

MICRO-FINANCE



Table of Contents – Monthly Report for August and September 2015

Summary of current development.....	2
Volunteers information.....	3
Loan Portfolio.....	4
Monthly Achievements.....	4
Future development.....	6

Summary of current development

Education

English

Women are extremely interested and motivated to learn English. This module is being developed for the school year to provide women a nepretrzite education and trainings. The training will be driven by the micro-finance coordinator. After that Emma taught the women how to use English in their daily business. She used simple sentences they could use when dealing with customers. So they know what the customers want and how to help them and respond in English.

Maths

In order to provide women with a good base of knowledge and enable them to run and control their business, a mathematics module for necessary skills was established. The training in Mathematics focuses on obtaining the basic capabilities that are sometimes missing by some women. These women struggle when subtracting, subtracting into negative numbers, multiplying and dividing. We have began to use a variety of situational exercises from simpler calculations such as: gross and net profits, to more complex exercises such as: the possibility/capacity to borrow and the instalments/duration of repayment of the loan.

Bookkeeping

Lightness got some more sheets to practice her bookkeeping skills and we added more negative numbers. She did very well and is learn fast.

New practical skills

Kazumi and Malin taught two women's groups how to make bracelets with thread and a technique Kazumi learnt from Youtube. They really liked the training and were thankful to learn something new that they could really use and that would set them apart from competitors.

Business plan training

Kazumi and Malin carried on with the Business Plan training the women previously received and did not fully understand.

Studying the possibility of launching an e-shop

We face two problematic issues that will determine whether the launching of this e-shop is feasible or not: Shipping costs and additional costs of creating an e-shop. It seems like these costs are too high for the products we want to sell.

Loan development

A lot of the groups finished paying of their loans, so we had to do post-loan interviews. We collected information on how their businesses improved and what they want to achieve in the future, what problems they faced and got feedback on the microfinance project. The groups that are going to carry on with their next loan, had to answer questions for the pre-loan application interview. This was carried out by Emma and Malin. The Friday afternoon group paid of their loan and they are currently discussing whether to carry on or not. They don't trust each other and they don't like their chair-woman, so they will decide if they want to form a new group with different members and a different chair-woman to carry on with.

Business development

Development of new products

New products were suggested to women in order to diversify their products and develop new ones. In certain areas products even not existing in the local market (food).

- cosmetics -masks for Grace's beauty salon
- food -sterilised vegetables in order to stock vegetables with current low price and to create a new product for later when the supply of vegetables will be lower or not sufficient
- jewellery-search on the internet and finding new designs as well as new patterns for knitting -procedures for knitting socks are needed
- a new technique to make bracelets

Business plan training

The modules objective is to make women understand the importance of accounting and financial projections in order to develop their businesses. The training was based on the one they had in August. We had to repeat the core concept of business planning as they did not understand properly why they need it. We tried to make it clear that their short term goals influence how long it takes to reach their long term goals and that their expenses and savings influence the whole thing. The training has to be carried on until they truly understand the concept and how to implement it.

Volunteers information

At the beginning of August our microfinance team consisted of just two volunteers: Leonid (Russia) and Ivana (Slovakia). In early August two more volunteers joined the project: Kazumi (Japan) and Jack (UK). However, Ivana, Leonid and Jack all left the project towards the end of August leaving just one volunteer at the start of September (Kazumi).

At the beginning of September our microfinance the team consisted of Kazumi (Japan) and Malin (Luxembourg) by the end of the first week Kazumi had left to be replaced by Emma (UK). Another volunteer Anno (Holland) will be joining the team in the last week of the month as both Emma and Malin will be leaving.

Loan Portfolio

Group	No. Women	Issue Date	Total Loan Value (TSH)	Repayment 31.07.2015	Defaults	Out standing Balance @ 01.08.2015
Chemchem	9	3 loans, 8 th June 3 loans 15 June	1,800,000	1,680,000	0	120,000
Tupendane	7	3 loans, 19 th May 3 loans 2 June	2,100,000	1,566,000	0	534,000
Ikusura	7	7 loans, 26 th Sept	4,900,000		0	4,900,000
CHE	9	7 loans, 8 th April	3,500,000	3,202,000	0	298000
Tunaweza	9	8 loans, 14 th May	2,300,000	2,300,000	0	0
Amani	7	7 loans, 18 sept	3,900,000	146,000	0	3,754,000
Mshikamano	7	6 loans, 13 th March	1,300,000	1,300,000	0	0
TOTAL	56	50 Active Loans	19,800,000	10,194,000	0	9,606,000
Available Cash						
Next Capital Required						0

Monthly Achievements

Attendance has improved in the past month for most of the groups, however, attendance in the Thursday afternoon group has been extremely poor with only a couple of people turning up. This has resulted in the group falling behind with the business plan training.

Attendance also has been poor in the Tuesday Ikusura group with Funerals being given as the main reason, however we do receive the books for all women so are still able to keep up to date and on top of all book keeping. We managed to do one business visit for

Loveness in this group which was good and she was able to show us her shop and products such as footwear and clothes that she was selling.

As mentioned in previous monthly report some of the women are still requesting larger loans. Especially in the Tupendane-group (Tue, AM) loans of 100.000 -500.000 TSH are not adequate. Their businesses are bigger than the average of the micro-finance projects but also more stable.

On Thursday we visited Marilyn who had an extremely impressive range of products she was selling including jewellery and ornaments. She also showed us the machine she uses to make scarfs as well as chickens she has to sell eggs.

We were able to take some items such as scarves from the Wednesday group to display in the office to sell and we also conducted a networking event with all the ladies where they were able to meet and discuss how to become a good entrepreneur and ways in which they can run a successful business.

New loans were given to the Ikusura group and the Mshikamano have just completed their last loan with us.

Training

We were focused on maintenance of our previous trainings (business plan and business strategy training), because some of the groups were struggling to understand them.

The business strategy training was supposed to interlink with the marketing training and more general ideas how to develop a business. The first week of strategy training aimed to make the women reflect on the direction of their business, to identify strengths to build on and problems to take care of. In the second week we followed up the training with individual assessments.

The second business plan training aimed to help the women understand more clearly their current situation and the benefits of establishing long-term and short-term goals. The training focussed on helping the women calculate their long-term goals, although initially they were confused most of the women now seem to understand how to calculate their long-term goals. In general all the trainings were well received.

The initiative of July (the maths courses on Tuesday) found a positive feedback from the vast majority of women. There is a big improvement with their mathematical skills, and their is always a good attendance, despite some women being late.

Business Visits

In August there were many business visits. The trend stays the same, most of the women need to reassess how viable the products they sell are, as well as how appealing their shops look to people passing by on the street. We also made some business visits to the new members of the groups.

Future development

General trainings

General training would be to maintain even after the volunteer who proposed this course leaves, and organize a new courses depending on women's needs and necessity.

Mathematics

Women in all groups have different level of mathematics and there are some of the women having problems with counting and some of them wish to improve their knowledge in mathematics to be able to do better their business and also in order to better implement business trainings given by volunteers.

According to the course in mathematics we had in August, women is getting improve their ability of mathematics. However, each woman who come to our courses has different level of mathematics, for example, 2 of women can subtract into negative number, and they are practicing more complicated calculation in situational exercises from business environment. 2 of women are practicing subtracting into negative numbers but still they make some mistakes. A woman is practicing easy subtracting such as 54-39.

Math course should be organized regarding to the different level of skill. In addition, to improve the skill of lower level of women is really important. There are some women in a group who seem to need math training. Gather women more who need our training and raise their skill from the bottom is necessary.

Bookkeeping

Most of the women can do well bookkeeping but a few of them still cannot do bookkeeping well. Bookkeeping is practical and essential skill for their business so individual or general bookkeeping exercise should be provided, and we try to achieve all of the woman can do bookkeeping for their business.

Reading and writhing

Some of the women can't read and write or with difficulties. The objective is to teach them alphabet and to write basic things from their everyday life, specially their business, like products they sell, to be able to do inventory or keep records of their sales.

English

Another demanded course for general knowledge is English. This course can be treated by a coordinator and volunteer coming for longer period and willing to provide this kind of course.

Business trainings

Business plan and strategy

This is a training that is provide the idea of calculation how long it will take to achieve long-term goal by identifying the number of their saving, financial reserve, sales, business and personal expenses, and profit. On the first week we explain how to do it and next week we followed up their result. However, this is a little complicated for some of the women so we demonstrated the training by using a big paper and example.

The short term objective of this training is to create a financial plan and projections as well as a timeline of implementation of already defined goals and strategies.

The long term objective is to provide women and Projects Abroad coordinator a scheme for the follow up to develop their business and later become economically independent.

Business development

E-shop

We face problems, shipping cost and additional cost. For shipping cost, we continue to try to get it from post office and as soon as we get it, we will figure it out and decide whether we will launch e-shop or not.

If we decide to launch e-shop, we will collect women's product for inventory in the office and upload to webpage. Also advertisement channels will have to be identified as relevant webpages with our target audience and potential customers.

Gallery display

To enhance sales of some products like jewellery, we displayed them in two touristic restaurants. We are planning to renew the display at PA office and restaurant to be more attractive. A follow up and possible extension this measure will be discussed.

We have begun stocking some women's products in the PA office in an attempt to widen the market for the products. These products include: jewellery, bags, pictures and scarves. We are hoping that volunteers for PA will buy these products and the money obtained can be distributed back to the respective women at group meetings.

New products

Some women are asking for new product designs to differentiate their products and propose new products for their customers.

We will provide them suggestions of new products we need to find on the internet, as most of volunteers are rather business oriented than design oriented.

When some of new designs or new ideas will be approved by one group, we can also teach other groups how to do these new products. Also, we will provide information regarding on women's demand and support their business to be better and successful.