

**ZAPHA+ INCOME GENERATING ACTIVITY
SMALL BUSINESS DEVELOPMENT PROJECT
FIRST PHASE – ASSESSMENT OF MEMBERS**

Background

The Small Business Development Project has been initiated with the objective of giving ZAPHA+ members an opportunity to establish or improve existing small business. The project follows after the assessment which reveals that more than 80% of the members have low income which can not meet their daily basic needs. The whole project is divided into three phases. The first is assessment, second training and third monitoring. At this phase the project concentrate only in the Unguja Island. This report is intended for the first phase.

Objectives

The main objective of the first phase is to give all members an opportunity to identify the business of their choice which they would like establish or improve. Second objective is to select twelve members for training and continue with them in the last phase and the objective is to establish a database.

Methodology

A questionnaire was used where the members were asked about their personal profile, current occupation, business experience and the business they intend to establish or expand/improve. Other information requested where they will get the loans and whether they had business training. Forty members filled the questionnaire and twenty short listed for interview. Twelve members are selected which they will continue with the project till the last phase.

Members Applied

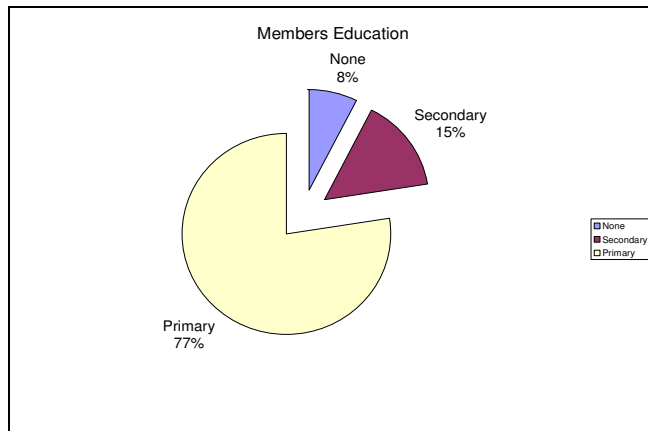
Forty members filled the questionnaire, 33 (82.5%) are females and 7 males. The members are from five districts of Unguja Island; Western districts produced the highest numbers of members 22 (55%), followed by urban 9 (22.5%) thus 75% of the applicants are coming from Urban/West Region. North B and A have 5 and 2 members respectively while central has only 1 members. South district has no member registered for the project. 30 members (75%) has business experience, either they currently on business or previously they had. 9 of the enterprise are reported to be doing well and 5 are going on slowly. Some of them mentioned that their previous business collapsed due to illness. 3 of the members have formal employment, 2 in government and one in ZAPHA+.

Members applied for small business project

No	District	Females	Males	Total	%
1	Urban	9	0	9	22.5
2	West	17	5	22	55
3	North A	1	1	2	5
4	North B	4	1	5	12.5
5	Central	1	0	1	2.5
	Total	32	7	39	97.5

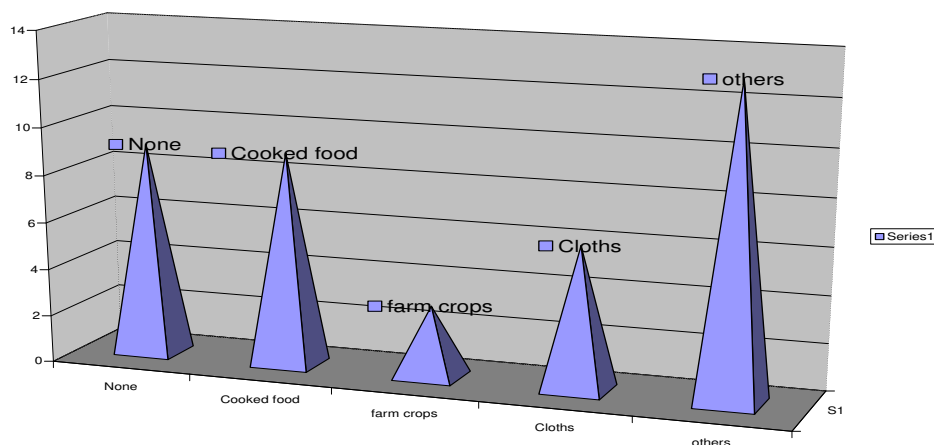
Education and Business Experience

Most of the members 33 (77.5%) has primary education, 6 (15%) attended secondary education and 3 had no opportunity of formal education. The average age of members is 37 years; 22 being the youngest and 50 oldest. 9 (22.5%) members are farmers, 3 are engaged in cooking and selling food and 2 are tailors. 8 (20%) do not have any income generating activity. They are doing reproductive work in their homes for females and the family members or relatives look after them.



31 members either previously or currently engaged in business and 9 had no business experience. 9 members are selling cooked food, 6 are selling cloths and cosmetics and 3 sale farm produce. 13 others are doing different businesses like fish monger, charcoal/firewood, door mate, ropes, soap making, tailoring and vegetable farming. Other businesses are selling bangles and coconut oil.

Members' businesses activities



Most members 31 (77.5%) had not attended any business training while 9 received business training in one of the following topics; marketing, bookkeeping or business management.

The members select different entrepreneurship of their choice which they are interested. 9 (22.5%) preferred selling cloths, 6 (15%) want to engage in agriculture either vegetable

or poultry production. 7 (17.5%) would like to sell farm produce. Other businesses identified are tailoring, charcoal/firewood selling, soap making and selling shops. The reasons mentioned for choosing the businesses are based on health grounds, getting basic needs, making profit, experience and low capital required. On the other hand members' expectations are making profit, generating income, improve their businesses and livelihood, manage to meet basic needs and building capacity.

Capital

Loan and savings was mentioned as the major source of capital for members who engage in business. The two sources accounts for 76%; loan accounts 52% and savings 24%. Others big source is help from parents and relatives which had 17%. All members requested for loan from the project to continue with their businesses or establish new ones. The amount differ as 50,000/= being the lowest and 1,000,000/= highest, however 68% had 100,000/= as their loan request and 20% their request range from 50,000/= to 80,000/=.

Selection of members

Twenty members were selected for interview. The criteria used for selection includes; location (district), the level of education at least primary as the training will involve writing and calculation exercise and gender. Another criteria used is the current occupation of the member whether the members has a reliable income and sound income source. Amount of loan requested is also considered as the project has very limited budget.