

**UNITED NATIONS CHILDREN FUND
(UNICEF)**

**REPORT ON THE REVIEW
OF
UNICEF SUPPORTED WOMEN ECONOMIC ACTIVITIES
(WEA) PROJECT**

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We would also like to thank the National Microfinance Bank (NMB) and NBC (1997) Limited Headquarters and Branch Managers in the Project Districts for their cooperation and assistance. We would like also to thank the NBC Holding Corporation for their assistance.

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The authors bear full responsibility for any omissions and errors made.

EXECUTIVE SUMMARY:

The United Nations Children Fund (UNICEF) in 1998 developed a project entitled "Strengthening Strategies to improve Women Economic Activities (WEA)" with the aim to address the lack of progress with respect to women advancement. The programme was implemented in four pilot regions of Dar es Salaam, Iringa, Kagera and Morogoro. Several assessments were made on the project and UNICEF adopted the recommendations of the last assessment of 1994, which led to UNICEF shelving the project without involving the partner institutions. After six years of UNICEF shelving the programme, it has become apparent that a review of the project was necessary.

The purpose of this review was to document lessons learnt from the project implementation in forms of its success, weaknesses, opportunities and recommended on how to deal with the banks and the borrowers with outstanding loans and subsequent recommend the best forward strategy. The assessment included reviews of literature and information regarding the WEA project, discussion with collaboration partners and visits to women groups.

The unilateral shelving of the WEA project by UNICEF without the involvement of the partner institutions had a big impact on the project. The status of the loan repayment by region is as indicated below.

Region	Outstanding Loan (Tsh)	Funds Available (Tsh)	Total Amount (Tsh)	Loan Recovery (%)
Dar-es-Salaam	58,624,867.55	8,866,036.85	67,490,904.40	13
Morogoro	10,978,108.10	8,202,204.30	19,180,312.40	43
Iringa	25,157,549.35	22,519,625.00	47,677,174.35	47
Kagera	13,199,938.55	11,755,822.15	24,955,760.70	47
Total	107,960,463.55	51,343,688.30	159,304,151.85	32

The respective amounts found in each bank including Kilosa District Council, which requested the balance from Kilosa NMB branch in 1997, are indicated below.

Type of Bank	Outstanding Loan (Tsh)	Funds Available (Tsh)	Total Amount (Tsh)	Loan Recovery (%)
NBC (1997) Ltd	56,428,085.85	12,815,927.00	69,244,012.85	19
NMB	51,532,377.70	37,175,211.85	90,060,139.00	41
Kilosa District Council		1,352,549.45		
Total	107,960,463.55	51,343,688.30	159,304,151.85	32

About 50 women groups out of 222 women groups supported by WEA project were able to repay the loan in full. The women's groups claimed that the WEA loans have benefited them in terms of being able to build improved houses; pay school fees; buy clothing including school uniforms; buy supplementary food such as meat, vegetables, fruits; buy animals such as cows, goats, sheep, pig, chicken, ducks, rabbits; and pay district levy. However, many of these benefits were limited within the household and to some extent, within the clan. With exception of the milling and oil processing machines, these were the only loans that aimed to serve not only the group members but also provided services within the village community and also the neighbouring villages.

This review has identified several weaknesses pertaining to the project implementation. The main weakness was the unilateral shelving of the project by UNICEF without involving the other partner institutions. This resulted into lack of follow up and the women groups perceived the loans as grants, hence the low repayment rate. Other weaknesses included the restructuring of the banking system, which has resulted into not only confusion of data storage and retrieval but also loss of the same. Lack of single institution for loan accountability and continuous follow-up, has contributed also to low rate of loan repayment.

Notwithstanding the weakness above, the WEA project still has a number of opportunities to continue, though in an improved way. Such opportunities include among others, the availability of both the loan funds in the bank branches as well as the implementers of the project including the District Community Development Officers and interested NGOs. Other opportunities include the need for UNICEF to support the revised project and the willingness of the existing women groups to continue with the project. The enabling Government policy and support in poverty alleviation is also an encouraging environment.

The review of the WEA project can be **concluded** as follows:

1. The total amount of the loan revolving fund disbursed from UNICEF to the NBC amounted to Tsh.159,304,151.85. Out of this amount, Tsh.51,343,688.30 was found to be available in the bank branches of the respective districts supported by WEA project. A total amount of Tsh.107,960,463.55 is the outstanding loans in the respective women groups.
2. An analysis has revealed that the extent of loan repayment and management of the loan itself has no relation with the type of project; rather it depends on the behavior of the borrower and the credit provider. The loan repayment has been found to be higher in the rural areas (exhibiting 50% repayment of total amount disbursed to the rural based communities) as compared to the urban set up (indicating 12% repayment of total amount disbursed to the urban based communities and these include Dar-es-Salaam region and Iringa Municipal).

3. The unilateral shelving of the WEA project by UNICEF without involving the other partner institutions has been one of major weaknesses that has increased the default rate in the respective groups. Other weaknesses include lack of single institution for the accountability and follow-up of the loan.
4. The opportunities that pave the way for redesigning the WEA project include the current socio-economic restructuring that is taking place in the country; the cash amount found in the banks as a starting seed money; willingness of relevant NGOs to run loan revolving fund; the extent of poverty in Tanzania and the speed in which orphans are being generated through HIV/AIDS; and the recent policy of the government of Tanzania towards eradication of poverty in country. These opportunities show the worthiness of reviving the project with a view to rectify the identified weaknesses including management of the project at large.
5. Iringa region has been suggested as a pilot area to start the new project for reasons of having conducive infrastructure; an operating NGO known as INGONET which deals with HIV/AIDS and limited livelihood activities; higher women groups that have been able to repay the loan in full, thus becoming potential indirect beneficiaries for supporting orphans and youths in their respective villages.

In view of the above conclusions and observations made during the review period, the consultants came with the following **recommendations** that:

1. UNICEF should write off the bad debts amounting to Tsh.107,960,463.55 of the WEA project from its books of accounts and officially hand over its outstanding loan balances to the respective District Councils for their necessary action of loan recovery and use of the money.
2. The available funds found in the two banks (NMB and NBC (1997) Limited) in the tune of Tsh.51,343,688.30 is suggested to be used as a seed money to establish a new project of livelihood that interrelates with existing UNICEF programmes particularly the HIV/AIDS.
3. UNICEF is advised to send its financial experts to the Headquarters of two banks (NBC (1997) Limited and NMB) to carry out a reconciliation exercise to re-establish the correct and agreeable amounts of money available for lending. This money, together with additional funds can be used for the re-establishment of the new project.
4. The Iringa region is recommended to be taken as a pilot area for testing the livelihood initiatives within the context of UNICEF programmes and that INGONET is being suggested to run a pilot revolving fund to support economic needs of the orphans and youths. The INGONET should administer the revolving fund, and coordinate the follow-up on loan repayments and provision of training where is due and this strategy shall allow easy of accountability of the loan facility by INGONET to UNICEF.
5. UNICEF may wish to contract a team of experts to use the findings of this review to re-plan and redesign the pilot project afresh.

1.0 BACKGROUND

1.1 History of the Project

In its conceptual framework for the analysis of the situation of women and children in Tanzania (1984-85), UNICEF stated that the "Underlying reasons for the seriousness of the effect of inadequate food consumption and diseases are inadequacies in food security, income, health services, housing, water supplies and environmental sanitation, education, information and child care". A focus on improving women's access to and control over productive resources thus became an important thrust of UNICEF's programme in Tanzania.

In 1988, UNICEF developed a programme entitled "Strengthening Strategies to Improve Women's Economic Activities (WEA)" with an aim to begin to address the lack of progress with respect to women's economic advancement. UNICEF understood at the time that the project was experimental and thus piloting for wider replication of the results. Few programmes in Tanzania at that time had focused on income generation as a means to mainstreaming and empowering women. The project was viewed, therefore, as a step to enable donor agencies, local financial institutions and other collaborating partners to learn better how to improve the economic situation of women in Tanzania.

The programme began operating in 1989 and several assessments of components were made and the last one was conducted in 1994 after five years of operation. UNICEF adopted the recommendations made by the last assessment in 1994 within its office without involving partner institutions. Imperatively, UNICEF abandoned the project in 1994 while the partner institutions continued the implementation of the project as if the 1994 evaluation did not take place. After six years of UNICEF shelving the WEA programme or the programme operating with only the partner institutions, it has become apparent that a review of the programme was necessary and appropriate for several reasons. First, to-date neither the district councils nor UNICEF know the status of the balance sheet of the micro-credit or revolving fund schemes established with National Bank of Commerce (NBC) branches in the respective districts. Secondly, the experimental design of the programme makes it incumbent on programme implementers to question whether programme objectives are being met and whether the objectives are appropriate given the programme's target group. Thirdly, Tanzania has undergone and still undergoing significant and rapid changes, both economically and socially. Reviewing the programme effectiveness in the context of a changing society is critical for positive results. Fourthly, the restructuring of the banking sector especially NBC, which was concluded in 1997 called for schemes established with the bank to be reviewed. Finally, UNICEF is committed to contributing to the improvement of women's economic situation in Tanzania with special focus to the well being of the children and the family at large. Therefore, the examination of the WEA project in terms of its successes, weaknesses and opportunities in the context of the prevailing socio-economic situation, shall call and ensure that the combined efforts

of UNICEF and its partners bring to fruition the objective of improving the economic condition of and empowering disadvantaged groups in Tanzania.

1.2 Purpose of the Assignment

In the context that UNICEF wishes to contribute to poverty alleviation in Tanzania along side with other partners in the development agenda, the purpose of this assignment was:

- o Document the lessons learnt from the initiatives in terms of success, weaknesses and opportunities that exists;
- o Recommend on how to conclude the agreement with the bank and deal with the women who had received the loans;
- o Propose modalities of re-assigning the resources currently in the banks; and
- o Recommend the best way of supporting livelihood initiatives ensuring focus on the disadvantaged groups such as orphan caretakers and youth groups.

1.3 Methodology

An audit of the Income Generation Activities Component included a review of existing UNICEF literature and information pertinent to the programme; visits and discussion with officials from NBC (1997) Limited currently owned by majority shares of 70% by Amalgamated Banks of South Africa (ABSA) and National Micro-finance Bank (NMB) who currently control the former NBC's branches servicing WEA projects. Also included visits to all participating district councils and to 25 women's groups in four regions representing 11.3% of total groups assisted under the programme. The team also visited 2 oil processing groups in the Iringa region, all of whom were assisted with interest-free loans in 1987, but continue to participate in UNICEF's programme. Appendix 1 includes findings for all of the groups interviewed. Following is a general scope of the assessment.

Regions	Visited	% of Total Assisted
Dar-es-Salaam	5	5.4%
Iringa	8	12.5%
Kagera	5	16.7%
Morogoro	7	20%
TOTAL	25	11.3%

Groups interviewed were selected by de-facto WEA District Coordinators who also

organized the field visits. Interviews included site visits to the projects where it was possible and questions to group members about project management, income generation, successes and problems, loan repayment, and future plans. The consultants also visited relevant bank branches in each of the districts to be reviewed; and bank records of the project's portfolio were obtained where possible. Extensive discussions were also held with UNICEF officers, former WEA Regional Coordinators and representatives from each of the programme's collaborating institutions and agencies.

Time and transport constraints limited the number of groups interviewed; however, the team believes that the sample provides a fair representation of the current situation of the WEA programme for two primary reasons. First, the range of activities does not vary widely in each district, particularly in the rural areas, the main ones being grain mills, oil processing, trading and farming. Second, 49% of total groups are involved in agricultural activities [WEA Evaluation of 1994]. Loans to these groups are structured on an overdraft basis and groups do not produce income until the harvest. The team interviewed these groups regarding management of activities and training received; and spoke to government officials about the general experience with the agricultural loans. We therefore believe that the sample survey combined with interviews of collaborating partners provides a good indicator of the programme's overall performance.

The most significant constraint to a thorough analysis of the project's loan portfolio was a lack of an agreement between UNICEF and NBC regarding the amounts of revolving fund disbursed to NBC. Secondly, lack of complete bank records and difficulty in obtaining the information required. Most of the branches had never compiled interest paid and owed nor do they compile reports of past due loans and payments outstanding. Some like Mshindo in Iringa region compiled outstanding loans including interests and claimed that it would be difficult to separate interest from principal loan, as it would take more than one month. Moreover, other branches such as Kilosa and Wami (Morogoro region) and Muleba (Kagera region) needed extra efforts to retrieve the information due to Branch Managers and Accountants being new to the branch and the project itself. We nonetheless believe that the data presented in the report gives a fair representation of current activity regarding the WEA loan portfolio.

2.0 AN OVERVIEW ASSESSMENT OF THE WEA PROGRAMME SINCE ITS INCEPTION

2.1 Introduction

The implementation process for the WEA Project can be divided into two phases. The first three-year phase (1989-1991) was funded through bilateral assistance to the Government of Tanzania from the Dutch Government. Total project costs were \$864,000. According to the original project proposal (October 1988) the overall objective of the project was to strengthen the capacity of women in four regions (Kagera, Morogoro, Iringa and Dar es

Salaam) to better organize, manage and control their productive resources. The project also was undertaken to assist with institutional strengthening, operational research, creating access to financial institutions, training and other support for the development of long-term viable strategies in these areas. The long-term objectives were to develop viable and replicable strategies for improving the situation of women in Tanzania.

At the end of the first phase, an assessment of the programme recommended that the project objectives be brought into line with UNICEF's overall mandate. The project was incorporated into the country's five-year programme for Child Survival and Development (CSD), and was funded from UNICEF's general resources. Project objectives were modified to explicitly address the problems of child malnutrition by directly targeting resource weak households with malnourished children for programme assistance. Thus, the objective of the programme was at that time defined as:

Improved access for communities -- and especially poor households with malnourished children -- to credit, tools and markets in order to generate additional income for women and children.¹

This objective remains relevant to date by widening it to include all disadvantaged groups such as orphans and youth groups.

In order to overcome constraints identified during the assessment of the first phase, three additional strategies were incorporated into the project, including:

- 1) Market development and promotion
- 2) Savings mobilization
- 3) Identification and promotion of appropriate technologies.

Moreover, as a sub-project of UNICEF's current five-year programme, every community-based programme supported by UNICEF was supposed to have a component to support Women's Economic Activities (WEA). Programme objectives also were enhanced to include the mainstreaming and empowerment of women. This is in accordance with UNICEF's overall framework for women in development.

The WEA project was executed under a tripartite agreement including UNICEF, National Bank of Commerce and District/ Town Councils. A total of ten districts were selected for this project as follows:

- Dar es Salaam region: Ilala, Temeke and Kinondoni districts
- Morogoro region: Morogoro Rural and Kilosa district

¹ "Revised Operating Guidelines for Financing of Projects Under UNICEF -- Women Economic Activities Fund". Circular No. 48/93. National Bank of Commerce. May 17, 1993

- Iringa region: Iringa Rural, Njombe, and Mufindi districts
- Kagera region: Muleba and Biharamulo districts

After the review of the first phase (1989 – 1991), four districts were incorporated and these included Iringa Municipal, Makete, Ludewa, and Ngara districts. The incorporation of the four districts in the WEA project was based on the recommendation that every community-based programme supported by UNICEF was supposed to have a component to support Women's Economic Activities (WEA). Only Iringa and Kagera regions responded to that recommendation whereby the Iringa region added 3 more districts making all six districts in Iringa region being covered by WEA project while Kagera region added one district (Ngara).

The UNICEF supported WEA project was implemented under a tripartite agreement involving:

- The National Bank of Commerce (NBC), which was the administrator of the funds. It was selected among other banks following its countywide network of its branches and its decentralization to district level.
- The District/ Town Directorates, which were the executing agencies of the project through their community development departments.
- UNICEF, whose role was that of procuring the funds, equipment and supplies as well as providing technical support and guidelines.

UNICEF signed an Agreement with the National Bank of Commerce for the administration of the funds. The bank had to benefit from the interest charged on the loans. UNICEF disbursed funds to the bank at the Head Office, which in turn, transmitted to the District Branches for onward disbursement to the qualifying beneficiaries.

The District Community Development Officers mobilized the women into groups and assisted them with project identification, preparation of constitutions, project appraisal, presentation to the bank for funding and subsequent follow up. District Credit Committee (DCC) with the responsibility of approving viable projects were chaired by the respective District Planning Officers and attended by relevant district officials and the respective Bank Managers. For projects that required machine or equipment, UNICEF was responsible for the procurement, transportation, installation and provision of technical support.

As such, UNICEF has requested the consulting team to assess the status of the loan portfolio, successes, weaknesses and opportunities to which WEA programme activities

have made an impact on the empowerment of women and the poor.

2.2 Status of the Loan Portfolio With the Banks

In the absence of the contractual document between UNICEF and National Bank of Commerce (NBC) in transacting the lending amounts to women's groups, other sources of information were called forward. One such important document was the evaluation report of WEA project in 1994. According to the WEA evaluation report of 1994, UNICEF had forwarded in July 1993 Tsh.100,775,110 to the National Bank of Commerce for the purpose of on-lending to women's groups with projects operating with the assistance of the WEA project. Of this total amount, Tsh. 93.36 million had been disbursed as of 31/12/93.

In January 1994, UNICEF forwarded an additional Tsh.37,922,520 for lending. Thus making a total disbursement of Tsh.138,697,630 to the National Bank of Commerce. However, as per Table 1 and 2, the total amount that NBC owes UNICEF to-date as per survey made by the consultants indicated Tsh.159,304,151.85.

The credit mechanism, as it was structured, was an on-lending model whereby the banking partner lends money deposited by the donor agency to groups designated under a specific programme. The WEA credit mechanism operated under a decentralized management structure, relying on the input of various collaborating partners. Since UNICEF claims to have shelved the WEA project after receiving the evaluation report of 1994, evidence shows that beyond January 1994 there was an additional disbursement of up to Tsh.20,606,521.85 to the NBC as this money could no way be generated from the interests earned from loans because even in December 31st, 1993 there was a default rate of 71% as pointed out by WEA evaluation report of 1994. The total loans disbursed to the women groups in the four additional districts (Iringa Municipal, Makete, Ludewa, and Ngara) as exhibited in Table 1 and Appendix 1 is Tsh. 20,865,403.60. It is evident that the difference between the bank amounts as revealed by this study and what UNICEF to NBC disbursed is almost the same with amounts found in the four additional districts in the WEA project exhibiting a variance of only Tsh.258, 881.75. The thesis to this is that, the respective UNICEF regions for Child Survival and Development Programme disbursed funds to the banks through their regional bank directorate without following the convectional way through the NBC headquarter.

The WEA project has assisted about 222 groups in four regions namely Dar-es-Salaam, Iringa, Kagera, and Morogoro. Activities include agro-processing, farming, trading and small businesses such as restaurants and groceries. In mid-1994, Tsh. 93.36 million in loans had been provided to 153 women's groups. Total outstanding balances as of 31/12/93 were Tsh.70.491 million. As of January 1999, Tsh.159,304,151.85 in loans had been provided to 222 women's groups. Total outstanding balances as of 30/4/2000 are Tsh.107,960,463.55 (Table 1).

Table 1 Financial Status of UNICEF Women Economic Activities (WEA) in Respective Banks of the NMB and NBC (1997) Limited including Kilosa District Council by Region

Region	Type of Bank	Name of Branch	Outstanding Loan (Tsh)	Funds Available (Tsh)	Total Amount (Tsh)	Loan Recovery (%)
Dar-es-Salaam	NBC (1997) Ltd	Ubungu	18,758,792.60	2,494,063.75	21,252,856.35	12
		Pugu	19,189,261.50	3,763,526.55	22,952,788.05	16
		Sub-total	37,948,054.10	6,257,590.30	44,205,644.40	14
	NMB	Kariakoo	20,676,813.45	2,608,446.55	23,285,260.00	11
		Total	58,624,867.55	8,866,036.85	67,490,904.40	13
Morogoro	NMB	Wami	1,516,225.60	6,849,654.85	8,365,880.45	82
		Kilosa	9,461,882.50	1,352,549.45	10,814,431.95	13
		Total	10,978,108.10	8,202,204.30	19,180,312.40	43
Iringa	NBC (1997) Ltd	Mshindo	14,227,867.80	325,735.35	14,553,603.15	2
		Mufindi	1,022,682.65	2,303,682.65	3,326,365.30	69
		Njombe	3,229,481.30	3,928,918.70	7,158,400.00	55
		Sub-total	18,480,031.75	6,558,336.70	25,038,368.45	26
	NMB	Mafinga	819,041.85	5,894,358.45	6,713,400.30	88
		Makambako	3,426,002.00	2,707,000.00	6,133,002.00	44
		Makete	1,641,053.20	4,288,946.80	5,930,000.00	72
		Ludewa	791,420.55	3,070,983.05	3,862,403.60	80
		Sub-total	6,677,517.60	15,961,288.30	22,638,805.90	71
		Total	25,157,549.35	22,519,625.00	47,677,174.35	47
Kagera	NMB	Muleba	5,713,075.05	6,326,925.65	12,040,000.70	53
		Biharamulo	5,033,882.00	3,821,878.00	8,855,760.00	43
		Ngara	2,452,981.50	1,607,018.50	4,060,000.00	40
		Total	13,199,938.55	11,755,822.15	24,955,760.70	47
Total		107,960,463.55	51,343,688.30	159,304,151.85	32	

Table 2 Funds of the UNICEF Women Economic Activities (WEA) in Respective Regions by Bank Category including Kilosa District Council

Region	Type of Bank	Name of Branch	Outstanding Loan (Tsh)	Funds Available (Tsh)	Total Amount (Tsh)	Loan Recovery (%)
Dar-es-Salaam	NBC (1997) Ltd	Ubungu	18,758,792.60	2,494,063.75	21,252,856.35	12
		Pugu	19,189,261.50	3,763,526.55	22,952,788.05	16
Iringa	NBC (1997) Ltd	Mshindo	14,227,867.80	325,735.35	14,553,603.15	2
		Mufindi	1,022,682.65	2,303,682.65	3,326,365.30	69
		Njombe	3,229,481.30	3,928,918.70	7,158,400.00	55

Total			56,428,085.85	12,815,927.00	69,244,012.85	19
Dar-es-Salaam	NMB	Kariakoo	20,676,813.45	2,608,446.55	23,285,260.00	11
Morogoro	NMB	Wami	1,516,225.60	6,849,654.85	8,365,880.45	82
		Kilosa	9,461,882.50		10,814,431.95	13
Iringa	NMB	Mafinga	819,041.85	5,894,358.45	6,713,400.30	88
		Makambako	3,426,002.00	2,707,000.00	6,133,002.00	44
		Makete	1,641,053.20	4,288,946.80	5,930,000.00	72
		Ludewa	791,420.55	3,070,983.05	3,862,403.60	80
Kagera	NMB	Muleba	5,713,075.05	6,326,925.65	12,040,000.70	53
		Biharamulo	5,033,882.00	3,821,878.00	8,855,760.00	43
		Ngara	2,452,981.50	1,607,018.50	4,060,000.00	40
Total			51,532,377.70	37,175,211.85	90,060,139.00	41
Kilosa District Council				1,352,549.45		
Total			107,960,463.55	51,343,688.30	159,304,151.85	32

Following the directive from the NMB Head office, vide the circular No. NMB/MD/Circ., dated 18th December 1997, both Branch Managers of Muleba and Biharamulo branches transferred all overdrawn accounts to NBC (1997) Limited Jamhuri Road Branch in Bukoba, vide their letters of Ref. NBC/023612/Vol.1/B.20/6 dated 17/2/1998 and NMB/023603/B.10/13/Vol.II date 3/1/1998 respectively.

As shown in Table 2, the remaining funds from loan disbursement have been kept in the suspense account within the NBC (1997) Limited branches. The respective amounts can be called upon when UNICEF needs them through the NBC (1997) Limited head office in Dar-es-Salaam. A summary of the loan portfolio provided by the NBC (1997) Limited headquarters was verified with the respective branches and entries were found to be the same except for Mshindo branch in Iringa (Table 3). This variation is caused by the loan repayment of Tsh. 250,000 that was made as a result of our visit with the banker to the group as part of this review. Unlike the NBC (1997) Limited, all branches of the NMB except Kilosa branch, returned the remaining cash funds to the headquarter between November 1998 and January 1999 as directed by the Director of Finance and Administration as per his circular letter of December 1998. The Kilosa branch returned its funds to the Kilosa District Council on 14th June 1997 amounting to Tsh.1,352,549.45 credited to the Account No. 200012 KDC Child Survival Development Programme responding to the Council request. The Consultants find it to be very unusual for the bank to give somebody's money to another person and likewise the Council requesting the money that does not belong to them. At the time of visit, the Kilosa District Council did not explain the whereabouts of the money. Indeed, the Consultants find the Council to be liable for the money. The total cash available in the two banks (NMB and NBC (1997) Limited) including the Kilosa District Council is Tsh. 51,343,688.30 as found from the respective bank branches (Table 3). The data from the bank head offices is subject to reconciliation during transfer of funds from the respective banks to the UNICEF.

The default rate as exhibited in Table 1 or 2 is 68% of the total amount disbursed from

UNICEF to the NBC as from 1990 to 1997 before the NBC broke into two separate banks.

Table 3 Data from Bank Branches against the Data Obtained from the Bank Head Office for the Same Bank Branches

Region	Type of Bank	Name of Branch	Data From Bank Branch (Tsh)	Data From Bank Head Office (Tsh)	Variance From Bank Branch Data (Tsh)	Remarks
Dar-es-Salaam	NBC (1997) Ltd	Ubungo	2,494,063.75	2,494,063.75	0.00	
		Pugu	3,763,526.55	3,763,526.55	0.00	
Iringa	NBC (1997) Ltd	Mshindo	325,735.35	75,735.35	250,000.00	Repayment
		Mufindi	2,303,682.65	2,303,682.65	0.00	
		Njombe	3,928,918.70	3,928,918.70	0.00	
Total			12,815,927.00	12,565,927.00	250,000.00	
Dar-es-Salaam	NMB	Kariakoo	2,608,446.55	3,416,886.55	-808,440.00	
Morogoro	NMB	Wami	6,849,654.85	6,489,654.85	360,000.00	
		Kilosa		-	-	
Iringa	NMB	Mafinga	5,894,358.45	5,894,358.45	0.00	
		Makambako	2,707,000.00	2,707,000.00	0.00	
		Makete	4,288,946.80	4,288,946.80	0.00	
		Ludewa	3,070,983.05	3,070,983.05	0.00	
Kagera	NMB	Muleba	6,326,925.65	0.00	6,326,925.65	No data
		Biharamulo	3,821,878.00	0.00	3,821,878.00	No data
		Ngara	1,607,018.50	780,454.75	826,563.75	
Total			37,175,211.85	26,648,284.45	10,526,927.40	
		Kilosa District Council	1,352,549.45			
Total			51,343,688.30	39,214,211.45	10,776,927.40	

3.0 PERFORMANCE OF THE WEA PROJECT

3.1 Success stories of WEA project

The WEA project as already pointed out covered about 222 women's groups of which about 50 groups that received the loan were able to repay in full (Table 4). Only 5 groups out of 50 made it possible to receive a second loan. Of these 5 groups that received the second loan, 2 groups were able to repay the loan in full within the required time. High performance in loan repayment is observed in the Iringa region whereby Iringa Rural and Municipal in total has 13 groups, Mafinga one group, Njombe seven groups and Makete eight groups.

With exception of the Mafinga group (i.e. Kitelewasi) that was running a milling machine,

the remaining groups that were able to repay their loans in full were engaged into agriculture and agro-businesses and trading activities. Kitelewasi women's group sold the machine to a private person in 1995 with the condition that the milling machine should not be shifted from the site. In this way, the women's group was able to repay the outstanding loan and the remaining amount was distributed among the members who initiated trading and agricultural based activities.

This exemplary performance of the 50 groups that paid the loan in full shows that the business plans of the respective groups were well scrutinized. It also indicates the extent to which the groups were able to use the bank facility because, in most cases, loan repayments had to be made from their bank accounts.

Table 4 Number of Women's Groups That Were Able to Repay Loans in Full by Region

Region	Total Groups Supported	Groups that had Full Loan Repayment	Groups that Borrowed more than Once
Dar-es-Salaam	93	8	-
Morogoro	35	2	-
Iringa	64	29	5
Kagera	30	11	-
TOTAL	222	50	5

Even though some groups could not repay their loan in full for one reason or another, many of them did allude to enormous benefits they have gained from the WEA Loans. Appendix 2, exhibits some of the benefits gained by the groups that were visited and by district in case of Makete District.

The women's groups claimed that the WEA loans have benefited them in terms of being able to build improved houses; pay school fees; buy clothing including school uniforms; buy supplementary food such as meat, vegetables, fruits; buy animals such as cows, goats, sheep, pig, chicken, ducks, rabbits; and pay district levy. However, many of these benefits were limited within the household and to some extent, within the clan. With exception of the milling and oil processing machines, these were the only loans that aimed to serve not only the group members but also provided services within the village community and also the neighbouring villages.

3.2 Weaknesses of the WEA Project

One of the major weakness that had accelerated the rate of defaulters as found by this review is that of UNICEF abandoning the WEA project silently without informing its partner

institutions as a result of the 1994 WEA evaluation report. It was further accelerated when the NBC started its restructuring exercise that was concluded in 1997 resulting into NBC (1997) Limited and NMB and yet UNICEF never responded to the transformations that were taking place in the bank industry. It was as if the UNICEF had nothing to do with the WEA project which was yet to be closed in its own books and the books of accounts of its partner institutions. The beneficiaries interpreted the WEA loans that UNICEF had let it go as grants.

Other weaknesses of the WEA programme as pointed out in the WEA evaluation report of 1994, can be summarized as follows:

1. There has been lack of accountability of the loan at all levels;
2. There was weak analysis of the loan applications and business feasibility appraisal at large;
3. Banks viewed the project as a welfare undertaking since the revolving fund was not their own money;
4. There was inadequate follow up of the projects to enable solving of problems as they occurred;
5. In general, the project design lacked sustainable aspects, because guarantee money (in the form of revolving fund as a collateral) has no incentive to the bankers.

3.3 Opportunities of the WEA Project

There are enormous opportunities that call for the WEA project continuation but in a different form taking into account the prevailing socio-economic realities and the transformations that are taking place in the economy and society. These opportunities may not be exhaustive but include:

1. Availability of loan funds for lending. Data obtained from the various Bank Branches reveal that there is a total of Tsh. 52 million available as initial seed money;
2. Presence of project implementers, including the District Community Development Officers and committed NGOs in the respective areas;
3. Willingness of the National Micro Finance Bank to administer micro financing countrywide;
4. Enabling Government policy and support in poverty alleviation, especially for the disadvantaged groups, including women and orphans;

5. Willingness of women to continue with the project, especially those who have repaid their loans in full. Group cohesion is still there;
6. Willingness of women groups to support orphans through their increased economic power;
7. Willingness of local neighbourhood to support the disadvantaged groups by tilling their land and food supply;
8. Willingness of UNICEF to revive the project towards supporting disadvantaged groups with livelihood activities, however after rectification of the identified weaknesses.

3.4 Performance Analysis of the WEA Project

The performance analysis of the WEA Project deals with the fate of the outstanding loans currently still unpaid by the women groups, fund disbursement in the urban and rural districts and their respective loan repayment performance, and concludes with loan repayment section by project type.

3.4.1 Fate of the Outstanding Loans

Table 1 indicates the outstanding loans by bank category while Appendix 1 gives details for the same for each group by region. The total outstanding loans as of to date in the WEA project is as indicated in Table 1 or 2 amounting to Tsh.107,169,043.55.

All banks had declared the outstanding loans as bad debts and thus not recoverable. The consultants therefore are recommending to UNICEF to write-off the outstanding loans in their books of accounts as bad debts.

However, based on the visits that were made to selected groups and discussions made with WEA Coordinators, there are few groups that with some additional efforts of follow-up the debts could be recovered. For instance the Mshikamano group at Kalenga in the Iringa Rural district that had sold the milling machine to one tycoon in the neighbouring ward at Tsh.700,000 had decided not to pay the loan and instead took Tsh.250,000 to open an account at CRDB Bank and the remaining was distributed among themselves to start other types of businesses. During this assignment we informed them their obligation to service the loan and the following day they paid Tsh.250,000 to Mshindo NBC (1997) Limited branch from the money they took from CRDB bank. There are other groups also that promised to pay the loan in due time. Of course some of the groups are far from expectation to be able to service their loan. It can be noted that the exercise of recovering loans from the groups will involve more costs than the amounts to be recovered as many of the loans are indeed in bad debts. This exercise therefore does not warrant the

involvement of UNICEF in terms of social and economic costs associated with the exercise.

The consultants however are of the opinion that these outstanding loans in each group be handed over to the respective District Councils and be entered in their books of accounts for debts to be recovered. Where is possible the loans be recovered and that money be added to the Women's Development Fund whereby the central government and district Councils are contributing to.

3.4.2 Fund Disbursements and Repayments by Urban-Rural Category

In this report, the consultants are defining all districts in Dar-es-Salaam region (Ilala, Kinondoni and Temeke) including the Iringa Municipal district as urban set-ups. On the other hand, the rural based districts like Iringa Rural, Mufindi, Njombe, Makete, Ludewa, Morogoro Rural, Kilosa, Ngara, Biharamulo and Muleba that had the WEA loan support directed in the rural communities and not at the headquarters of the district, are also categorized as rural set-ups.

According to this review, Iringa Municipal district had 15 projects that had a total value of Tsh. 7,013,000 while the 3 districts in Dar-es-Salaam with 93 projects enjoyed a total loan portfolio of Tsh.67,490,904.40. Therefore, the WEA loan support for the urban based districts amounted to Tsh.74,503,904.40. Deducing from Table 1, the loan repayment is Tsh. 9,028,904.50 which is 12% of total amount disbursed to the urban districts.

The total amount disbursed to the rural based districts was Tsh. 84,800,257.45 (Table 1). The rural based districts were able to repay the loan to the tune of Tsh. 42,314,783.80, which is 50% of the total loan disbursed to the rural based districts. It can be seen that the rural based districts have a better loan repayment than the urban based districts. Given the fact that follow-ups were weak or not done at all particularly beyond 1995, then the difference can probably be explained by the behaviour and attitude of the beneficiaries towards loan.

Out of total WEA loan disbursements, about 46.4% were given to the four urban-based districts and 10 rural based districts shared the remaining 53.6%. It seems that the WEA project was striving at a balance between urban-rural supports; however, the disbursement fell weak to disburse the funds according to the loan repayment performance.

3.4.3 WEA Performance by Project Type

Out of 222 projects supported by the WEA project, 17 projects (7.6%) were grain mills, 16 of which were rural based. Therefore 92.4% were projects other than grain mills. Three of the grain mill projects managed to repay their loan in full representing 17.6% of the total mills. Forty-seven of the projects other than grain mills were able to repay their loans in full representing 22.9% of the total.

Likewise, three grain milling machines out of the total projects covered by the WEA projects were able to repay the loans in full, representing 1.4%. A total of 47 other projects, other than the grain milling machines, also repaid their loans in full, representing 2.1% of the total 222 projects.

From the above analysis, it can be deduced that the percentages exhibited by the types of projects, do not show any significant difference. Therefore, the loan repayment has no bearing with the type of the project, rather than the behaviour and attitude of the borrowers.

4.0 POSSIBLE COLLABORATING INSTITUTIONS

Collaborating institutions were identified with a view for the said institution having the ability and capacity to run a credit or revolving fund in order to support disadvantaged groups such as orphans, youth groups, resource weak household and HIV/AIDS victims. The following are some of the profiles of the institutions identified by region.

4.1 Collaborating Institutions in Morogoro Region

Three NGOs (Non-Government Organization) that are related to support with a credit facilities to the needy ones were reported as PRIDE Tanzania, FINCA Tanzania and FREDA.

4.1.1 PRIDE Tanzania

PRIDE (Promotion of Rural Initiatives and Development Enterprises) Tanzania is an NGO (Non-Government Organization) with headquarters based in Arusha. It is affiliated to PRIDE Africa with its headquarters in Nairobi, Kenya. With regards to the operations of the PRIDE Tanzania in the Morogoro region, the NGO is providing credits to beneficiaries at the Morogoro Municipal. It uses group pressure of about 5 members in terms of securing its loan repayments. The interest rate charged is 30% and 25% for loans beyond Tsh. 2 million. PRIDE does encourage loan repayment weekly at the same day, same time and same amount.

4.1.2 FINCA Tanzania

FINCA (Foundation for InterNational Community Assistance) Tanzania is an NGO with headquarters in Tanzania based in Mwanza. FINCA Tanzania started its operations in Mwanza region in April 1998 and only recently (February 2000) engaged its activities in the Morogoro Municipal. Its plan is to expand to the rural districts of the Morogoro regions. In the countrywide, the plan is to expand starting with Kagera, Mara, Shinyanga and other regions will follow thereafter. The FINCA Tanzania has already launched its operations in Kagera as of March 2000. FINCA was conceived in South America and started its

operations in 1984. The FINCA Tanzania deals only with existing entrepreneurs. It has no room for start-up businesses. It charges an interest rate of 5% per month or in other words, 60% per annum. The first loan must be payable within four months.

The beneficiaries of FINCA loans are women. Apart from provision of credit, FINCA encourages each to have a saving of at least Tsh.1,000 per week and also loan repayment to be done weekly. The aim of each one having a saving weekly is to encourage in each society to start own community bank or village bank.

4.1.3 FREDA

FREDA is also an NGO reported by the Kilosa District Council that is operating in the district and its office is based in Ngairo within Kilosa district. FREDA covers Ruaha, Mikumi, Kimamba, Gairo, Dumila and Kilosa wards. It deals with women existing entrepreneurs who have equity of 17% of the total loan. The allowable maximum loan given to an individual is Tsh.100,000. The interest rate is 12% per annum and loan should be repaid within one year.

4.2 Collaborating Institutions in Iringa Region

In Iringa region, two main NGOs were found to be in operational in the region. These are PRIDE Tanzania and Iringa NGOs Network (INGONET).

4.2.1 PRIDE Tanzania

PRIDE Tanzania was also found operating in the Iringa Municipal. It does not cover other districts within the region.

4.2.2 Iringa NGOs Network (INGONET)

Iringa NGOs Network (INGONET) was formed in 1997 and is currently under the process of registration. It is expected that INGONET shall be registered before June 2000. The INGONET is an umbrella NGO of those registered NGOs operating within Iringa region with the aim to:

1. Coordinate and conduct stakeholders forum;
2. Coordinate and monitor activities of NGOs;
3. Provide forum and actions for community, HIV/AIDS and poverty alleviation;
4. Solicit funds on behalf of the member NGOs;
5. Link between the member NGOs and government;
6. Provide training as per needs of the beneficiaries; and
7. Disseminate information to all stakeholders in the development.

The coverage of INGONET includes Iringa Municipal, Iringa Rural, Mufindi, Njombe,

Makete, and Ludewa districts. Currently, the entry fee for each NGO is Tsh.30,000 and annual subscription fee of Tsh.20,000. The live NGOs under INGONET include:

- (1) Family Planning Association (UMATI);
- (2) Evangelical Lutheran Church of Tanzania (ELCT) Dioceses of Iringa and also South Central (Makete);
- (3) Anglican Diocese of Ruaha;
- (4) Roman Catholic (Dioceses of Makete and Njombe, Ikonda Hospital and Tosamanga Orphanage Centre);
- (5) Baraza la Waislamu Tanzania – BAKWATA at Iringa Municipal and Njombe (Muslim Association of Tanzania);
- (6) Young Women Development Association at Iringa Municipal and Njombe;
- (7) VIJANA – Tanzania Association of Youth;
- (8) Umoja wa Wanawake Tanzania (UWT);
- (9) Tanzania Home Economics Association (TAHEA) operating in all districts;
- (10) Tanzania Registered Nurses Association (TARENA);
- (11) Iringa Community Development Organization;
- (12) Maria Stopes;
- (13) Scouts;
- (14) Baby Care and Women Association (BACAWA);
- (15) Tanzania Rural Women and Children Development Foundation, operates in Iringa Municipal and Iringa Rural districts with the view to cover the entire region; and
- (16) Tanzania Red Cross Association.

Along the livelihood activities, the INGONET through TAHEA and Tanzania Rural Women and Children Development Foundation have been reported to provide services such as sawing machines, carpentry tools, and training on business development to the HIV/AIDS victims. However, these services are provided as grants. The village community has always done identification of the right beneficiaries and INGONET through the relevant NGO does the verification and subsequently the support is sort accordingly. It should be noted that the regional WEA vehicle (Suzuki) was handed over to the TAHEA by regional authorities in recognition of TAHEA contribution in the development of the Iringa region. There seems to be a real partnership in development between the NGO and the government.

TAHEA is currently funded by USAID through DATEX Inc. based in Dar-es-Salaam, UNICEF Tanzania for orphans, and Social Action Trust Fund (SATF) that made its support through the Iringa Regional Commissioner through a bid system. About 60% of the total budget of the TAHEA is used for capacity building for respective beneficiaries in the form grants such paying school fees and uniforms for orphans. TAHEA is audited annually.

In the Iringa region, INGONET sounds to be a potential NGO for collaboration for livelihood support to disadvantaged groups. However, some capacity building shall be required for better handling of a revolving fund and provision of services to the beneficiaries.

4.3 Collaborating Institutions in Dar-es-Salaam Region

Three institutions have been identified in Dar-es-Salaam that have been and would provide credits to the needs ones. These include PRIDE Tanzania, National Microfinance Bank Limited and NBC (1997) limited.

4.3.1 PRIDE Tanzania

PRIDE Tanzania was also found operating in Kinondoni, Ilala and Temeke districts.

4.3.2 National Microfinance Bank Limited (NMB)

The National Microfinance Bank Limited is currently fully owned by the government and the headquarters are based in Dar-es-Salaam. It deals with micro financing in Tanzania under the following conditions that the borrower should:

- ⊖ Have an account with the NMB;
- ⊖ Be an existing businesses person;
- ⊖ Have a collateral whether movable or not movable assets or own savings that are retained in the NMB bank account;
- ⊖ Be an individual and not a group;
- ⊖ Be 18 years old and above and owner of the business or main responsible person of the said business;
- ⊖ Not having any outstanding loan from any institution;
- ⊖ Pay the first loan within six months and subsequent loans within one year;
- ⊖ Pay bank commercial interest rate.

The minimum savings required by the NMB is Tsh.3,000. The NMB is interested in partnership with donor community not in provision of loan capital, as that is not their problem because it can be managed within the bank's resources. The NMB challenges are revolving around:

- ⊖ Mounting a study to determine the sort and ranges of collateral (movable or non-movable) for a poor resource person; and secondly,
- ⊖ The preparation of individuals in developing and upgrading the business skills for the clients who are eligible to the NMB requirements.

4.3.3 NBC (1997) Limited

The NBC (1997) Limited is a private bank with majority shares owned by ABSA. The ABSA is a South Africa based company. The NBC (1997) Limited headquarters are based in Dar-es-Salaam. It deals with macro financing in Tanzania for loans, preferably beyond Tsh. 20 million and therefore is not interested in micro financing.

The Dar-es-Salaam based institutions seem to have also networked even in other regions. The NMB sounds also to be a good partner in future for preparation of its clients (capacity building of good performing community based organizations).

5.0 THE WAY FORWARD

In 1961, Tanzania declared war against three closely related development evils - poverty,

ignorance and diseases. Extensive programmes related to poverty eradication have since been implemented, but Tanzania is still faced with mass poverty in both rural and urban areas. This has prompted the Government to formulate the National Poverty Eradication Strategy published in June 1998.

Poverty is conceived as a state of deprivation prohibitive of decent human life. Estimates show that the poverty line for Tanzania is Tsh. 205 per day and more than 50% of the population of Tanzania lives below this poverty line while 36% live in abject poverty (URT, 1998). In Sub Saharan Africa, about 45% of its people live below the national poverty line. At least 50% of the poor live in five East African countries and Nigeria (World Bank, 1996).

The National Poverty Eradication Strategy has singled out HIV/AIDS that also increases the extent of poverty in the communities. Many families in the communities have been rendered poor through loss of bread-earners and the number of orphan has been increasing with time. It is claimed that in this year 2000, there are over 800,000 orphans. In the years to come, many of the poor people living below the poverty line shall be those who are HIV/AIDS related victims, whom in turn, generate orphans.

It is timely that many of the projects/programme to be conceived should take into account this underlying fact of HIV/AIDS as a generator of orphans and poverty. Many HIV/AIDS programmes in Tanzania have engaged in awareness creation, counseling and helping the victims. The INGONET in the Iringa region has seen the importance of supporting the victims through income generation activities though as grants. The INGONET has realized the interrelationship between the HIV/AIDS programme and livelihood activities that the two are hard to be separated. Therefore, INGONET has found that to solve the problem of poverty within their programme, they have incorporated income generation activities to run along side with HIV/AIDS programme and orphans care taking. Two NGOs within INGONET are doing the provision of livelihood activities as a welfare support.

The INGONET initiative emulates an example of addressing poverty alleviation within the context of the HIV/AIDS programme. What needs to be improved with that initiative is to make it more sustainable. In this regard, a revolving fund can be established, disbursed on a loan basis to the beneficiaries (disadvantaged groups) and payable within specified time. There are two main beneficiaries, the direct and indirect beneficiaries or third party. The direct beneficiaries for disadvantaged groups include those loan directed to the orphans as head of the household, resource poor widows, HIV/AIDS victims, youths that are head of the household by nature of their parents being resource poor or too old to be a bread-earner. The loans to these direct beneficiaries should be smaller and short lived preferably less than six months. Loan repayments should be encouraged to be done weekly. This strategy allows the borrower to manage the loan with a responsibility. However, experience shows that follow-up on loan repayment and the positive attitude of the borrower constitute a better repayment of the loan. The NGO that will manage the revolving fund shall need to upgrade its personnel in the areas of provision of credit.

The indirect beneficiaries or third party beneficiaries are those individuals or groups or community based organization that shall support and take care the disadvantaged groups such as orphans, HIV/AIDS victims who cannot perform any economic activity, resource poor youths and resource poor households. The Mayale group for example who have recently acquired a motorized oil expeller showed willingness to support orphans in the village if a working capital to purchase sunflower was made available in a timely manner so as to have an increased income that makes possible also to support the orphans. These kind of loans can be payable within one year and repayments also done weekly. The magnitude of the loan is subject to the feasibility of the project, however, the maximum allowable loan and duration can be determined during the design of the project.

The strategy of incorporating livelihood initiatives into other UNICEF programmes such as Child Survival, Protection and Development (CSPD) and HIV/AIDS will also assist to solve the problem of unemployment, especially to youths and orphans, who cannot find gainful employment opportunities and incentives.

The consultants therefore are recommending the Iringa region to be a pilot region to examine the interrelationship of the livelihood activities with other UNICEF programmes especially HIV/AIDS. The Iringa region has been chosen for the following reasons:

- (1) It has a conducive enabling infrastructure and working conditions.
- (2) INGONET covers the entire region, namely all districts;
- (3) INGONET has a good working relationship with its member NGOs;
- (4) INGONET has been working on HIV/AIDS programme and to some extent on livelihood activities;
- (5) There are 29 women groups (community based organizations) that have fully repaid the loans under the UNICEF supported WEA project, which could be the starting indirect beneficiaries of the new project to be designed. Even some groups with good attitude towards loan such as Lufuna at Mufindi district with 70% repayment rate for the grain milling machine and have about 35 orphans in their primary school could also be considered in this category;
- (6) INGONET has strong relationship with the regional government authority;

6.0 CONCLUSION

The review of the WEA project can be concluded as follows:

1. The total amount of the loan revolving fund disbursed from UNICEF to the NBC amounted to Tsh.159,304,151.85. Out of this amount, Tsh.51,343,688.30 was found to be available in the bank branches of the respective districts supported by WEA project. A total amount of Tsh.107,960,463.55 is the outstanding loans in the respective women groups.
2. An analysis has revealed that the extent of loan repayment and management of the

loan itself has no relation with the type of project; rather it depends on the behavior of the borrower and the credit provider. The loan repayment has been found to be higher in the rural areas (exhibiting 50% repayment of total amount disbursed to the rural based communities) as compared to the urban set up (indicating 12% repayment of total amount disbursed to the urban based communities and these include Dar-es-Salaam region and Iringa Municipal).

3. The unilateral shelving of the WEA project by UNICEF without involving the other partner institutions has been one of major weaknesses that has increased the default rate in the respective groups. Other weaknesses include lack of single institution for the accountability and follow-up of the loan.
4. The opportunities that pave the way for redesigning the WEA project include the current socio-economic restructuring that is taking place in the country; the cash amount found in the banks as a starting seed money; willingness of relevant NGOs to run loan revolving fund; the extent of poverty in Tanzania and the speed in which orphans are being generated through HIV/AIDS; and the recent policy of the government of Tanzania towards eradication of poverty in country. These opportunities show the worthiness of reviving the project with a view to rectify the identified weaknesses including management of the project at large.
5. Iringa region has been suggested as a pilot area to start the new project for reasons of having conducive infrastructure; an operating NGO known as INGONET which deals with HIV/AIDS and limited livelihood activities; higher women groups that have been able to repay the loan in full, thus becoming potential indirect beneficiaries for supporting orphans and youths in their respective villages.

7.0 RECOMMENDATIONS

In view of the above conclusions and observations made during the review period, the consultants came with the following recommendations that:

1. UNICEF should write off the bad debts amounting to Tsh.107,960,463.55 of the WEA project from its books of accounts and officially hand over its outstanding loan balances to the respective District Councils for their necessary action of loan recovery and use of the money.
2. The available funds found in the two banks (NMB and NBC (1997) Limited) in the tune of Tsh.51,343,688.30 is suggested to be used as a seed money to establish a new project of livelihood that interrelates with existing UNICEF programmes particularly the HIV/AIDS.
3. UNICEF is advised to send its financial experts to the Headquarters of two banks

(NBC (1997) Limited and NMB) to carry out a reconciliation exercise to re-establish the correct and agreeable amounts of money available for lending. This money, together with additional funds can be used for the re-establishment of the new project.

4. The Iringa region is recommended to be taken as a pilot area for testing the livelihood initiatives within the context of UNICEF programmes and that INGONET is being suggested to run a pilot revolving fund to support economic needs of the orphans and youths. The INGONET should administer the revolving fund, and coordinate the follow-up on loan repayments and provision of training where is due and this strategy shall allow easy of accountability of the loan facility by INGONET to UNICEF.
5. UNICEF may wish to contract a team of experts to use the findings of this review to re-plan and redesign the pilot project afresh.

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LOAN STATUS OF UNICEF WOMEN ECONOMIC ACTIVITIES (WEA) IN RESPECTIVE GROUPS

Region	Branch	Group	Year Loan Disbursed	Principal Loan (Tshs)	Loan Repayment (Tshs)	Outstanding Loan (Tshs)	Loan Recovery (%)	Years of Loan
Morogoro	Wami	Melela Women		529,900.00	381,996.00	147,904.00	72	
		Motomoto Women		480,000.00	215,375.00	264,625.00	45	
		Muungano Women		300,000.00	88,855.00	211,145.00	30	
		Watakuja		160,000.00	9,058.00	150,942.00	6	
		Tulijua Watasema		520,000.00	70,500.00	449,500.00	14	
		Pangawe Women	1991	2,400,000.00	2,107,890.40	292,109.60	88	
		Total		4,389,900.00	2,873,674.40	1,516,225.60	65	
<i>Financial status as of 25 May 1997</i>								
Kilosa		Kujitegemea Kimamba	1996	250,600.00	258,100.00	10,557.10	103	0.7
		Sowero Wakulima	1993	477,800.00	211,900.00	480,922.65	44	4.5
		Sisi kwa Sisi Wadudu	1996	191,000.00	197,600.00	17,957.75	103	1.3
		Dumila Umoja ni Nguvu	1994	300,000.00	162,300.00	220,958.15	54	2.8
		Jionee Rudewa	1994	350,600.00	245,400.00	221,989.15	70	3.3
		Atupenda Kimamba	1994	483,500.00	138,100.00	499,685.00	29	3.2
		Tutafika Msowero	1994	336,000.00	244,800.00	194,072.50	73	3.1
		Mapinduzi Kimamba	1992	320,000.00	18,300.00	457,822.65	6	4.9
		Tumaini Dumila	1994	345,200.00	1,972.50	458,807.40	1	3.3
		Cheja Kitete	1992	343,200.00	3,300.00	517,322.75	1	5.2
		Sisi kwa Sisi Magole	1994	170,600.00	74,000.00	144,575.50	43	2.8
		Jiendeleze Rudewa Babati	1992	171,000.00	0.00	232,494.75	0	3.6
		Uhai Dumila	1994	104,100.00	19,500.00	117,623.90	19	3.2
		Tutafutane Rudewa	1994	336,280.00	45,000.00	400,321.10	13	3.2
		Tutajaribu Rudewa	1994	180,000.00	3,800.00	238,710.90	2	3.5
		Kujitegemea Msowero	1994	132,600.00	40,000.00	135,571.25	30	3.2
		Msimamo Kitete	1993	241,640.00	0.00	327,575.25	0	3.6
		Msimamo Kimamba	1994	315,800.00	3,500.00	419,388.50	1	3.4
		Badiliko Kimamba	1994	430,000.00	24,000.00	550,523.40	6	3.4
		Mtakumbuka Mbwade	1993	258,000.00	20,000.00	339,632.65	8	3.9
		Mvumilivu Kimamba	1994	551,500.00	32,500.00	699,604.10	6	3.3
		Mtakuja Madoto	1995	305,000.00	226,300.00	152,445.25	74	2.4
		Ushindi Kimamba	1995	512,900.00	293,600.00	313,587.15	57	1.8
		Shukurani Kimamba	1994	256,000.00	18,000.00	323,497.35	7	3.3
		Kazimoto Kitete	1992	72,000.00	300.00	111,369.55	0	5.5
		Jitegemee Kimamba	1994	387,530.00	44,000.00	514,170.95	11	4.4
		Azimio Kimamba 'B'	1991	750,000.00	250,500.00	961,354.50	33	6.2
		Tugende Chanzuru	1996	372,500.00	178,000.00	218,621.60	48	0.6
		Wanyonge Chanzuru	1996	372,500.00	204,500.00	180,719.75	55	0.3
		Total		9,317,850.00	2,959,272.50	9,461,882.50	32	3.3

Appendix 1

Region	Branch	Group	Year Loan Disbursed	Principal Loan (Tshs)	Loan Repayment (Tshs)	Outstanding Loan (Tshs)	Loan Recovery (%)		
Iringa	Mshindo	Kwakilosa	1996	250,000.00	157,000.00	93,000.00	63	Municipal	
		Kwakisanga	1995	500,000.00	210,000.00	290,000.00	42		
		Mapinduzi Mlandege	1996	200,000.00	160,000.00	40,000.00	80	Municipal	
		Tumaini	1996	450,000.00	34,000.00	416,000.00	8	Municipal	
		Munako Bites	1996	1,000,000.00	0.00	1,000,000.00	0	Municipal	
		Songambebe				400,000.00			
		Chalinze	1996	400,000.00	63,000.00	337,000.00	16		
		Tupendane Tagamenda	1995	400,000.00	128,700.00	271,300.00	32		
		Riziki	1997	900,000.00	49,000.00	851,000.00	5	Municipal	
		Taeco	1997	800,000.00	0.00	800,000.00	0	Municipal	
		Mgumu				496,400.00			
		Frelimo	1997	300,000.00	91,500.00	208,500.00	31	Municipal	
		Mapochopocho	1995	120,000.00	112,700.00	7,300.00	94	Municipal	
		Jiendeleze				79,300.00			
		Mwamko	1996	400,000.00	67,000.00	333,000.00	17	Municipal	
		Navalonge				44,000.00			
		Nangulu				228,079.15			
		Hiari ya Moyo				1,143,000.00			Municipal
		Upendo	1996	450,000.00	119,300.00	330,700.00	27	Municipal	
		Nambanne				381,383.35			
		Mapinduzi	1995	200,000.00	109,750.00	90,250.00	55	Municipal	
		Milano	1995	200,000.00	71,000.00	129,000.00	36	Municipal	
		Uheri				184,375.00			
		Ushirikiano	1996	400,000.00	63,000.00	337,000.00	16	Municipal	
		Mwongozo				258,880.00			
		Mshikamano Kalenga	1991	2,130,000.00	605,691.45	1,524,308.55	28		
		Muungano				54,777.25			
		Mpendane				236,124.50			
		Kilimahewa Lumuli				718,505.20			
		Nyamihuu	1995	1,000,000.00	839,666.65	160,333.35	84		
		Magulilwa	1991	2,130,000.00	879,265.20	1,250,734.80	41		
		Mtakuja	1995	200,000.00	174,492.25	25,507.75	87	Municipal	
		Chapakazi				11,192.50			
Tupendane				190,000.00					
Ushirika Mgama	1997	500,000.00	219,600.00	280,400.00	44				
Jiendeleze	1995	526,516.40	0.00	526,516.40	0				
Motto				500,000.00					
Total				13,456,516.40	4,154,665.55	14,227,867.80	31		
Mafinga		Jitegemee		438,900.00	171,744.25	294,225.00	39		
		Ibangi		306,020.00	249,434.75	61,528.25	82		
		Ipilimo		351,000.00	307,130.75	48,394.25	88		
		Winome		313,487.00	259,643.00	59,322.25	83		
		Njojo		532,015.00	304,798.15	250,534.60	57		
		Lwing'ulo Tukangalage		483,725.00	388,856.50	105,037.50	80		
		Total		2,425,147.00	1,681,607.40	819,041.85	69		
Region	Branch	Group	Year Loan	Principal Loan	Loan Repayment	Outstanding Loan	Loan Recovery		

Appendix 1

			Disbursed	(Tshs)	(Tshs)	(Tshs)	(%)
Iringa	Mufindi	Njoo Uone		400,000.00	327,000.00	73,000.00	82
		Tuungane Igoda		600,000.00	420,000.00	180,000.00	70
		Juhudi Igoda		160,000.00	110,000.00	50,000.00	69
		Jitegemee Kitiru		400,000.00	325,000.00	75,000.00	81
		Lufuna		1,740,000.00	1,216,317.35	523,682.65	70
		Umoja ni Nguvu		600,000.00	525,000.00	75,000.00	88
		Total			3,900,000.00	2,923,317.35	976,682.65
Makambako	Jitegemee Ikelu	1992		432,800.00	440,000.00	0.00	102
	Muongano Ilunda	1992		1,899,685.00	84,000.00	1,815,685.00	4
	Welela Women	1992		1,675,517.00	58,000.00	1,617,517.00	3
	Total			4,008,002.00	582,000.00	3,433,202.00	15
Njombe	Motomoto Image	1993		519,090.00	317,000.00	202,090.00	61
	Witange Matiganjora	1993		604,931.55	80,000.00	524,931.55	13
	Muongano Ikuna	1992		584,257.75	0.00	584,257.75	0
	Hongera Wangama	1994		220,000.00	126,000.00	94,000.00	57
	Lufumbo Igwachanya	1994		925,000.00	761,000.00	164,000.00	82
	Hongera Itulike	1994		338,567.50	0.00	338,567.50	0
	Mwongozo Ninga	1994		487,450.00	236,480.00	250,970.00	49
	Uzalishaji Miva	1993		374,049.50	183,000.00	191,049.50	49
	Mshikamano Mayale	1994		500,000.00	445,000.00	55,000.00	89
	Kumekucha Lwangu	1993		388,025.00	235,000.00	153,025.00	61
	Umoja ni Nguvu Magoda	1993		599,140.00	490,000.00	109,140.00	82
	Umoja Igima	1994		781,750.00	450,800.00	330,950.00	58
	Twende Pamoja	1993		554,000.00	328,500.00	225,500.00	59
	Total			6,876,261.30	3,652,780.00	3,223,481.30	53
Makete	Tuzalishe Isapulano	1992		860,000.00	699,771.25	160,228.75	81
	Nguvukazi Iwawa	1992		946,000.00	501,231.50	444,768.50	53
	Imani Iwawa	1992		300,000.00	244,106.25	55,893.75	81
	Ushirika Lupalilo	1993		500,000.00	235,969.37	264,030.63	47
	Mawata Tandala	1992		300,000.00	244,106.25	55,893.75	81
	Mlengu Mlengu	1993		500,000.00	406,843.75	93,156.25	81
	Malei Ujuni	1993		400,000.00	325,475.00	74,525.00	81
	Jambesea Nkenja	1993		480,000.00	390,570.00	89,430.00	81
	Remale Nkenja	1993		422,000.00	343,376.12	78,623.88	81
	Endesha Nkenja	1993		722,000.00	587,482.37	134,517.63	81
	Twaama Malembu	1992		500,000.00	310,014.94	189,985.06	62
	Total			5,930,000.00	4,288,946.80	1,641,053.20	72

Appendix 1

Region	Bank Branch	No. of Group	Name of Group	Amount of Loan	Amount Repaid	Amount Outstanding	
Kagera	Muleba	1	Buyango	2,605,419/=	67,000/=	2,538,419/=	
		2	Tegemeo	300,000/=	79,311/=	220,689/=	
		3	Abeyendezi	165,000/=	65,939/=	99,061/=	
		4	Amani	2,801,385/=	-	2,801,385/=	
		5	Milembe	300,000/=	289,530/=	10,470/=	
		6	Twemehamo	60,000/=	16,954/=	43,046/=	
		7	Tweyambe	4,830,000/=	4,830,000/=	-	
		8	Ishemo	175,000/=	175,000/=	-	
		9	Tukuliku	937,196/=	937,196	-	
	Total			12,040,000/=	6,326,925/=	5,713,075/=	
	Ngara		1	Kabanga	300,000/=	180,000/=	120,000/=
			2	Mama na Mtoto	300,000/=	270,000/=	30,000/=
			3	Djululingwa	300,000/=	95,000/=	205,000/=
4			Constancia	594,000/=	124,000/=	469,000/=	
5			Murusagani	478,300/=	478,300/=	-	
6			Kwizera	551,000/=	108,875/=	442,125/=	
7			Rulenge	500,000/-	262,000/=	238,000/=	
8			Kasulo	607,700/=	-	607,700/=	
9			Rweyemamu	140,000/=	58,343/=	81,656/=	
10			Beatrice Nico	200,000/=	50,000/=	150,000/=	
11			Kasulo	500,000/=	195,000/=	305,000/=	
12			Triphornia	255,000/=	146,250/=	108,750/=	
Total			4,726,000/=	1,607,018/=	2,452,981/=		
Biharamulo		1	Afya ni mali	440,000/=	150,538/=	298,462/=	
		2	Juhudi	2,855,760/=	607,040/=	2,248,720/=	
		3	Kashwamba	70,000/=	70,000/=	-	
		4	Kikomakoma	150,000/=	150,000/=	-	
		5	Nyabusenzi	2,260,000/=	2,260,000/=	-	
		6	Bana Matumizi	2,300,000/=	202,300/=	2,097,700/=	
		7	Tushirikiane	450,000/=	161,000/=	289,000/=	
		8	Jipe Moho	130,000/=	100,000/=	30,000/=	
Total			8,855,760/=	3,821,878/=	5,033,882/=		

Appendix 1

Region	Bank Branch	No. of Group	Name of Group	Amount of Loan	Amount Repaid	Amount Outstanding
Dar-es-Salaam	Kariakoo	1	Tumaini	900,000/=	900,000/=	-
		2	Erita	518,000/=	-	518,000/=
		3	Mapambano	1,125,000/=	1,125,000/=	-
		4	Mbuyuni	1,430,000/=	-	1,430,000/=
		5	Mwendo	1,087,000/=	-	1,087,000/=
		6	Furaha	1,440,000/=	-	1,440,000/=
		7	Tujitahidi	641,000/=	-	641,000/=
		8	Harambee	1,492,000/=	-	1,492,000/=
		9	Msaandy	665,000/=	-	665,000/=
		10	Mandela	750,000/=	468,750/=	281,250/=
		11	Mtu kwao	713,000/=	80,125/=	632,875/=
		12	Ujirani	1,109,000/=	-	1,109,000/=
		13	mwema Tujenge	505,000/=	-	505,000/=
		14	pamoja Mahame	446,437/=	446,437/=	-
		15	Kizota	778,000/=	-	778,000/=
		16	Sekule	393,000/=	147,375/=	245,625/=
		17	Lutaramame	938,000/=	117,250/=	820,750/=
		18	Lukundane	774,000/=	-	774,000/=
		19	Maendeleo	1,500,000/=	-	1,500,000/=
		20	Furahia	1,192,000/=	-	1,192,000/=
		21	Juhudi	400,000/=	-	400,000/=
		22	Hatuyumbish wi	280,000/=	-	280,000/=
		23	Muongano	1,956,000/=	-	1,956,000/=
		24	Maelewano	635,000/=	-	635,000/=
		25	Mwanzo	913,550/=	-	913,550/=
		26	Mgumu Mshikamano	1,069,000/=	-	1,069,000/=
		27	Jitegemee	817,000/=	817,000/=	-
			Total	23,285,260/=	2,608,446/=	20,676,814/=
	Pugu Road	1	Subira			256,564/=
		2	Jiendeleze			24,250/=
		3	Chichi			566,343/=
		4	Changamoto			353,000/=
		5	Igembesabo			810,250/=
		6	Kichangani			466,000/=
		7	Hamasa			365,737/=
		8	Jiungeni			86,000/=
		9	Mariam			878,000/=
		10	Mwendapole			220,600/=
		11	Tulieni			344,250/=
		12	Amani			939,583/=
		13	Mwangaza			565,000/=
		14	Changamka			101,670/=

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		15	Wazazi			1,222,500/=
		16	Kusile			467,187/=
		17	Usife Moyo			1,328,000/=
		18	Mwauzaje			401,625/=
		19	Ndago (A)			1,198,000/=
		20	Ndago (B)			1,918,000/=
		21	Kaloleni			91,250/=
		22	Elimu			1,163,417/=
		23	Gezaulole			148,983/=
		24	Mkumba			544,205/=
		25	Juhudi			230,250/=
		26	Mshikamano			825,000/=
		27	Mombo			1,052,900/=
		28	Tausi			475,000/=
		29	Jiendeleze			139,500/=
		30	Brepiviel			772,000/=
		31	Chaboko			296,186/=
			Total	22,952,777/=	3,763,526/=	19,189,251/=
Dar	Ubungo	1	Umoja	756,000/=	362,000/=	394,000/=
		2	Imani	794,000/=	317,100/=	476,900/=
		3	Tutafika	443,000/=	88,590/=	359,460/=
		4	Farm	1,080,000/=	130,000/=	950,000/=
		5	Mkono kwa mkono	639,700/=	1,940/=	641,640/=
		6	Vumilia	738,000/=	317,724/=	420,276/=
		7	Swela	636,000/=	485,840/=	150,160/=
		8	Songambebe	706,000/=	226,694/=	479,306/=
		9	Edina Swale	400,000/=	143,216/=	256,784/=
		10	Fatuma	500,000/=	223,371/=	276,629/=
		11	Ismail			
		11	Msewe(B)	750,000/=	646,364/=	103,636/=
		12	Uelewano	1,240,000/=	143,147/=	1,096,853/=
		13	Rehema	393,000/=	31,285/=	361,715/=
		14	Mapunda			
		14	Jitihada	540,000/=	29,720/=	510,280/=
		15	Okoa	480,000/=	332,235/=	147,765/=
		16	Upendo	211,000/=	72,725/=	138,274/=
		17	Malogo	500,000/=	28,000/=	472,000/=
		18	Tuungane	745,000/=	359,000/=	386,200/=
		19	Subira	532,000/=	166,666/=	365,334/=
		20	Ngondo	460,000/=	40,000/=	500,000/=
		21	Mbitu			
		21	Wema	606,000/=	216,000/=	390,000/=
		22	Hauozi			
		22	Masijo	2,392,000/=	-	2,392,000/=
		23	Hekima	1,500,000/=	150,000/=	1,349,000/=
		24	Swari	722,000/=	358,500/=	363,500/=
25	Ngai	1,343,000/=	2,000/=	1,341,000/=		
26	Neema	1,450,000/=	1,422,000/=	28,000/=		
27	Tegeta					
27	Sikia	443,000/=	253,000/=	190,000/=		
28	Wako wapi	493,000/=	235,168/=	257,832/=		

Appendix 1

29	Ahsante sana	880,000/=	225,000/=	655,000/=
30	Nguve	670,000/=	325,000/=	345,000/=
31	Chochea	441,000/=	283,934/=	157,066/=
32	Igusule	1,080,000/=	135,317/=	944,683/=
33	Shukuru	840,000/=	157,000/=	638,000/=
34	Velono	1,180,000/=	5,000/=	1,175,000/=
	Total	21,252,855/=	2,494,063/=	18,758,792/=

BENEFITS AND PROBLEMS OF THE VISITED GROUPS OF THE WEA PROJECTS AT IRINGA AND MOROGORO REGIONS

Region	Group Name	Loan Status (Tshs)		Group Size		Problems	Benefits	Type of Business
		Loan	Repayment	Original	Current			
Morogoro	Pangawe	2,400,000	2,107,890	17	9	The engine crankshaft broke in 1997 due to poor construction of engine foundation	Milling distance reduced by receiving the service within the village	Own a milling machine
	Usagara	660,000	726,000	15	12	-	Two members built houses and others were able to pay school fees, buy clothing and school uniforms	Maize farming
	Shukurani	256,000	18,000	6	5	Group last met in 1994 when chasing the court case of Maasai cows grazing in their farm. Unfortunately, lacked support and thus lost the case. In essence, the group does not exist.	First loan of Tsh 136,000 was fully repaid in 1992, which was used to serve household needs and took a second loan of Tsh 256,000 in 1993.	Maize farming but in 1993 one Maasai grazed cows in the farm.
	Atupenda	483,500	138,100	9	5	Affected by El-nino (dormant group)	-	Rice farming project
	Mvumilivu	551,500	32,500	5	4	Affected by El-nino (dormant group)	-	Maize farming project

Appendix 2

Iringa	Mshikamano	2,130,000	605,691	22	10	No group unit and poor group leadership	-	Own milling machine and claimed to have sold at Tsh.700,000 and only Tsh.250,000 paid loan remaining distributed among members for petty businesses.
	Taeco	800,000	0	5	1	Poor follow-up on loan repayment	Milk for the household and two calves	One dairy cow and only one member is active. One calf is one week old. Plan to pay loan after selling milk.
	Ushirikiano	400,000	63,000	5	3	Calf recently died but regarding loan repayment is poor follow-up	School fees, support her father with 6 wives currently bankrupt in terms of supporting 3 younger brothers and sisters at secondary school and she has 2 of her own (currently owning a dairy cow).	Started with a project on pigs and loan was fully repaid. The second loan of Tsh.400,000 was taken by 3 members only and one of them has fully repaid. The remain two are engaged in dairy cow (calf recently died) and another one in restaurant. Optimistic to repay.
	Lufuna	1,740,000	1,216,317	87	40	Engine and de-husker are in good order except the mill broke down in September 1998.	Milling services	Own a milling machine.