

Bibi Loans Report by Jonti Pajwani September 2014

Since November 2013, TLC has been supporting some of the children's guardians through the lending of micro-finance as a means to support their own income-generating activities. By and large the scheme has proved very successful with many of the guardians using the additional capital to expand their own enterprises, allowing them to reap much longer-term rewards.

Baba (Grandad) John, on the left, used a loan of 50,000TZS (£20.00) to install some basic irrigation on the land which he farms spinach on. As such the crop he produces is more reliable and less dependent on the rare patches of rain outside the rainy season.



Another of the guardians the scheme has helped has been Bibi (Granny) Saidi (right) who used a recent loan of 200,000TSZ (£75.00) to purchase some weighing equipment for her scrap metal enterprise. She hopes this will allow her to cut-out paying someone else for this service and

therefore increasing the margin she makes on each piece of scrap metal.

We at TLC have been extremely encouraged by the stories of Baba John, Bibi Saidi, and others, but as is almost inevitable that a small number of loans have had problems. One of the guardians unfortunately used a recent loan to go towards funeral costs for her late husband. This gave her very little hope of paying the loan back. However TLC remains committed to working with her to try to find a solution, and are currently exploring what options we could take. This is one of the fundamental differences between us and a development micro-finance bank; TLC is a

non-profit organisation and as such is prepared to accept that whilst working with some of the world's poorest people you are likely to have at least some who run into difficulties with repayments. The challenge is to keep this as low as possible.

I was out in Tabora this summer worked with Beatrice, the programme coordinator, to develop some more thorough checks before loans are given out. This is now in place and should ensure that more loans are used in a similar vain to those of Bibi Saidi and Baba John.

Overall we have been very encouraged with the loans project, and are hopeful it can sit alongside our other income-generating projects to help support the bread-winners of our children's families.