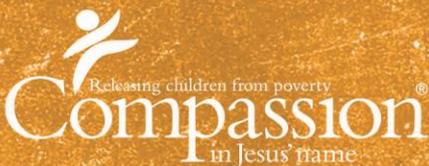




INCOME GENERATION FOR PARENTS

FPCT Unga Limited Child Development Centre,
Unga Limited, Arusha, Tanzania

Completion report for initiative TZ-011167





OVERVIEW

LOCATION	Unga Limited, Arusha, Tanzania
PROJECT	TZ-803: FPCT Unga Limited Child Development Centre
CHURCH	Unga Limited Church
INITIATIVE	Income generation for parents
BENEFICIARIES	53 Compassion parents and caregivers and their families
FUNDING	£14,515
START DATE	April 2013

BACKGROUND

FPCT Unga Limited Child Development Centre is located in the Arusha region of Tanzania. Unga Limited is a densely populated slum area where most families are extremely poor and the majority of adults are unemployed. 90 per cent of the children registered at FPCT Unga Limited Child Development Centre have single parents. Since the project opened in 2001, staff members have had concerns about providing adequate support to these caregivers and parents. Many were not able to meet the basic needs of their children such as regular food, water, safe housing and medication. This economic instability had a huge impact on Compassion sponsored children, and some parents were even forced to remove their children from the project, leaving the area looking for jobs.

Unga Limited Church had been working to address these issues by teaching a small number of parents income-generating activities. This pilot was very successful and many parents substantially improved their standard of living and were able to provide their children with three meals a day. The church ran these activities using offerings given by church members, and as the majority of church members have few resources this RESPOND Initiative was launched to expand the scheme and provide further beneficiaries with the training.

Through home visits, child development workers selected 53 families who were most in need of greater financial stability. The beneficiaries were all single parent families living in severe poverty, highly vulnerable families, or child headed families, who were all capable of running a small business if supported with financial capital and entrepreneurship skills.



TZ-803 FPCT Unga Limited Child Development Centre





IMPLEMENTATION

Implementation began in November 2013 with the formation of a committee of caregivers, project staff and church members to oversee the initiative. The committee agreed that caregivers would not receive capital inputs as individuals, but rather as groups that co-owned the start-ups. Implementation was carried out in three stages: training, formation of groups and provision of capital and purchase of equipment.

The training was intended to equip caregivers with the entrepreneurial and business management skills needed to start and maintain a business. Professional consultants were recruited to facilitate this training, teaching on topics such as 'characteristics of an entrepreneur', 'how to run a business' and 'the big enemies of your business'. Project staff had prepared for a class of 50 caregivers, but due to a larger than expected attendance on the second day of training, the classroom was over capacity and project staff agreed to have two intakes for training.

In order to manage their start-ups well, caregivers formed small groups, each tasked with different responsibilities in either hiring, catering or retail. Capital was then provided in the form of working equipment. The equipment provided included tents, chairs, tables, catering equipment and retail items. The earnings from each group are collected in a bank account and after a certain time, parents will be able to take out a loan to run their individual income-generating activities from the accumulated amount. The three different group activities proved successful and proceeded as follows:

- **Hiring venture**

The hiring of tents, chairs and tables was the first venture to be implemented at FPCT Unga Limited Child Development Centre. In the local community, tents are used as temporary halls during different gatherings such as weddings or gospel meetings, due to a shortage of permanent halls. This provided an opportunity for caregivers to hire out the necessary equipment at a reasonable cost, particularly in December when demand was high. The tents are hired out for about £13 per day, tables at £0.74 and chairs at a price of £0.11 each, so for 300 chairs they can earn £30 a day.

The purchase price of tents and chairs was higher than expected, as the purchase took place in the peak season. The church elders were able to step in and bargain with several of the suppliers they knew, securing reduced prices.

- **Catering venture**

This was the second venture to be implemented. Caregivers provided food services for different gatherings and sometimes allowed customers to hire out the equipment itself at a competitive price.

- **Retail venture**

The parents and caregivers also sought to establish a retail shop which would serve the surrounding communities. The shop was owned by the caregivers themselves and items such as sugar, flour, soap, rice, matches, salt and other such daily requirements were stocked. The high density of people living in Unga Limited produces a good income from retail activities.





IMPACT

The income earned from this RESPOND Initiative will help originally poor caregivers to provide for their children and siblings. The credit from the collective ventures is intended to boost individual businesses by providing small loans at a very low rate of interest which can circulate around the group to benefit each member. Some of families have started utilising this by starting their own businesses selling tomatoes, fish, clothes or charcoal. The extra income is enabling the caregivers to re-build their lives and their families' social and economic standing, as well as creating employment. It has also brought hope to parents who would not be eligible for loans from formal financial institutions.

Lack of knowledge is one of the key elements which keeps people trapped in poverty. The intensive exposure and information about commerce from this initiative has lead to an ignited a passion for taking risks and excelling in business. Parents have admitted a new awareness, and can identify many business opportunities that they had overlooked before.

The project also found that the initiative provided a new channel for the community to hear the gospel. Caregivers meet at the church every Thursday to administrate their different ventures, and open with a Bible reading and prayers. It has also strengthened the image of the church in the wider community as more people see God's love outworking.

Although only 53 parents received this initial input, this RESPOND Initiative will have a much wider, more long-term impact. FPCT Unga Limited Child Development Centre hopes to continue making this training available, with some of the group venture income supplementing further training expenses. Project staff have already received several application letters from other community members expressing their desire to join the caregiver groups and the project is becoming known as a learning centre for micro-enterprise. As the businesses have already started to grow and reach maturity, the whole community will benefit.



Entrepreneurial training underway

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Setting up the tent



Tables and chairs ready for use



Assembling tables

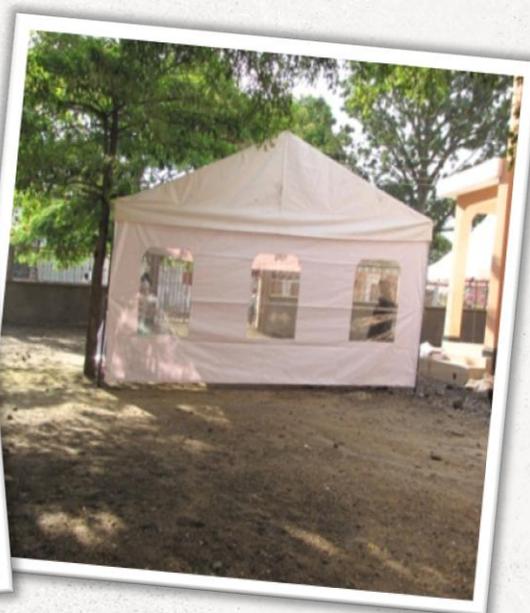


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Hired chairs arriving and being set-up



Tents assembled and ready for use



Purchased catering equipment



Serving food under the tent, utilising the food warmers

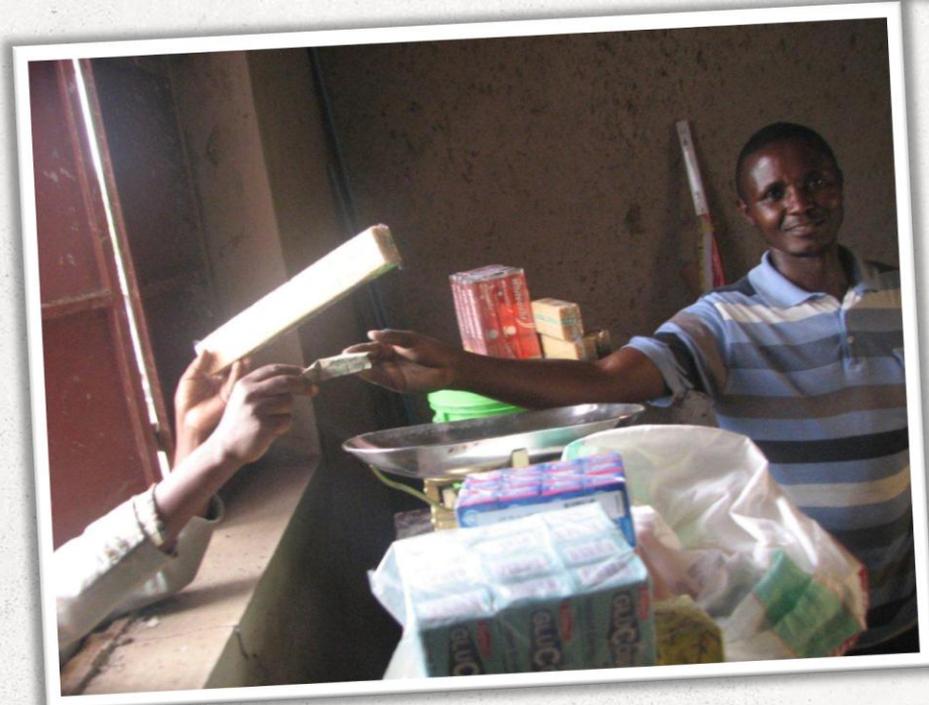


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Retail shop stock



The retail shop open for business



TESTIMONY

Interview with Project Director Kulwa Mboje.

Please describe how the completed initiative will affect the lives of people in this community.

The three group ventures will positively change the lives of registered children and their families. It is expected to reduce criminal activity in the area, which is among the poorest in Tanzania.

Describe how things will be different for them now that this initiative has been completed.

Things are now expected to be different because parents and caregivers of registered children who could not access loans from financial institutions now are expecting to get loans from their own ventures. A good number of them have learned entrepreneurship skills but were lacking the capital needed to initiate small business.

How would you describe the impact of this RESPOND Initiative to those who made it possible?

We thank God for these people because through this initiative the church has been able to spread the word of God to caregivers who participate. The church has received respect from the community through this initiative. The children and youths at the centre have gained hope that their parents will be able to take care of them financially. The parents have learned entrepreneurship skills which will help them to change their lives. People around this area have realised the intended aims of Compassion. The Almighty God bless all those who made this possible.

Interview with Geoffrey Ngowi, father of Compassion-assisted child.

What was your life like before this initiative was implemented?

I have lived in this community for 27 years. Before this initiative my life was very poor, we lived separately as every parent tried to work on their own to earn an income. We had no joint business groups. I had no education or knowledge about how to run a business. We did not dare to start a business because we feared a loss.

How is your life different now that this initiative is complete?

Now I can do something to earn income for my family. My life now is different because there is hope. We started by attending entrepreneurship training where we have learned skills on how to start, manage and control new businesses. We don't fear to make a loss now because we have been taught how to run a business successfully.

What will this initiative mean for your future or the future of others in the community?

This initiative has a big meaning in my life. Frankly speaking it has introduced new ideas into our minds. I'm planning to own a soap production business. Before, I had never dreamed to own such a profit promising business. Our ventures started off benefitting 53 parents, but with time will spread to all parents and caregivers of registered children at FPCT Unga Limited Child Development Centre. Since we are providing services to the community through our ventures, it means that the standard of life in the community will directly improve. The lives of people in the community will change positively.



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How would you describe the impact of this initiative to those who made it possible?

I am very thankful to the Lord and to the donors for the capital and entrepreneurship skills because we feel that there is hope for the future now and our children's lives will improve. Poverty leads to poor attendance and performance at school and our children used to go to school without eating anything. Our church congregation is joyful and thankful to God for what He has done in our community by blessing our people. We bless our donors and sponsors and everybody who made it possible for this noble project to be successfully accomplished. As a church, we are thankful to Compassion International Tanzania for its tireless efforts to support the initiative. May God bless you all.

Interview with Charles Mbise, father of a Compassion-assisted child.

What was your life like before this initiative was implemented?

I have lived in this community for 18 years. Before this initiative, my life had no direction. I could not plan anything because I had no reliable source of income. We used to live only for the present day. I would go look for work to support my family but returned home empty-handed. Other times our children could not attend school because we had no money and the possibility of our children passing their final examinations at school was small. After attending the entrepreneurship training I have seen a good number of business opportunities available in our area. Within a short period of six months we will divide the profit and I will have capital to explore other business opportunities in my area.

How is your life different now that this initiative is complete?

The completion of this initiative has given us hope that now we can live the life which God created us to live. Now I can plan for the coming five years or more. These ventures have assured us that through small loans we will be able to change our economic life completely. Now we can promise our children that we will send them to good schools.

What will this initiative mean for your future and the future of others in the community?



I have a big dream for my business hiring out the carts used to transport items to the market for sale. I have five carts for hire and I earn a daily income to support my family. My plan is to expand this business to buy ten carts. If a cart is hired from morning to evening I receive £0.90, therefore if I will have ten carts, it means per day I will be earning £9. This means that in the future I will be able to employ many people in my business and by doing so the level of poverty in my area will be reduced. I can sense that things which appeared to be impossible in this area now are near to be possible.

How would you describe the impact of this initiative to those who made it possible?

Really our donors and sponsors are transforming the lives of beneficiaries' families, my family being one of them. I can confidently say that we have received skills in entrepreneurship and capital and I am sure life in our home will not be the same again. Our economy as well as physical health of our family will improve as a result of this initiative. I promise to work diligently so as to deliver as much as possible to eventually raise my standard of living. We are amazed at what our donors and sponsors have done for us. May Lord Jesus bless our donors and sponsors richly.





BUDGET

ITEM	ORIGINAL BUDGET	ACTUAL AMOUNT	DIFFERENCE
Entrepreneurship training for 53 beneficiaries	£610	£519	£91
Stationary, meals and refreshments	[£1,432 local contribution]	[£229 local contribution]	-
Capital funds for all beneficiaries	£11,002	£10,696	£306
Administration	£2,903	£2,903	-
TOTAL	£14,515	£14,118	£397

BUDGET EXPLANATION

All Compassion RESPOND Initiatives include a local contribution, to encourage ownership in the local community. Although FPCT Unga Limited Child Development Centre did not have the resources to completely fund this RESPOND Initiative, local funds raised made up £229 of the cost.

In addition, £397 was returned to Compassion International on completion of the initiative. This money will be put towards another initiative in a similar area of Compassion's RESPOND ministry.

THANK YOU

Thank you Mr Shirley for funding this RESPOND Initiative. So far 53 families have been empowered with the knowledge and tools to run their own businesses and generate an income. Project staff greatly anticipate making the training available to more caregivers, and are already seeing the benefits of the initiative in the wider community.

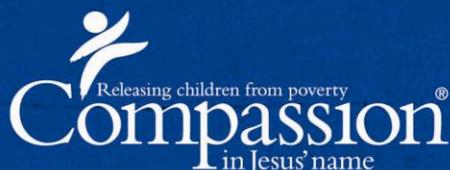
If you have any questions about this or any other RESPOND Initiative, please do not hesitate to contact Mark Preston on 07830 791 899 or at MarkP@compassionuk.org.





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