants were allowed to ask questions before receiving the questionnaires. After the mutual understanding from each side, the participants were asked to go with the questionnaire so as to have ample time of analyzing and diagnosing before giving answers. Each group was given a week to fill the questionnaires.

Questionnaires were given to 300 people. 170 questionnaires were distributed to the Arumeru East, 75 in west Arumeru and 55 in the Arusha Municipal. The questionnaires were collected back after a week. All questionnaires were distributed to those clients with ability to read and write. This was done purposely to make sure everyone is able to respond to the question. There were 25 focused questions that touched every aspect of the project at the level of implementation. The questionnaires were designed in such a way that could examine strong and weaknesses of the project implementation at all level. The clients were free to give their opinions on the way project was implemented and faced challenges.

A focus group discussion were also planned and held on the day of collecting those questionnaires from each site. The focus group discussions were comprised of village leadership, group leaders, representatives of the beneficiaries and the evaluation team. Focused questions were set aside for the focus groups. Prompting questions were set for the focus group to avoid short answers. Participants were given enough time to discuss and come up with several options before introducing another question. In the focus group discussion 60 people were involved. In each site we had 15 people. The fifteen people were considered to be enough to give chances for everybody to talk.

At the end we had evaluation workshop where we invited representations from all sampled villages and from the districts. That enabled us to have comprehensive evaluation sessions by combining stories and findings from each site and compile one evaluation report. At the evaluation workshop there were 17 people. In that workshop the donor TRIAS facilitated the sessions. The participants were free to give their opinions regarding the introduction of the program in their villages. They explained how they benefited from the project, problems faced, immediate results, how they should sustain those results and how to overcome those challenges. The donor (TRIAS) could hear feeling and the impact of the project at different sites.

Chapter 3

Organization description

BEST is a non government organization (NGO) working in Arusha and Arumeru districts with a vision of a community of equal opportunities empowered to manage economic and social development activities sustainably. BEST is committed to socio-economic empowerment of SMEs through business management training and business consultancy, gender awareness raising and provision of credit.

Overall Goal

The overall goal of BEST is to reduce poverty of small scale entrepreneurs through the provision of gender sensitive business management skills, business advisory services and credit facilities. From the mission, BEST is committed to empower SMEs as well as peasants with farming approach and micro-entrepreneurs.

To effect the mission and the objectives, BEST has set activities that will enable her realize the goal.

(i) Business Management Trainings

BEST conducts trainings of different characteristics with tailor-made skills to enable clients do viable businesses that finally realize profit.

Business management training is a major training conducted to clients. The course has five modules. The business idea generation that highlighted clients on how to constructs a business idea and put it into action. Before doing a business a client should first identify several business options before choosing the concrete one after thorough analysis of ins and outs.

The second module is the business planning. In this module the clients are taught on how to prepare a business plan. This is important as entrepreneurs are supposed to have a business layout before engaging into it. In addition they might be required to approach financial institutions for credits. Thus they need to produce a business plan indicating the viability of that business.

The third module is the record keeping. Most of the entrepreneurs do not keep business records. This is very dangerous as they cannot tress the trend of the business. It is very difficult to know the origin of the profit or loss if no records. In this module they are taught the importance of keeping business records and how to keep them.

The fourth module is marketing. Any business targets a certain market. So in this module clients are taught on marketing strategies, opportunities and how to market their products. The demand of the market influences the productivity. The module highlights clients on the importance of securing markets before production.

The fifth module is about costing and pricing. This module orients clients on how to arrive at costing and pricing their products. This module is very important as it teaches clients as to when to reach a break-even point and thus realize profit which is an interest of any business person.

Any clients attended BEST business management training, and successfully completed the five training modules is able to do business however small or big the business is.

(ii) Gender and Development

BEST incorporate gender and development trainings to her trainings so as to enable clients become familiar with gender and its relationship with development. From the historical backgrounds, women were considered by men as children in many African tribes. Women were isolated from making decisions leave along giving opinions. That notion has made men to decide their own and neglect women contributions.

The input of women is equally important to that of men. So the training of gender and development to the entrepreneurs is very useful. The training stresses the balances of power and God creation of the two couples. Each person has a role to play in development. For a family business, father and mother should contribute their effort for realization of achievements. That is why gender and development became very essential.

(iii) Research and Identification of new Income generating Activities

Micro-entrepreneurs are used to a system of copying one another businesses. In that case one business is conducted by several clients and failed to fetch markets.

BEST have seen that problem and decided to incorporate Income Generating Activity (IGAs) to her services. So BEST do research for identification of the new income generating activities and disseminate the information to clients. The raw materials for the identified IGA are locally available with readily market. Clients are at liberty to choose among the identified IGAs. IGAs reduce risks of overlapping market and create rooms for competitiveness as well as profit.

(iv) Export Trade

BEST has recently engaged in trainings on Export Trade. This training resulted from increased processed and quality goods from the trained clients that called for export training. Food processing as well as beards has made clients' businesses grow. Some of them managed to attend several exhibitions where they received orders to supply their goods.

In the export trade clients are taught on approaches to international trade. For example: Costing and pricing at international trade, legal aspects on international trade (such as entering into agreements), Packaging and labeling, transportation and timing.

(v) Provision of micro-loans

Establishment of small businesses needs capital. This is a problem for the micro-entrepreneurs. So BEST has made available a revolving micro-credit to service the trained clients that are anxious to do business with limitation of accessing micro - credit from other financial institutions. The micro-credit given by BEST ranges from 50,000 – 500,000/= Tanzanian shillings.

The credit is given in three rounds where the first round starts from 50,000 – 150,000/= . The second round is 150,001 – 300,000/= . The third round started from 300,001 – 500,000/= . Once the client reaches 500,000/= is considered to have grown and advised to continue borrowing from the banks.

(vi) Follow up and advisory services

BEST make follow up to trained clients for business advisory services. BEST belief that, a trained client is more likely to do better if close supervision is done.

During the supervisory/follow up visits entrepreneurs have chances for airing problems faced in implementation. BEST do provide advice on how better they could do so as to realize profit and remain competent.

(vii) Business consultancy

Business consultancy is carried out by BEST staff to the low level entrepreneurs. The activity is done at a low pace due to shortage of staff. So BEST managed to **record 26 consultancies carried out in the past five years.**

The consultancies were on:

- preparation of the business plan for the clients wanted to acquire business loans from the banks
- Business management training for various SACCOS members in Babati and Hai
- Business management for farmer groups in Monduli
- Business management for women groups of Zinduka and Longido
- Business Management for Local Food Processors sponsored by TEMDO
- Export Trade Training for various entrepreneurs in Arusha
- Capacity Building for Board of Trustees of the NGO FIDE

The consultancies have been a source of additional income for BEST.

Outreach of the program

As explained in chapter one, BEST is situated in Arusha Region in Tanzania and operates in Arumeru and Arusha Municipal District.

BEST serves twelve wards of the East Arumeru District with a population density of 179 people per square kilometer and nine wards in Arusha Municipal with 226 people per square kms.

During the project implementation 5,065 clients have been directly reached through trainings of different courses as indicated in table one in chapter four. 4,557 are women and the remained 508 are men. 918 women received micro-credit from BEST. The loan was targeted to women of five groups each.

Chapter 4

Skills, knowledge acquired and applied

Since the inception of the project, that involved the mobilization, information and training of the clients, communities were very eager to learn. This is proved from the turn up of the participants and the requests of trainings per village.

The trained entrepreneurs changed their habit of doing business. The impact of the trainings could easily be recognized by non-trained clients and thus act as a motive for others to request the trainings.

Below is table 1 indicates the type of trainings conducted to clients during the program period.

Table 1 Trainings conducted from April 2003 – August 2007

Type of Activity	Beneficiaries F	Beneficiaries M	Total	Skills Applied in %
Business Training & Gender	2343	163	2,506	54% keep records
Income Generating Activities (IGAs)	1014	189	1,203	50%
HIV/AIDS Seminar	515	20	535	
Group Dynamics	172	58	230	100% in organized groups
Project Sustainability (TOT)	70	10	80	
Follow up/Advisory service	443	68	511	
TOTALS	4,557	508	5,065	
Approved Loans	918	-	918	

The major successes were recognized in the activities of training in Business Management Skills and new income generating activities. Initially small scale entrepreneurs were not aware that they needed any training, but after realizing the importance, they demanded more training, and urged other entrepreneurs be trained on the same subject matter. The highest rank of income generating activities among others was indigenous poultry and Artemisia cultivation.

Women used to keep few chicken as tradition. After training and practicing they realized that it was a profitable business that could be done by any woman. Even men appreciated, since they no longer sold their cattle or sheep to send children to secondary schools and even colleges.

Artemisia was most liked since it yields several times in the year unlike maize and beans which are yearly harvest, with an uncertain market. With Artemisia there is a ready market provided by Artemisia Africa Company. People who were illegally cultivating opium, changed to cultivating Artemisia so there is now peace and harmony in the communities and no enmity with the authorities

Issuing of loans was successful at the beginning when the loan fund was administered by INCOFIN Tanzania. When it was shifted to Mount Meru Saccos, there were problems in administration leading to shifting it again to Akiba Commercial Bank. Bank conditions are not conducive to small scale/micro entrepreneurs because each bank is aiming at profit. For that matter only few of the micro-entrepreneurs can access loans from the banks.

Chapter 5

Effectiveness and Impact of the project

Local Area Development Strategy (LADS) project was implemented in Arusha and Arumeru Districts. Before the introduction of the project, the baseline survey was done to see the extent and the need of LADS services.

The project targeted rural people as well as urban. In the rural areas people are practicing the agribusiness. Their main occupation is to buy and sell grains, milk, eggs, vegetables, chicken and few sell meat originated from cows, goat, pigs and sheep. The income realized at that time was for home consumption.

Entrepreneurs could do business without skills and ending up making losses that could be prevented. They could not keep business records and so they were unable to distinguish when they got loss or profit. They could use the capital funds for households' consumption without knowing. For that matter their businesses could not grow.

People were living and also accelerating to poverty as days passed. Parents could not afford paying school fees, building/remodeling their houses and could not afford minor medical treatment.

The baseline survey revealed that poor people sited in the project were earning less than a dollar per day. In the project area 47% of the clients were earning profit less than 10,000/= Tanzanian shillings per month. That is equivalent to less than Euro 5.9 per month or less than US \$ 8.3 per month.

From the low level of extreme poverty, is the group of people who could earn monthly profit between 10,000/= - 25,000/= per month. 34% of the clients were in that category. That earning was equivalent to **Euro 6 - 15** per month or **US \$ 8.3 - 20.8** per month.

The average class of 11% could earn profit of 26,000 – 60,000/= per month. That earning was equivalent to Euro 15.6 – 35.9 or US \$ 50 per month.

Few people (8%) who was seen as the richest in the village had profit range of 61,000 – 100,000/=. That again was equivalent to Euro 36.5 – 60 per month or US \$ 50.8 – 83.3.

That situation could not enable majority affording daily meals leave alone other developmental activities such as schooling, medicine, clothing, housing and many others.

The intervention of the project was in the area of provision of knowledge and skills on entrepreneurship to enable people to apply the skills learned to solve their problems. The intervention was based on the application of the local resources to yield income.

First the information sessions of BEST activities were given to Micro-entrepreneurs. Entrepreneurs were allowed to choose the areas of interest. In each group the training on entrepreneurship ranked number one. That is why trainings on business management were conducted largely compared to other subjects.

BEST conducted 90 Business management sessions, 50 sessions on identified new income generating activities, 15 sessions on HIV/AIDS and 5 sessions on group dynamics to the entrepreneurs. The gender trainings were run concurrently with Business management training.

The credit provision was also important to entrepreneurs so as to boost their working capital. During the project intervention, 918 clients were given loans. Credit was given to trained clients only because the trained clients were considered knowledgeable on management of credit funds as opposed to non-trained clients. The evaluation revealed that 29% of the trained clients received loan in the first round, while 64% received loans second rounds and 7% received loans for third rounds. Trained clients direct loans to intended purposes so as to be able to repay.

Cross cutting issues of gender, group dynamics and HIV/AIDS was added to the trainings because of its necessity in the daily run of businesses and its relationship with family matters.

All subjects were relevant to the target groups as it could act as catalyst in speeding up the community developments. Business management trainings have enabled community to become knowledgeable in doing business. Women formed groups of five each in order to access credit.

The skills obtained in the trainings made community to become real entrepreneurs. In the evaluation exercise it was realized that some of the entrepreneurs have changed their old business into new ones. Some made expansion of the existing business after seen the opportunities of growth. To mention few among others: Before project intervention, 60 people were keeping indigenous chicken without much profit. Soon after the trainings on “keeping the indigenous chicken” 135 people have engaged in that IGA. The IGA has made people to improve their nutritional status from the eggs and the meat. Apart from nutritional status, they also sell the eggs, meat and chicks for income.

There were 15 retail shops in their localities. During the intervention of the project there are 25 retail shops in the villages. This had made people to access their products in the nearby areas. That has narrowed the time of walking long distances looking for those products.

Local food processors were 6 before the intervention. At the end of the program there are 35 food processors. So the food processors are now getting the raw materials for food processing in the villages. Processed foods have added value thus makes them more profitable. Also processed food can stay longer before expiry date. Unprocessed foods are quickly perished if not well preserved. With food processing skills, entrepreneurs are

keeping environment clean as they process and preserve food particles that could rot and produce bad smell. Seasonal products that could finish within a specific season can now be available after the season. For example the fruits, green vegetables, tomatoes, milk are processed for future use. Before the project intervention, those products could get perish due to the absence of food processing skills.

To some parts like the Lemanyatta village in Arumeru west, entrepreneurs have engaged in cultivating artemisia crop. 60 entrepreneurs have changed their habit of cultivating the opium that was dangerous to their life. Due to the seriousness of the matter, they were used to hide in the bush due to fearing of being caught by the police. After the introduction of the artemisia (IGA) people are living happily and peaceful. They are free to do development activities. Also they get high profit compared to the forbidden opium.

Women entrepreneurs became empowered as they have sound income to contribute to the family. In that case they air their views and paid attention by men. In each village of Kikatiti and King'ori one woman entrepreneur were elected to become chancellor. This proved that women have leadership skills and qualities. Those qualities were used to be neglected by men since time memorial just because women could not have income. Beside that women were occupied by household's issues, which were immaterial for men.

Credit facilitation

Credit boosted entrepreneurs' working capital. Trained entrepreneurs applied and used credits on intended goals. That is why they managed to realize income. The trained clients were able to repay loans at a rate of 98% compared to non-trained clients that could repay by 60%. That was the case of Mount Meru Saccos clients who were not trained in entrepreneurship.

Group loans were considered useful as women could help one another. Group loans acts as solidarity sort of by enabling women share experiences and solve their common problems. Due to common bonding among the groups, when one member faced a problem, the group could organize monthly repayment without problem. When the problem was resolved that women could repay to the group members.

The elected councilors were asked by BEST to find a solution for the credit facility in their localities as it could be difficult to get enough money to continue supplying clients as the project is coming to an end. The councilors mobilized women to form Arumeru Women Saccos. The Saccos has drawn over 10,000 women from the district. The success of Saccos formation has made them accessed loan fund from the banks (ie Financial Institutions). They are now running the Saccos on their own. So in the nut shell we may say "the movement of women towards self development was highly recognized in the project".

Changes of income

As mentioned earlier, in the project area entrepreneurs have managed to conduct viable and profitable businesses. Income rose rapidly compared to the planned ratio in the former logframe. In the logframe it was anticipated that the income could be doubled towards the end of the project. This was not the case as incomes grew to over 50% in the implementation period. This is clearly indicated in the profit analysis table presented in chapter six.

Entrepreneurs realized high profit due to: Introduction and adoption of new income generating activities that made them fetch markets from different directions. The growth of tourist industry in Arusha is another factor that made entrepreneurs realizing high profit from selling their products in the tourists markets.

Advertisement of entrepreneurs' products also contributed to the growth of income. Entrepreneurs are attending trade shows to present their products. From there they get orders from different people. In that case they produce with assurance of the availability of the market.

Entrepreneurship skills made improvements of entrepreneurs businesses. Entrepreneurs are aware of the point where they used to loose clients, so they take precautions.

Record keeping is another area where entrepreneurs put emphasis. Business records show where the business was, where it is and where it will be. So the entrepreneur become aware as to where and what to do to prevent loss.

Local area development strategy tried to solve the poverty problems identified in the baseline survey. The survey indicated the extremity and complexity of the poverty in the community. The layout of the project was focusing on the indicators that could make change in the livelihood of the community.

Changes realized in the community

There were several noticeable changes as a result of the project. Those changes were based on the level of the affordability of food per family. Families can now afford three meals per day. Before the project intervention, people were not certain on food issues. People are healthy looking.

Job has been created as a result of the program. In the beginning entrepreneurs could have no room for expansion of their businesses. Due to additional skills, entrepreneurs have expanded their businesses that further resulted into additional staffs. One entrepreneur has employed up to three staff.

Time has become a scarce resource. Entrepreneurs are no longer wasting time. They have realized that time is a resource that once wasted cannot be retrieved. So they are active

and busy all the time. Improved and furnished houses. Nearly each family is living in a good house.

Entrepreneurs are ready to access credit. In the beginning when they had no entrepreneurship knowledge, they were afraid of asking for loans fearing of repayment. After trainings they possessed confidence. Some of them have accessed bigger loans from the banks. There is no problem of repaying. Entrepreneurs are now saving part of the interest in the banks. Before the intervention, there was no notion of keeping their saving through banks.

Love and cooperation between the couples have increased. Men are now allowing and supporting their wives to conduct businesses.

Networking

Networking was a very important aspect for the organization. BEST being a service delivery organization cannot stay in isolation. It made networks to other non governmental organizations such as the Arusha NGOs network. With that network BEST managed to be linked by other development actors for sharing and exchanging information. The ANGONET developed a website for partner organizations. In that web site, each partner publicizes her activities. The website is [www.angonet](http://www.angonet.org). BEST is found in under Education.

BEST made available the Arumeru Educational network. The network is called Meru Educational Network (MEN). Meru Educational Network is formed by NGOs delivering educational services in the Arumeru District. The network is in place since September 2004. The network is advocating and lobbying for educational matters in the district. Such matters are on entrepreneurship, adult education and child education. The issue of desks for children was tabled by KAMAMMA Non governmental Organization. The problem has been addressed by the government and the NGO Actors. KAMAMMA donated 72 desks to two primary schools, 30 desks to Nganana and 42 desks to Umoja primary schools.

BEST signed a memorandum of understanding with Incofin Company limited for delivering credit to her clients from 2003- 2004. From 2004 March to February 2007 BEST entered into a contract with Mount Meru Sacos for the same agreement of disbursing loan to BESTs' trained clients. Due to the mismanagement of the fund, BEST in collaboration with TRIAS terminated the contract. As from March 2007 BEST entered into a contract with Akiba Commercial bank for the same purpose.

BEST has linked her clients to other development actors in the same area. For example, in Arumeru and especially in the King'ori and Kikatiti villages, entrepreneurs dealing with dairy cow have been linked with Heifer project. Heifer donates dairy cow and dairy goat to the poor people. Trained clients from BEST are easily linked to Heifer due to additional value of entrepreneurship.

Chapter 6

Findings in relation to Baseline Survey

A. Gender

As compared to the baseline survey where the women status were low, now it is clearly that status of women has risen since men have realized their contributions to the family needs. Relationship between couples is more peaceful and more cooperative. Men and women plan together their family matters.

B. Empowerment

Women were not allowed to decide for men. But now women are making decisions especially regarding the education of their children and acquisition of family assets. Trained entrepreneurs are giving advice to others. In Arumeru District women trained and given loans by BEST have mobilized others to form their own Savings and Credit Society which has now 10,000 members.

C. Relevance

The project is very relevant to the targeted clients. Before BEST intervention, few women were engaging in business. Households depended on one person, the man. Of the few women who were in business, not much profit was being realized. They used to copy the same businesses, causing markets to flood. Introduction of new IGAS, and training in Business Management skills have resulted in diversification of sources of income and more profit.

D. Poverty Focus

LADS project coincided with the Tanzanian National Policy on fighting and reducing poverty. Fighting poverty is the priority of the nation. Various national policies have been put in place to address the issue. All BEST activities lead to poverty alleviation. Local governments in the intervention area have commended BEST for joining in the fight. Results have been displayed by the ability of the villages to pay compulsory contributions such as building schools. Children in the areas served are healthy, clean and are going to school.

Entrepreneurship

Follow up reports and interviews during evaluation revealed increase in profits as indicated in the table below:

Table 2: Monthly Profit before intervention:

	Profit range (SHS)	% of entrepreneurs interviewed
1.	Below 10,000	47%
2.	10,000 – 25,000	34%
3.	26,000 – 40,000	6%
4.	41,000 – 60,000	5%
5.	61,000 – 100,000	5%
6.	Above 100,000	3%

Table 3: Monthly Profit after BEST intervention:

	Profit range (SHS)	% of entrepreneurs interviewed
1.	Below 15,000	0%
2.	16,000 – 25,000	3%
3.	26,000 – 40,000	12%
4.	41,000 – 60,000	32%
5.	61,000 – 100,000	25%
6.	101,000 – 150,000	8%
7.	151,000 – 200,000	3%
8.	201,000 – 300,000	3%
9.	Above 300,000	14%

Factors which contributed to realization of profit include:

- Improved business management skills
- Diversification due to new income generating activities
- Empowerment especially to women
- Availability of credit facilities

From the profit realized, entrepreneurs expanded and improved their businesses by reinvesting it to increase the working capital. Others could even start new businesses.

Part of the profit was mainly used for education of children, food, medical expenses and clothing for the family. Still some were even able to build new houses, or repair the old homes.

E. Local Economic Development

BEST has worked in collaboration with the local government in mobilizing the community and linking BEST beneficiaries to other development organizations. In Leguruki, King'ori, and Mareu, those trained in Animal Husbandry were linked to World Vision and HPI (Heifer Project International) and were provided with dairy goats and heifers.

F. Efficiency

The activities planned were executed within the planned budget and the expected results were realized as stipulated above. Entrepreneurs have utilized the skills learned to improve their businesses. Time has become a useful resource to entrepreneurs. A timetable for realization of duties is set by most entrepreneurs.

G. Capacity Building within the Organization

BEST Board of Directors and staff followed various trainings which enhanced their capacities in serving the communities.

These trainings were in the following fields:

(i) Business planning

The course was very useful as it had improved the skills of staff in preparing the business plans for the clients. Before the intervention of the project, staff could not make a commendable business plan.

(ii) Fundraising techniques

BEST and board attended the short course on fundraising techniques for the purpose of fundraising for the organization. TRIAS being the only donor for BEST sound dangerous if they decide to phase out as it is now the case. However having those skills, BEST have started making contacts to various donors asking for support of her activities in absence of TRIAS.

(iii) Gender mainstreaming

BEST have strengthened her skills and knowledge in the provision of the gender training after getting orientations and training on gender. The exposure to the trainings was enabled by the donor and other institutions like the Tanzanian Gender National Program. The course was very useful as it made the trainers to focus on the main areas where gender was neglected for example women's contributions towards development.

(iv) Microfinance

BEST staff attended the micro-finance short courses conducted by Ms Danish Volunteer, TRIAS and the Bank of Tanzania. Those courses made staff to be aware on how to make follow-up and advise clients' business loans. Before those training, BEST could not make close supervision of clients' loans. It is through the skills learned that BEST managed to realize the problems of the management of her loan fund with Mount Meru Saccos. Mount Meru Saccos was cheating BEST with data that were not realistic neither right. Mount Meru could send wrong data to BEST. The wrong data were processed and sent to donor (TRIAS) without knowing. With the knowledge obtained BEST tresses the loan fund within the clients and realized that the problem is with Mount Meru Saccos. BEST made a case to address the problem. Right now the matter is with the District Commissioner Arusha. Without that knowledge the loan fund could disappear without the awareness of TRIAS or BEST.

(v) Basic consultancy skills

BEST staff also attended the business consultancy short course. The course helped the staff to become business consultants although at a low level. BEST has managed to conduct 12 consultancies of different types and grades. The introduction of consultancy services has enabled BEST to gain additional income for organization.

(vi) Training of trainers

Trainers' course were carried on to BEST staff. The courses enabled staff to become better trainers as compared to the beginning of the program. The skills obtained were also passed to local trainers identified by the communities to carry out business training activities after the end of the program.

(vii) Effective supervision

The course was attended by the manager for enhancement of her ability on organizational supervisory skills. Through the skills learnt, the organization is well organized and functional.

(viii) Export trade

The training was geared to exporters. BEST being a business training centre joined the training for learning the export skills. After the training BEST is now training her clients on export trade. The clients whose business had grown to the extent of export have benefited from the training. The training was conducted in collaboration with SIDO. 24 Clients acquired skills and knowledge on export. Those clients are exporting their goods to the neighboring countries.

(ix) Marketing skills

Besides the fact that the training manual has a training module on marketing, BEST staff attended the marketing course because marketing is crucial to any business. Marketing skills is as well crucial to trainers so as to deliver knowledgeable trainings to the entrepreneurs. Nowadays BEST staff is conversant in delivering effective trainings.

(xi) Participatory learning approach

The course was oriented to staff to ensure they deliver trainings in a participatory way. Adult learners learn comfortably in a participative way. BEST could learn that technique for efficient delivery of her trainings.

(xii) Monitoring and evaluation

BEST learnt and made a monitoring and evaluation system that could be used as a tool for monitoring and evaluating organizational activities. Before the project intervention, there was no such tool. The introduction of Organizational Capacity Assessment (OCA) by TRIAS has made BEST to become familiar with monitoring and evaluation system.

(xiii) Start and Improve Your Business (SIYB) ILO program

The manual on start and improve your business is very important to entrepreneurs all over the world. BEST being a training centre for entrepreneurs have attended the

comprehensive training (TOT) of the SIYB - an International Labour Organization program to improve and update her trainings so as to be in line with that of ILO.

(xiv) Basic accounting principles

BEST organization is growing. The growth of the organization should go hand in hand with staff capacities. BEST send one of the staff to the training on Basic Accounting Principles. The person will eventually become a financial officer for the centre.

(xv) Governance and Leadership skills

The board was oriented on governance and leadership courses. The courses aimed at improving the skill and knowledge of the board member on governance. Being the governing organ of BEST, the course made them aware of their duties and responsibilities.

(xvi) Phasing out strategy

This important course was oriented to BEST staff to ensure sustainability of the project activities after the end of BEST interventions. It is from this course that BEST came up with the issue of training local TOTs to carry out business management trainings to their communities. The TOTs will be handled over to the village authorities at the end of the program. The village leadership as well as entrepreneurs is happy with the issue of TOTs.

Chapter 7

Recommendations/Lessons learned

The existence of BEST in the target area has made tremendously change in a very short period. People have appreciated the services. However they are in need of more services. In the evaluation sessions, entrepreneurs explained how they benefited from the program and what they could expect in the near future.

Despite the progresses made, clients gave their opinions regarding the project implementations as follows:

At each level, the participants were eager to talk about changes of their livelihood in the following aspects: acquisition of knowledge and entrepreneurship skill. Having knowledge and skills they are now able to keep dairy cow and dairy goat for milk purposes. With milk they are feeding their families quite well and sell the rest of the milk for income. Others opt to keep indigenous chicks as additional source of income. They get eggs for the family and sell the surplus for income. Indigenous chick multiply very quickly and thus enabled them to sell chicken.

The introduction of Artemisia crop as income generating activity has changed the habit of the villagers who didn't have cash to concentrate on the production of Artemisia. Before introducing that IGA people at Lemanyatta village were used to cultivate illegal and dangerous crop such as **opium**. The crop was terrifying their live as they could have no peace. With Artemisia they are happy. Apart from happiness they also get enough income to carter for their households' consumption as well as other development activities.

Food processing was another impressive to the beneficiaries. Now the clients process their food and by doing so they add value. Thus they are able to sell them for a high price. Perishable goods are processed. So no more waste of food products after the acquisition of the skills on food processing.

The introduction of gender to the community has made couples to strengthen their relationships. Men and women are now seeing each other equally important. Availability of the micro-credit to the trained clients made them to acquire additional products for expansion of their businesses. That made them to realize more income out of their sales.

HIV/AIDS as a cross cutting issue was positively received by the beneficiaries. The issue of HIV/AIDS was perceived as a foreign disease to some places and they were not aware of its transmission. After training people are talking about HIV/AIDS and inform their children about it. Clients are able to take care of AIDS Patients at home. The stigmatizations have been reduced after HIV/AIDS trainings.

TOT course offered to the beneficiaries as a way of sustaining the project was perceived as a very important aspect for exiting from the project. The communities will continue learning from the remained TOTs. The beneficiaries also argued the district council officers to continue providing advisory services when BEST will phase out.

The participants could also give challenges of the project implementation as follows: the credit fund was inadequate. Since their businesses were growing, the credit fund could not grow to cater for the requirement of the businesses. Hence could be forced to look for other Micro-finance institutions to access loans. They suggest BEST loan to have a ceiling of (2,000,000/=) two million Tanzanian shillings.

Since the entrepreneurs are at grassroot level, they consider interest charge to be high compared to income realized at the end. They argue BEST to charge a low interest rate of 10%. Period of repayment of the loan fund was argued to be within an interval of three to six months instead of monthly repayment. A one year loan should be paid in four installments. Monthly repayment is too short for entrepreneur to make business and able to repay the loan especially for the livestock keepers.

The appointment of agent to disburse loans on behalf of BEST has distorted the meaning of the micro-credit to micro-entrepreneurs. That made the agent to charge the interest rate in commercial bases. Apart from high interest, they could not supervise the clients businesses. They could also not able to link the trainings and the loan. So they strongly recommend that BEST train and provide credit on her own. For that case they should have clear records for trainings, credit and follow ups. So supervision will be very effective.

The clients suggested that credits should be given in terms of physical goods rather than money. Things like the dairy cow, dairy goat, chicken as well as seeds should be given to entrepreneurs. The loans should be given immediately after business management trainings and should not isolate men.

Short courses such as business skills in commerce, HIV/AIDS, gender as well as seminars should be conducted to keep entrepreneurs up to date. Exchange visits to different entrepreneurs should regularly be organized by BEST. Men and women should be encouraged to attend the trainings instead of women alone.

Apart from normal business management trainings conducted by BEST, still there is a need of more training in agriculture and livestock.

Lack of donors to support BEST services after the end of this project sounds as a real stumbling block that need immediate action. So BEST was urged to look for new donors to support her services as community is not ready to see BEST declining after such important services. The expectation of the community is to see BEST expanding her business support activities to under served communities.

The current donor, TRIAS should capacitate BEST to stand on her own. More efforts should be done to ensure sustainability of BEST.

Market linkage is an aspect that could make clients produce less. Clients could be happy if they could be linked with reliable markets (local and international) where they could sell products.

Business management trainings

Business management trainings were very useful. The trainings were focusing the majority of women. So it is recommended BEST to include men included in the business management trainings. The training should be elongated to two weeks.

More advanced trainings should be provided to clients after graduating from the first stages. This will enable entrepreneurs become up to date and also expand their skills.

Due to the importance and usefulness of the trainings more clients should be trained as demand is still high. And those received business management training should orient others.

The demand for more trainings calls for more resources. So TRIAS be a donor should consider continuation of supporting those activities instead of terminating the donation by March 2008.

Business advisory services given to individuals were very successful. That gave a room for asking questions with answers. Business records were inspected by trainers for advisory purpose. Those actions made entrepreneurs learn on their job. So entrepreneurs suggest that supervisory services be continued.

Although entrepreneurs commented that incomes have increased, still is not enough to carter for education of the children. For example, high learning education is expensive. Entrepreneurs need more monies to afford higher education. A nation can develop if her people are educated. So BEST has a feeling that more advanced trainings requested by clients during evaluation session is quite obvious.

Annex 1: Log frame for the duration of the sub-action

	Intervention Logics	Objectively verifiable Indicators	Verification sources
General Objective	Economic and social status of small scale entrepreneurs in Arusha Municipal and Arumeru districts improved	Number of new businesses started and profitable, existing businesses improved and profitable including number of successful loans provided.	Statistics from the district council and respective social services providers
Specific objective	Entrepreneurs of Arumeru and Arusha Municipal districts provided with gender sensitive business management skills, advisory services, and are able to access credit.	There will be annual profit increment of 20% among the entrepreneurs	Financial reports (entrepreneurs books of records)
Results	1. Income generating activities (IGAs) among small scale entrepreneurs improved	1.1 30 new viable and manageable IGAs benefiting both male and female entrepreneurs will be promoted by the end of 2007	1.1 BEST monitoring 1.2 visit reports, annual reports and final evaluation report.
	2. Entrepreneurship management skills among small scale entrepreneurs strengthened.	2.1. 52 training sessions on business management skills will be carried out by the end of 2007. 2.2 Annual profitability rate will have doubled by the end of 2007.	2.1 Training and evaluation reports, including certificates of attendance Individual financial reports /Records
	3. Access to credit fund facility increased	3.1 700 loans will be issued to both male and	3.1 Loan agreements and annual reports

		<p>female entrepreneurs and repaid by end of 2007</p> <p>3.2 52 training sessions on saving and credit management will be carried out by end of 2007.</p>	<p>3.3 Training reports and certificates of attendance</p>
	4. BEST capacity strengthened	<p>4.1 Two business trainers with business and sustainability vision and commitment will be employed during the first three months of 2003</p> <p>4.2 All items to be procured in accordance with itemized budget</p> <p>4.3 BEST becomes a business oriented organization and staff trained as per training plan including preparation of business plans by 2007</p>	<p>4.1 Employment agreements and training certificates</p> <p>4.2 Procurement receipts</p> <p>4.3 Training reports and training certificates</p>
	5. Network established	District NGO forum formed and in place by 2007	Reports from the NGOs Network forums