

“PROJECT PROPOSAL ON POULTRY KEEPING

A CASE OF RUNGWE – ILOLO GROUP

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ABBREVIATIONS

URT-VPO **United Republic of Tanzania – Vice President Office**

UNDP **United Nations Development Program**

MOW&LD **Ministry of Water and Livestock Development**

TASAF **Tanzania Social Action Fund**

PRIDE **Promotion of Rural Initiatives and Development
Enterprises**

CED **Community Economic development**

SACCOS **Saving and Credit Cooperatives Societies**

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MAY OUR ALMIGHTY GOD BLESS US ALL

DECLARATION

I, Mwaigwisya David Ndagamulilile, do hereby declare to the Senate of the Southern New Hampshire University and the Open University of Tanzania that this dissertation is my own work and that it has never been submitted for a degree in any other University.

Signature..... 

Date.....

DEDICATION

This dissertation is dedicated to my wife Leah Mbola Mwaigwisya who suffered consequences but remained my richest source of encouragement.

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SUPERVISOR CERTIFICATION

I, Alfred Mwakabumbe certify that I have read the Project Paper, and found it to be in a form acceptable for review.

Signature.....*M. Mwakabumbe*.....

Date.....*10/01/2005*.....

ABSTRACT

Rungwe Group that was established in 2001 is a community- based organization formed by 13 members, 7 men and 6 women. Out of 13 one is a government employee, the rest are self-employed and peasants. They are among the poorest Tanzanians.

Their mission is help each other financially and socially in order to eradicate poverty so as to enable each other to live peacefully mentally and have a dignity.

This research was carried out to assist members of the group to establish a poultry project that will generate income for the benefit of members of the group, their families and some vulnerable people living in Ilolo village.

The research and analysis have shown that the government alone cannot succeed to reduce poverty to all Tanzanians. Poverty is increasing despite the efforts of the Government to reduce it. Extra efforts are needed from the people themselves.

Among other things that I managed to facilitate members of the group was the writing of a project proposal about commercial layers (poultry). Estimated total initial cost was Tsh. 1,760,000.00. Thank God the Group has already managed to get Tsh. 1,700,000.00 and the poultry shed has been constructed. They expect to

start with 250 layers.

As per cash flow (Table 18) the project will have a balance of Tsh. 3,268,850.00 at the end of its life span. The profit will be used to reinvest into the project for phase two (Tsh. 1,624,425.00), dividends for members of the group (Tsh. 1,299,540.00) and for helping vulnerable people in Ilolo village (Tsh. 344,885.00).

The end result of the project is to improve the livelihood of members of Rungwe Group, their families and the vulnerable people in Ilolo village.

After working with the group my major recommendations are as follows:

In order for poor people to reduce their poverty they should work in groups as it is easy to pool together their resources, time and to get resources outside the group.

In this way they can get sufficient capital to start income generating projects.

People who would wish to work in groups it is advisable that they should have a common goal, self-help spirit, tolerance and love to each other. Under such foundation the group will forge ahead.

The government should encourage such groups through extension services, and cheap source of capital.

CHAPTER 1

1. INTRODUCTION

1.1.BACKGROUND INFORMATION ABOUT RUNGWE-ILOLO GROUP

Rungwe- Ilolo Group was established in November 2001 with 14 founders. The number of members currently is 13, 7 men and 6 women aged between 25- 35 years.

Rungwe –Ilolo Group is found in Rungwe district in Mbeya Region. It is located 2km from the highway to Malawi. The group is in Ilolo village near to headquarters of the Moravian Church in Tanzania Southern Province.

1.2. Mission statement.

The mission of the group is to help each other financially and socially so as to enable each member to live peacefully mentally and have a dignity. Since its inception members of the group have been helping each other financially, mentally and socially. In case of funerals they provide food, firewood, water and some money to buy salt and sugar. Also they care for the sick people among themselves and their families.

1.3. Objective.

The objective of the group is to reduce poverty among themselves through their own initiatives, joint efforts, time and resources. The aim is to increase the average income from Tsh 21,690.00 to Tsh. 35,000.00 per month by the year 2007

1.4. Activities.

Their activities are about income generating projects that are expected to generate some money for the use by members of the Rungwe group and some of the vulnerable groups in Iloilo village. Current activities undertaken by members of Rungwe group are as follows:

- Poultry keeping. They keep local breed of hens.
- They do carpentry works. So far they have managed to prepare 3 beds for sale
- They have monthly contributions of sh. 1,000.00 each
- They have 12 shares with community bank worth sh. 120,000.00

These activities started in the year 2001. So far there is very little impact on poverty alleviation because income from the projects is very low that cannot suffice to alleviate poverty. Because of these shortcomings members of the group want to improve and concentrate on poultry keeping by getting the hybrid layers and thus keeping them in doors.

1.5. Assignment

The reasons for writing this project paper.

There are mainly two reasons for helping members of Rungwe group writing this project:

- To publicize the group by giving people and government departments copies of the proposal for its support and assistance.
- To solicit funds as the group needs funds for initial capital that can be solicited from banks, government and non-government organizations or from individuals. In most cases all these sources of funding demand project proposals as the main requirement for getting a loan, grant or donation.

Therefore the role of a technical advisor is to help members of Rungwe Group to do things by themselves in order to create a self-reliance spirit, which members of Rungwe Group must feel and believe that it is their own efforts that are driving the development process. This understanding leads to development of people for themselves. The late J.K. Nyerere (1974) said that people cannot be developed, but can only develop by themselves by making their own decisions, by increasing their understanding of what they are doing, and why, by increasing their own knowledge and ability and by their full participation.

It is true that tangible and permanent development cannot come from outside the

people. It will fade away within a short period of time. The poor people should initiate, manage and control their own development so as to gain self-confidence and have faith in their abilities.

CHAPTER 2

2. LITERATURE REVIEW

2.1. Theoretical

2.1.1. Poverty

The project is about poverty alleviation. The question of poverty is very complex. There is no simple definition of the term poverty. Different people or groups of people define it differently.

Sen (1999), defines poverty as the deprivation of basic capabilities, that is, the substance freedoms he or she enjoys to lead the kind of life he or she has the reason to value. Sen tries to broaden the conventional definition that poverty is low income. Sen says that poverty is more than low income. Capability poverty tries to find out the nature and causes of poverty and deprivation by shifting primary attention away from means to ends that people have reason to pursue, and correspondingly, to the freedoms to be able to satisfy these ends.

Some people have income poverty because they have not acquired formal basic education that could help them to utilize opportunities for better life; some people are poor because their bodies are weak due to the fact that there are inadequate health facilities and therefore can not work effectively on their land and sometimes some members of the family have to stay at home to attend some

one who is sick. This is very apparent now in families, which have people who are sick from HIV/AIDS pandemic.

There is also the question of inequality poverty. People are poor because there is injustice to economic and social interactions. Just to mention few examples, most women are poor because there is a boy bias education; property ownership is in hands of men. So women/girls have been deprived of their basic human rights. The result is that most women/girls in Africa and Asia are illiterate, undernourished, have high mortality rate and morbidity.

Some people are poor because they are incapable to work due to physical body deformities as a result of war in their countries.

Stan Burkey(-----) defines poverty in terms of basic needs that is the inability of an individual, a community or a nation to satisfactorily meet its basic needs. Then what are basic needs? According to Burkey basic needs are of two categories- basic needs that are necessary for the survival of the individual human beings- physically, biologically and spiritually. These include clean and safe water, adequate and balanced foods, physical and emotional security, physical and mental rest and shelter.

The second category is at the level of communities- basic needs for the community survival includes sexual regeneration, belief and education system, health system and political system.

Development workers in Uganda (Stan Burkey) have gone further in defining poverty. They say there is absolute poverty- inability to satisfactorily meet the basic needs; relative poverty- the condition in which basic needs are met, but where there is inability to meet perceived needs and desires in addition to basic needs; and poor of the poorest- unfortunate individuals who, because of serious mental or physical handicaps, were incapable of meeting their basic needs by themselves.

Others (URT-VPO) define poverty as a situation of life or living that is associated with insufficiency in such minimal necessities as adequate nutrition, housing, safe water, health and education. From this definition we get two branches of poverty that are interrelated.

There is income poverty and non-income poverty. Income poverty refers to a situation where a person can not earn at least a minimal income that would allow him/her to have adequate basic needs; food, shelter and clothing compared to the average individual in his/her society.

Non- income poverty refers to quality of life and social well-being. These include access to education, health and survival, nutrition, access to safe drinking water, social exclusion, vulnerability and the kind of extent of structural constraints that may exclude the individual from participating effectively in social and economic activities pertaining to his/her society.

While it is important to distinguish conceptually the notion of poverty as, non-income poverty or deprivation from that income poverty, the two cannot but be related since income is such important means to achieve the capabilities.

Majid Rahnem (1992) says that since enhanced capabilities in leading a life would tend, typically, to expand a person's ability to be more productive and earn a higher income, we would also expect a connection going from capability improvement to greater earning power and not only the other way around.

From the above short analysis it is obvious that poverty is not only lack of capital, inadequate resources, marginalization, social exclusion, economic inequality and other parameters. It is a combination of a number of factors that determine poverty to a particular society or individual. So the reality of poverty is in the hands of the people themselves. It is whom who know better about their poverty and the causes for their poverty.

All in all people should decide whether they are poor or better off. If they are poor, why? People themselves should set strategies toward solving causes for their poverty. In the words of Chambers (1995) poor people have many priorities, what matters to them often differs from what outsiders assume.

Therefore, the way forward is for the experts to enable, empower people to fully conduct their own analysis and come out with what they feel are the causes of poverty if at all they are poor. But to empower people means to give up power to the poor people, power of analyzing their situation, power of deciding what to do to rectify the situation. Development workers should be there just to facilitate the people and should allow the people themselves to participate in the process of solving their problems.

2.1.2.Poverty measurements

The conventional method of measuring poverty is Gross National Product (GDP), that is the total value of nation's annual output of goods and services. GDP measurements are usually presented in terms of per capita figures. Per capita GDP figures are aggregate numbers, i.e. they are based on average. But averages can be highly misleading. A fair number of very wealthy families in otherwise poor country will pull average higher than the observation might expect.

Moreover, to a large extent life consumption of most people is not recorded hence not included when computing GDP. Thus GDP in the South is underestimated.

Because of the weakness of GDP measurements, another tool for measuring poverty, the Physical Quality of Life Index (PQLI) has been developed. The standard factors are usually life expectance, child mortality and adult literacy. The PQLI gives a better indication of the standard of living for average person than the GDP.

In recent years a third tool has been developed, that is, Basic Needs Approach (BNA). This measurement looks into minimum basic human requirements for life such as adequate food, safe drinking water, suitable shelter and clothing. The essential services are considered to be sanitation public transport, health and educational facilities.

However, it should be clear that one set of tool would not give a clear picture. May be to get a fair picture of the level of poverty all tools should be applied at the same time in the same locality. GDP will give us the level of income poverty and PQLI and BNA will give the quality of life, that is non – income poverty.

2.1.3. Participation

Participation is defined as organized efforts to increase control over resources and regulative institutions in a given social situation, on the parts for groups and movements of those hitherto excluded from such control. (Pearse and Stiefel 1979).

In essence participation is a process whereby people who have decided to alleviate poverty or to accomplish any objective must be part and parcel of the whole process from problem identification, need assessment, setting an objective and strategies and activities. These people are the ones to be involved in implementing what they have decided to accomplish and lastly must be the beneficiaries of the outcomes of the project. Participation in this regard leads to greater control by the poor people over their own life situation. By getting knowledge and being sensitized they become better able to understand the causes of the problem(s) they face and therefore they are in a better position to find the solutions to the problem(s).

The participation of people provides an effective means to mobilize local resources, organize and tap the energies, wisdom and creativity of people for development activities. It enables prior identification of community needs and helps to customize activities to meet the needs, it provides legitimacy to the

project or activity, promotes commitment on the part of the people in its implementation, and assures sustainability. Participation enables the target group to be critical partners in a trickle up process, utilizing their development potentials and not be silent beneficiaries at the receiving end.

Participation is an essential part of human growth, that is the development of self-confidence, pride, initiative, creativity, responsibility and co-operation. Without such development within the people themselves all efforts to alleviate poverty will be immensely more difficult, if not impossible. This process, whereby people learn to take charge of their own lives and solve their own problems is the essence of development. True participation leads to empowerment. Now we come to the question of empowerment.

2.1.4. Empowerment

The issue of empowerment is more amplified by David Miller (1990) who says that, is there a commitment to empowerment in the goal statement of a project? To do that our man will need to have the power to control the fish or more realistically, share the power with others to control the fish and probably the water that the fish swims in. He further says that no matter how hard or well he fishes, no matter what local decisions he makes, if he is unable to share in the control of the exogenous factors that impinge upon his life, he is not empowered.

According to Miller empowerment as a development agenda looks at poverty as a lack of ownership or control over those factors that have direct impact upon an individual life.

Then empowerment is a process that involves people to own an idea, an activity or a project for their own benefit and no body else. The question of decision making, planning, setting strategies and implementation should be upon the people themselves. Outsiders if necessary to be involved in the project, they should be only facilitators.

The late Mwalimu J.K. Nyerere (1974) talking about the formation of ujamaa groups said that they and no one else would make the decisions about their working and living arrangement. A group of people must decide to start an ujamaa village because they have understood that only through this method can live and develop in dignity and freedom, receiving the full benefits of their co-operative endeavor. It is obvious that he was talking about empowerment.

Stanley Gajanayake (1993) writing about empowerment says that it is a concept that goes beyond participation. It is a process that encompasses people deciding where they are now, where they want to go, and developing and implementing plans to reach their goals, based on self-reliance and sharing power. Empowerment helps people to liberate themselves from eventual and physical

dependence. It is in essence, the ability to stand independently, think progressively. Plan and implement changes systematically and accept the outcome rationally.

The issue of empowerment does not come over night. It is a process that takes time, so it needs endurance, tolerance, trust and love from members of the community that needs to attain development and from the facilitators who would like that economic, social and political development is attained.

2.1.5. Development

The concept development has many definitions, as are definitions for poverty. Also there are many theories pertaining to the concept development.

Development is a process of change from poverty to full ability of meeting the basic human needs at an individual level and at community level. It is a shift from ill being to well being. Development is more than the provision of social services and the introduction of technologies. Development involves changes in the awareness, motivation and behavior of individuals and in relations with others in a society. These changes must come from within the individuals and groups, and cannot be imposed from outside.

Ponna Wignaraja(-----) says that successful development is viewed as a process of human development, a process of social transformation in which people are both the subject and the object.

In such a process the people participate at all levels of decision making in matters affecting the totality of their lives and through this process of empowerment a more democratic process is initiated. True and meaningful development should be for the people. Development should benefit people, especially the poor people. If people have nothing to do with the manifestations of development then that is not development. If good tarmac roads are constructed but people have no cars to ride on then that is not development, if school buildings are built but there are no pupils that is not development.

Development is also concerned with social transformation. If people have attended classes but they cannot subdue their environment for their own benefit that is not development.

A meaningful and sustainable development is that is participatory and human centered. The target group that decides to develop should be involved in the whole process of development, then development becomes of the people and for the people.

2.2. Empirical

2.2.1. Poverty at global level.

The situation of poverty worldwide is alarming and shocking. The level of wealth of the world is increasing, but majorities of countries especially in the South become poor and poor day after day. It is said that 80 per cent of the world wealth is in the hands of countries in the North, and countries in the South own only 20 per cent.

More badly that of the 20 per cent few people own a big cake of it. Majorities suffer from the afflictions of poverty. They are destitute, degraded and are into desperation.

By the year 2000 it was estimated that absolute poverty had risen to 1.5 billion people- a quarter of the world's population. The gap between rich and poor countries and between rich and poor people in the same country has continued to grow. This gap reflects not just extreme inequalities of income but structural, social and political inequalities that entrench a growing number of people in poverty.

The Asian financial crisis left 13 million people losing jobs and real wages went down by 40 per cent to 60 per cent in Indonesia alone. In Brazil at the end of 1998, 50 per cent of the people who had risen out of poverty since 1994 fell back below the poverty line.

The African continent is entering the new millennium with 44 per cent of the population of Sub-Sahara Africa still living under poverty line.

2.2.2.Poverty in Tanzania

Tanzania is one of the least developed countries where people live under extremely poor conditions. This is the reason why Tanzania was among the 3 African countries to benefit from the program relief of debt that is known as High Indebted Poor Countries (HIPC). Tanzania was included in the program in the year 2000.

Most people (87 per cent of the working population) in Tanzania work in the agriculture sector and mainly women (91 per cent) are busy with farming. But even so women are poorer than men because they do not own means of production mainly land.

Poverty in Tanzania is widely spread. It is a daily cloth for the majority of people who live in rural areas where they depend on agriculture as their employer, but also some people who live in urban areas are being tormented by poverty. Between 15 million and 18 million Tanzanians, half of the population live below the poverty line of \$ 0.65 a day. Of these nearly 12.5 million live in abject poverty, spending less than \$ 0.50 on consumption daily per person.

Estimated income for women in the year 2000 and 2001 was \$ 436 and 432 respectively. And for men in the same years was \$ 611 and 610 respectively (UNDP, 2000).

According to the Household Budget Survey of 2000/01 the proportion of the population below the national food poverty was 18.8 per cent and below the national basic need poverty line was 35.7 per cent. There was also a big disparity between urban and rural poverty for both food and basic needs poverty. Poverty remains overwhelmingly in rural areas where 87 per cent of the poor population live, and was highest among households who depend on agriculture. (URT-VPO, 2004)

2.2.3. Poverty in Rungwe District

Rungwe district is in Mbeya Region. It is among the eight districts that form Mbeya Region. Mbeya Region is found in the southern highlands, bordering with Malawi and Zambia.

Rungwe district has an area of 2,211 sq km. of which 75 per cent of the land is cultivated; the rest 25 per cent is covered by forest.

The district receives rain almost throughout the year. It rains from October to July and therefore the area is evergreen. Average rainfall is 900mm in the low

lands and 2700mm in the highlands. Because of adequate rain the district is endowed with numerous permanent rivers and streams.

The main food crops grown in the district include maize, bananas, cassava, sweet potatoes, yams and beans. Cash crops include coffee, tealeaves, bananas and beans. Also people of Rungwe district keep dairy cows, cattle, and local breed of hens that are kept in a free-range environment.

According to the 2002 National census the district has 307,270 people who live in 108 villages. About 90 per cent of the people earn their living from agriculture and livestock production.

Average income of the people of Rungwe district is US \$ 250 per capita per year, infant mortality rate was 123/100,000 and maternal rate was 272/100,000, HIV infection rate was 10 per cent. (Rungwe District Council, 2004).

2.2.4. Efforts of the Government of Tanzania to reduce poverty.

As seen above poverty is a complex problem with both national and international dimensions. The reduction of poverty and hunger, equity in income distribution and human resource development remain major challenges in Tanzania.

Since independence 1961, the Government of Tanzania has had poverty reduction as its main goal. Early in its independence declared war against

ignorance, disease and poverty. The Government formulated policies, statements and strategies that aimed at eradicating poverty. We remember statements like “uhuru ni kazi (freedom and work), uhuru ni kazi (freedom is work),” etc. Then there was the ujamaa policy that instilled people to work together. We witnessed the village policy that forced people to stay in one locality so that they could achieve development.

The Import Substitution policy was adopted whereby emphasis was placed on modernizing the economy and achieving structural transformation aimed at reducing chance of external economy with the state playing a primary role in bolstering the economy (Ndulu, 1994). This is evidenced by the nationalization of private properties and put into ownership and control of the state during 1966-1970.

The Government put more emphasis on supporting modernization of the economy by expanding the capacity of manufacturing sector aimed at producing locally imported goods and raise added value to the economy.

The economic performance until mid 1970s reflected a reasonable rate of real growth with stable macroeconomic environment and sustainable resource balance. All sectors involved in material production grew at a moderate rate while the manufacturing sector registered real growth and increased its

contribution to GDP. Both macro and social/public services registered tremendously growth reflecting the government efforts in building the capacity of provision of public services and its involvement in the economy.

In 1973/74 Tanzania like any other countries in the world especially those South of the Sahara experienced oil crisis, which eroded the economic achievement registered for the past years. The higher oil prices reduced the foreign reserves and culminated to deficit in external current account.

The above economic setbacks resulted into poor performance of the economy and by 1980 capacity utilization dropped to 30 per cent, crop export dropped by 36 per cent. The external current account recorded a deficit equivalent to 14 per cent of GDP, external debt servicing increased from US \$ 10 million to US \$ 72 million between 1970 and 1980, while inflation increased from 10 per cent to almost 30 per cent per year. The GDP growth rate had dropped to 1.5 per cent per year (Wagao, 1994).

In order to revamp the economy, the Government of Tanzania embarked on several strategies. Since 1981 the government had the following reform policies: National Economic Survival Program (NESP), the Structural Adjustment Program (SAP) 1982-1986, the Economic Recovery Program (ERP) 1986-89.

Impacts of the reform are tremendous. Employment growth rate dropped to 2 per cent between 1980 and 1988 from 5 per cent in 1970s. This means few Tanzanians got employed in civil service and parastatals. Since 1980s Tanzania is experiencing a growing army of job less people including the retrenched ones.

Women are mostly affected due to gender imbalances in various parameters. The impact of the economic crisis on incomes was very severe. Real per capita income declined from 1328 shillings in 1986 to 1201 shillings in 1988, while real wage in 1987 was equivalent to only 44 per cent of that 1980 (Wagao, 1994).

The education and health sectors were also affected by the reforms. Expenditure on education fell from 12.4 per cent in 1978-79 to 10 percent in 1988-89 and real expenditure per capita fell from 38.6 shillings in 1978-79 to 16.4 shillings in 1988-89 (ibid). This trend had a negative effect on primary school education.

Enrolment in primary schools dropped to 65-70 per cent. Many primary school buildings were dilapidated and few desks were found in classes. Few parents had the ability to pay school fees both in primary and secondary schools.

It is obvious that girls were the most affected due to the fact that cultural and traditions that culminate into construction of gender imbalance provide more chance to boys.

Expenditure on health remained constant at 6 per cent but real expenditure per capita dropped from 1.4 shillings in 1988-89 to 9.9 shillings in 1998-99.

In short the economic reforms did not succeed to eradicate poverty. However, economic reforms exerted different costs and benefits to different income groups in society, creating benefits for some while imposing hardship and loss to others (Bukuku, 1994).

From the year 2000-03 the Government of Tanzania embarked on other efforts towards poverty alleviation. Under the guidance and conditions of the World Bank the government of Tanzania prepared a Poverty Reduction Strategy Paper (PRSP) 2000-03 which is an important requirement to benefit from a World Bank program known as Heavily Indebted Poor Countries (HIPC). The strategy aims at attacking poverty by raising growth and enhancing the participation of the poor in the development process. The available funds under this strategy were channeled to the priority sectors that are education, health, water, agriculture, rural roads and judiciary.

The strategy was formulated within a broad policy framework, the vision 2025, which stipulates the vision, mission, goals and targets to be achieved with respect to economic growth and poverty reduction by the year 2025. To operationalise Vision 2025, the Government formulated the National Poverty Eradication

Strategy (NPES), which provides overall guidance and framework for co-ordination and supervision of the implementation of policies, and strategies of poverty eradication. The Poverty Reduction Strategy (PRS) was then formulated as a medium term strategy of poverty reduction (URT, 2002).

The performance of the strategy as recorded by the Government (ibid) is as follows: In the past three years achievements have been recorded in the delivery in social services especially in primary education, basic health care and access to clean and safe water. GDP increased to 6.2 per cent in 2002, inflation dropped to 4.4 per cent in 2003 compared to 6 per cent in 2000, foreign reserves reached 8.9 months of imports in 2003 compared to 6.3 months of imports in 2000. Also considerable increases in investments in infrastructure especially roads and communications systems have been recorded (URT-VPO, 2003).

Although there is encouraging macro economic performance with GDP growing at 6 per cent still there is a lot to do. Poverty in Tanzania is wide spread that it cannot be eradicated in the short run. Microeconomic performance is still very low. Majorities of people are still poor. As mentioned above poverty in rural areas is rampant and also in urban areas where those with low income face economic hardship. The gap between the rich and the poor is widening. According to Poverty and Human Development Report of 2003 is that several

studies show an increasing gap between the poor and non- poor (ibid.). Members of Rungwe Group who are rural dwellers are those Tanzanians who are poor.

2.2.5. Poultry Projects and Poverty Alleviation

The Government has tried its best since independence to reduce poverty, but unfortunately poverty is increasing instead of decreasing. The only alternative is for each individual or a group of individuals to work hard by whatever available resources to reduce poverty. The solution is with the people themselves, of course with Government support at the macro level.

In order to reduce poverty people should engage in activities that will generate income. Such projects include poultry keeping, pig keeping, dairy cow keeping and other small projects that are within their ability to mobilize resources and manage the projects.

The poultry industry in Tanzania is divided into traditional poultry production and commercial production. The traditional sector is the largest contributing around 70 per cent of the flock and supplying 100 per cent of poultry meat and eggs consumed in rural areas and 20 per cent in the urban areas (MoW&LD, 2004). The remaining 80 per cent of the urban requirement is met by the commercial poultry sub sector, which is mainly practiced in urban and peri urban areas (MoW&LD, 2004). The commercial production includes broiler for meat production and layers for eggs production.

According to 1995 National Sample Census for agriculture mainland Tanzania there were 27,065,000 chickens, 26,594,000 (93.3 per cent) were rural, 289,000 were commercial layers and 184,000 were commercial broilers. Other poultry include guinea fowls 43,000 and 1,214,000 ducks and gees (Mtambo).

The poultry kept in traditional sector offers the potential for a relatively quick increase in productivity and income. This sector if managed well could help to a large extent to alleviate poverty of income and non-income. This is true due to the fact that almost all households poor and rich keep traditional poultry that is reared in a free-range manner- the scratchier system.

In Rungwe district poultry industry the traditional one is a business for women. If this hold water in other tribes in Tanzania, then I hope traditional poultry can help to alleviate poverty at the level of poor households. Poultry provides manure that can be used in gardens to increase farm productivity, poultry provides eggs for consumption and for sale, and poultry provides chickens for sale and for meat.

Therefore the traditional poultry industry if managed well could be a source of cheap meat and eggs, income and can enhance food security at household level. The end result is reduction in income poverty- families will have money to meet

other basic needs, and the question of malnutrition will be combated because families will eat poultry meat, eggs, vegetables and fruits from gardens. The benefit will extend to non-poultry keepers who buy surplus products.

In Bangladesh there is a model known as poultry alleviation and gender. The model is about poultry keeping at household level. The concept has been developed through more than 20 years learning process in Bangladesh and targets the poorest of the poor mainly women. The aim is to make this group sustainable by giving them access to small loans for which they can buy hens. Further more this access to credit, poultry production, market facilities, poultry health services, feed and improved hens gives the target group access to market (Jere, 2002).

I know that the level of production will be low, so the poultry industry will not generate huge income. However, it represents a known skill to most poor people and can help them into a position related to events that may move people out of poverty.

Women in Bangladesh who practice small scale poultry production stress that the benefits is not only the money they earn but that they get basic skills in running an enterprise and opportunities to meet other women through regular sessions for training or credit collection. This breaks in their isolation, and brings in the opportunity to learn new skills, enhances their self-confidence and encourages

them to take on other tasks. In terms of livelihood framework they have earned important human and social capital and may begin to move out of the deprivation trap.

2.3. Policy Review

2.3.1. Poultry Policies

Since 1997 a set of agricultural development policies and strategies have been developed, to guide the sector in dealing with challenges of modernization, commercialization, productivity and sustainable use of natural resources. A policy formulated by the ministry of Agriculture in 1997 to guide the poultry industry has the following guidelines:

- i) Government priority will be given to the development of traditional flocks, to exploit their potential for alleviating poverty, enhancing the incomes of women and improving family nutrition.
- ii) Government will encourage private commercial poultry production in areas with attractive markets.
- iii) Government will promote local production of day old chicks
- iv) Government will facilitate the establishment of new hatcheries in areas where they do not exist and rehabilitation of existing ones so as to enhance hatchery production capacities and support services.

- v) To improve the productivity of indigenous poultry in traditional sector. Rhode Island Red breeding stock will be encouraged in rural areas to upgrade indigenous poultry.

Policy number i above is there to guide the sector to be one of the driving forces towards poverty alleviation. I do not know if the Government has taken steps to implement the policy. It seems the policy has not been given much attention by the ministry concerned. A report about performance of the Ministry of Water and Livestock Development (MoW&LD), 2004) does not tell much about the implementation of this article.

Policy number ii above is about facilitating the establishment of new hatcheries in areas where they do not exist. The policy is aimed at producing a large number of day old chicks to meet the country demand and also to help farmers to get day old chicks close to their localities.

The policy if implemented will make the poultry industry less expensive because transport cost will be reduced and the supply side will increase and might lead into price decrease if other things are equal. Again I am not sure whether the Government has managed to encourage private investors into hatchery business in new areas. I am afraid that this policy might not be implemented due to the fact that private investors are demand driven. They go where there is a market. The scarcity of day old chicks will continue to prevail.

Policy number v above spells that the Government will encourage in rural areas the introduction of Rhodes Island Red breed in order to upgrade indigenous poultry. The language that it will encourage it means that the Government is not responsible to introduce the breed. If that is the case then the policy is not practical because no private investor will venture into that business. It is more service oriented than economic. Also the report of the Ministry (ibid) is silent. This implies that there is no action taken.

Policies are there that guide the poultry industry taking into consideration both traditional and commercial poultry production. However, it is obvious that some of the policies as highlighted above are not implemented. The policies by themselves are good but if not implemented are useless. It is very unfortunate that those policies not implemented are pro poor, so the losers are the poor.

2.3.2. Community Development Policies.

The concept of community development refers to those measures that enable people to recognize their own ability to identify their problems and use the available resources to earn and increase their income, and build in a better life for themselves (MoCD, WA&C, 1997).

The major objective of the community development policies is to enable Tanzanians as individuals or in their families and/ or group/associations to contribute more to the Government objective of self-reliance and therefore bring about development at all levels and finally the whole nation (ibid).

The policy formulated by the ministry has many guidelines, 15 of them. For the purpose of this paper I will pick up only guidelines that are relevant to my subject matter, that is community development.

- i) To educate communities that they have the resources they need and the ability to identify and use them in their own development instead of thinking that they will come from the Government or external aid.
- ii) To recognize and emphasize that the family/household is the basis of community development.
- iii) To ensure that the people participate fully in formulating, planning, implementing and evaluating development plans.
- iv) To ensure that all community development plans and activities are gender sensitive.
- v) To educate communities on the importance of environmental conservation in developing and consolidating community development.

In essence all guidelines are good because they insist on peoples development that enriched by participation and therefore empowerment. The problem with most of the guidelines is the practical side. Do we witness community development projects that have been developed from the grass root? If there are, then they are very few such projects implemented under TASAF. Most projects are top down and they have nothing to do with people's participation and that is the reason why most of the established projects collapse after the pull out of the Government or donor.

However, the establishment of community-based organizations (CBOs) is in line with Government policy that stipulates that the Government will enable Tanzanians and/ or groups/ associations. It is clear that Tanzanians are allowed to form groups for the aim of fostering their development. The Government is very serious about the implementation of this policy. It always sensitize people to form production groups so as to jointly establish projects or individually under the umbrella of the group.

The formation of groups has its advantages.

- i) The group can easily get loans from the lending institutions. Most of the institutions such as PRIDE do not deal with individuals. They deal with groups.

- ii) Members of the group can pull together their meager resources and therefore be able to establish a project that otherwise could not be established by an individual because of financial constraints.
- iii) It easy and cheap to get technical advises in a group. Extension officers cannot spend government resources and his/her time just to advise one person unless he/she is paying for the service.

Members of Rungwe group realized this fact and are now busy working as a group to reduce poverty. They have decided to establish a poultry project that will generate income. They realized that one person with scarce resources couldn't manage to alleviate poverty. There is a Swahili proverb that says, “kidole kimoja hakivunji chawa (one finger can not kill a lice)” another says, “Umoja ni nguvu na utengano ni udhaifu (unity is power and disunity is weakness)”. These two proverbs talk about unity, that through unity we can manage to conquer any problem such as poverty.

The importance of poultry includes the consumption of its meat and eggs. Also poultry industry is very essential to the survival of human beings by providing income, nutrients and manure.

CHAPTER 3

3. Research Methodology

3.1. Research design

In order to get the actual situation of members of Rungwe Group I had to undertake a survey that enabled me to collect data through different methods. Five methods were used. These were questionnaires, interviews, observation, focus group discussion and reading written sources (secondary data).

Questionnaires (appendix 6.1 and 6.3) were prepared. Questionnaire (appendix 6.1) was prepared to be filled in by each member of Rungwe group independently (self-administered) and the exercise was done once. The second questionnaire (appendix 6.3) was prepared for group discussion; it was also conducted once for 6 days consecutively. In this case the design was cross-sectional.

The questionnaire that was to be self-administered was close-ended and the one for the workshop was open-ended. The close-ended questionnaire had questions with answers (multiple-choice) that the respondent had to pick one or more answers. The open-ended questionnaire had essay questions that the correspondent had to think about answers.

The aim of the self-administered questionnaire was to get information about their marital status, causes of poverty, economic background, reasons and expectations for joining the group and ways of reducing poverty.

Before administering the questionnaire to members of the group, there was a chance of meeting with them. In that meeting it was explained to them that the aim of requesting them to fill in the questionnaire was to get both qualitative and quantitative information from them. It was disclosed to them that the data would be used in the exercise of preparing a project proposal for their poultry project. All of them agreed to participate.

The population of the survey was 13 people. In this case there was no sampling. All members of Rungwe Group filled in the questionnaire.

The rate of response was 100 per cent. All 13 members filled in and returned the questionnaire.

The open-ended questionnaire was discussed in a workshop. A workshop was organized for six days in which all 13 members of the group attended and participated (see attendance list appendix 6.2). The aim of the workshop was to enable members of the group to come out with need assessment, resource assessment, project objectives, project activities and assigning responsibilities.

The questionnaires were tested before put into actual practice. We conducted a pilot testing. The sample of the pilot test was 4 (2 women and 2 men) members of Rungwe group. This exercise was necessary in order to determine the length of the questionnaires and to see if the questionnaires were clear to the respondents. The pilot test helped to determine whether the questions were understandable and manageable.

Observation method was used during the workshop and outside the workshop by visiting the homes of all members of Rungwe group. There was an opportunity to observe health status of their families, type of houses they have and their economic activities.

Also the research was conducted by going through secondary data in order to get what others have written about poverty and poverty alleviation strategies.

3.2. Primary data collected and Analysis

The data collected had to be processed and analyzed. The data were analysed by using different techniques such as descriptive statistics, correlations, and comparisons.

3.2.1. Economic Background

From the above definition about poverty (under literature review 2.1.1), members of Rungwe group are economically poor (income poverty). The URT-VPO defines income poverty as a situation where a person can not earn at least a minimal income that would allow him/her to have adequate basic needs; food, shelter and clothing.

Table 1 below depicts the level of poverty of members of Rungwe group.

Total income is sh. 282,000.00

The income ranges from sh. 5,000.00 to sh. 53,000.00

Average income for females is sh. 17,000.00 per month while that of males is sh. 25,714.30(see annex 6.4)

Average income for peasant females is sh. 10,400.00 and that of peasant males is sh. 19,250.00(see annex 6.4)

Over all average income is sh. 21,692.30

Table 1: Income of Members of Rungwe Group. Tsh.

| Income | Frequency of income | Percent | Cumulative |
|--------|---------------------|---------|------------|
| 5,000 | 2 | 15.4 | 15.4 |
| 10,000 | 2 | 15.4 | 30.8 |

| | | | |
|---------|----|------|------|
| 12,000 | 1 | 7.7 | 38.5 |
| 15,000 | 2 | 15.4 | 53.9 |
| 20,000 | 2 | 15.4 | 69.3 |
| 30,000 | 1 | 7.7 | 77 |
| 37,000 | 1 | 7.7 | 84.7 |
| 50,000 | 1 | 7.7 | 92.4 |
| 53,000 | 1 | 7.7 | 100 |
| 282,000 | 13 | 100 | 100 |

Source: Author's survey.

Average income of the group is sh. 21,692.30 per month. This average is almost the same as that of Rungwe district of \$ 250 per years (exchange rate sh. 1,000 per \$). The average is high because two members earn more than sh.50, 000.00 and these two figures exaggerate the average. In reality majority of them (69.3 per cent) earn less than sh. 20,000.00 per month.

According to table 1 above 84.7 per cent of members of Rungwe group get income less than sh. 40,000.00 per month below the basic salary of sh. 45,000.00 set by the Government. Obviously these people are extremely poor. Each will spend sh.444.00 per day below the standard rate of sh. 650.00.

However, the situation is not worse as one could expect. This is the problem of using only income as an indicator of poverty or well off without considering

other methods such as Physical Quality of Life and Basic Needs Approach. These people are poor income wise, but they have other sources of wealth that is not recorded. For example they have food for consumption throughout the year. These findings are in line with the problem of measuring GDP in the South where life consumption is not recorded.

On average income of males is higher than that of females. Average income for males is sh. 25,714.30 whereas average income for females is sh. 17,000.00. The result of males having high income is compatible with the national statistics (UNDP, 2001) about income per capita per year. Income per capita for males is \$610 whereas for females is \$ 432. The difference possibly is the result of gender inequality in resource ownership and decision-making. Almost all women in Rungwe group (as the case with other women in Tanzania) do not own land, and therefore they do not have a say on what is being produced. All are dependent upon their parents and one is depending on her husband.

Lack of decision-making is also poverty that is deprivation of basic capabilities. Women in Rungwe group are poorer than men are because they do not own means of production and they do not have a say on what they produce. Men are using a big share of wealth.

3.2.2. Education Background

Table 2 below shows the level of education of members of Rungwe group. The table shows that one member has informal education and 12 members have formal education at the level of primary education.

Majority of them (92.3 per cent) have formal education that is required to any human being. However, they have failed to utilize fully the resources around them. As mentioned above (under literature review section 2.2.3) Rungwe district is endowed with rain almost throughout the year. Yet you find majority of people in Rungwe district are poor. This is an indicator that education they have have not transformed them. The late J.K.Nyerere (1974) said that if people have attended classes but they can not subdue their environment for their own benefit that is not development.

Table 2: Level of Education of Members of Rungwe Group.

| Level of education | Frequency | Percent |
|--------------------|-----------|---------|
| Informal education | 1 | 7.7 |
| Primary education | 12 | 92.3 |
| Total | 13 | 100 |

Source: Author's survey

3.2.3. Marital status

The question of marital status has different dimensions. All men except one are married but all have children. All women except one are single but all have children. All are responsible mothers and fathers. The single women have also to play the role of a father because there is a vacuum for that position. Therefore they play a reproductive role as well as the productive role. They have to work hard in order to get money for medical expenses, school uniforms, and textbooks for their children. Table 3 below shows the percentage of married and single.

Table 3: Marital status

| Marital status | Frequency | Percent |
|----------------|-----------|---------|
| Married | 7 | 53.8 |
| Single | 6 | 46.2 |
| Total | 13 | 100 |

Source: Author's survey

3.2.4. Causes of Poverty

Members of Rungwe group had also the opportunity to analyse the causes of their poverty. Table 4 below shows the result of their analysis.

Table 4: Factors that cause poverty

| Factors | Frequency |
|-------------------------|-----------|
| Low education | 13 |
| Lack of land | 6 |
| Many dependants | 3 |
| Lack of capital | 13 |
| Lack of decision making | 5 |

Source: Author's survey

From table 4 above low education and lack of capital appeared more frequently than others. These two causes were aired by both males and females and therefore are common problems. Other causes such as lack of land and lack of decision-making are mostly gender biased. Mostly women gave these two causes. This shows how women are denied their basic right to decide on their destination. They have been excluded from the ownership of land and they have little say on income that they participate to generate under their husbands or parents.

3.2.5. Poverty Indicators

Members of Rungwe group had also the opportunity to analyse the indicators that show that they are poor. Table 5 below presents the results. All members expressed low income, 9 members expressed inadequate clothing, 6 members including 5 women expressed no house. The results show that low income and

inadequate clothing affect almost all members of the group. This indicates how the problems are interrelated and one problem can cause another problem.

The problem of having no house is exclusively for women. Traditions do not allow women to have houses, but thank God things are now changing. A woman can own a piece of land and a house provided she has money.

Table 5: Poverty indicators.

| Poverty indicators | Frequency |
|-------------------------|-----------|
| Low income | 13 |
| Inadequate clothing | 9 |
| No house | 6 |
| Lack of decision making | 5 |

Source: Author's survey

3.2.6. Reasons and expectations for joining the group

The reasons and expectations were given by the focus group at a workshop conducted for six days. Each member of the group had her/his own reasons and expectations for joining the group. Table 6 below shows the result of their opinion

Table 6: Reasons for joining the Group

| Reasons | Percent |
|---------|---------|
| 1,2,3 | 53.9 |
| 2,3 | 46.1 |
| Total | 100 |

Source: Author's survey

Key: 1 = financial and moral support, 2 = increase income, 3 = sharing ideas

i) to get financial and moral support in case of problems such as death.

Seven members said this. Five were females and two males. Those who expect to get financial and moral support in case of problems form 54 per cent of the total members who are 13. Majorities with such expectations are women. They are 71 per cent of the 54 per cent; only 29 per cent are men.

The result is not surprising due to the fact that in most cases women are dependent and heavily relied upon funeral logistics. In the Nyakyusa tribe women are responsible to bring food, firewood and water at the funeral. But such assistance does not come automatically. It depends how much one is co-operating with others.

ii) Through joint efforts and resources to increase income. All members expressed this view. The result coincides with their level of their income.

iii) To get and share ideas about ways of alleviating poverty. All members of the group had this opinion. The opinion scored 100%. This means all

members concede the idea. This indicates that members of the group regardless of their marital and economical status value the concept of sharing ideas. They want to fight the evil poverty collectively and indeed it is their intention that all members of the group alleviate poverty.

3.2.7. Strategies to alleviate poverty

Members of Rungwe group had to agree on how they will reduce poverty. Table 7 below is the result of their choice.

Table 7: Strategies to alleviate poverty

| Strategies | Percent |
|------------------------------|---------|
| Training | 13 |
| Income generating activities | 13 |
| Sharing ideas | 13 |
| Access to land | 11 |
| Access to capital | 7 |
| Equity in decision making | 6 |

Source: Author's survey

All members voted for training, income generating activities and sharing ideas as strategies to reduce poverty. 11 members voted for access to land, 7 for access to capital and six members vote for equity in decision-making. The results show that both males and females were in the opinion that in order to reduce poverty they must embark on training, sharing ideas, and establishing income-generating activities and that is what they decided to do.

3.2.8. Project identification

Members of the group who are 13 have involved themselves in the whole process of planning. This step was taken so as to empower members of the group so that they could own the idea, decide, plan and implement the project.

Likewise the commercial poultry project that is to be established is the product of their initiatives through participatory decision-making. Table 8 below shows the result of their decision-making. They agreed and decided on what project to undertake in order to reduce poverty.

Table 8: Project identification

| Project | votes/frequency | Percent |
|----------------------------|-----------------|---------|
| Poultry –commercial layers | 8 | 61 |
| Dairy cows | 4 | 31 |
| Pig keeping | 1 | 8 |
| Total | 13 | 100 |

Source: Author's survey

The results show that poultry keeping got 61 per cent and dairy cow keeping got 31 per cent. From the results poultry project was selected and agreed upon by all members of Rungwe Group.

Crop production was not selected after realizing that they had no land. The only way of getting plots of land was to hire something that needs money. They had

no money and more over, crop production is not predictable. It depends on the availability of rain.

Pig keeping was not selected because they had bad experience with it. In the year 2003 they kept two pigs. The pigs did not grow well despite all efforts of medication.

Dairy cow keeping was not selected because Rungwe district is endowed with the activity. There is a time especially during rainy season there is a surplus of milk.

The poultry project got more vote because they had a good and encouraging experience with it. In the year 2003 they kept 10 hens. By June 2004 they had 50 hens, 30 hens were sold.

3.2.9. Source of finance

Members of Rungwe after agreeing to take the poultry project had also to agree about sources of funds to finance the project. Table 9 shows the result of their decisions.

Table 9: Source of finance

| Source of funds | Number of votes | Percent |
|-----------------|-----------------|------------|
| 1,3 | 5 | 38.5 |
| 4 | 8 | 61.5 |
| Total | 13 | 100 |

Source: Author's survey

Key: 1 = contributions, 2 = loans, 3 = grants, 4 = all

The result shows that 61.5 per cent of members of Rungwe group thought of utilizing all sources of finance. Only 38.5 per cent voted for contributions and grants. The Majorities who voted for loans were women. Possibly women are not risk takers.

However, for the sustainability of the project they were strongly advised to depend own their own contributions.

CHAPTER 4

4. FINDINGS AND RECOMMENDATIONS

4.1. FINDINGS

4.1.1. Efforts of the Government alone to reduce poverty is not enough.

The Government alone cannot succeed to bring development to the people.

4.1.2. Strategies taken by the Government to reduce poverty was a top process

People at the grass root were not involved in the process; as a result people are heavily dependent on the Government.

4.1.3. The level of poverty differs from men to women.

Women are poorer than men. From the research we have seen that men get higher income than women do. This is true world wide, in Tanzania and in Rungwe group.

4.1.4. Lack of policy to guide community based organizations.

There is no policy guiding the establishment and development of community based organizations. The Government is always urging people to form groups in order to combat poverty jointly, yet the same Government is silent on how the CBOs can operate. The registration process is cumbersome and expensive. When

we were trying to register Rungwe Group members of the group were told to bring sh. 500,000.00 as registration fees!

4.1.5. Some pro-poor policies are not implemented

From chapter 2.3 we see that the Government has pro-poor policies that aim at reducing poverty. But very unfortunately some of the policies are not implemented so the policies are useless.

4.1.6. Higher learning institutions to help poor people to reduce poverty

Higher learning institutions such as CED program can play a great role in fostering development of the poor people. The program of CED of committing the students of CED to engage and work with the poor to facilitate the poor to reduce poverty has a very positive impact on the development of the community. In the CED program if the students are 150 it means 150 community-based organizations have been helped within a period of 18 months.

4.1.7. Joint efforts to reduce poverty

The poor people can organize themselves in-groups to help each other economically and socially if they have the spirit of brotherhood and they have a common objective to attain. This is what happened with Rungwe Group. The establishment of Rungwe Group was not for economic reasons alone, social reasons also played a great role.

4.1.8. Self help projects

In order to reduce poverty members of Rungwe Group decided to establish self help projects. The projects were established by utilizing the resources they had. They did not wait for grants and subsidies.

4.1.9. Financial problems.

Community based organizations especially the poor ones including Rungwe Group face financial problems. Because they are poor they do not have their own capital to start business and because they are poor they cannot get loans from banks. Banks do not provide start up loans. The banks provide loans to people who are already in business. So the poor will remain poor.

4.1.10. Women are not risk takers

A research with Rungwe Group shows that women are not risks takers. All women in the group did not prefer to get loans. They preferred for contributions and grants.

4.1.11. Members of Rungwe Group lack knowledge on book keeping

All members of Rungwe group are illiterate in the real sense of the word on accounting and book keeping skills. The skills are essential for proper financial records and for the development of the project.

4.2 . RECOMMENDATIONS

4.2.1. The Government through the district councils should implement strategies that are pro- poor. The agriculture sector that employ the poor Tanzanians should be improved from land ownership, production and marketing. The Government should create an environment that will enable individuals to utilize land economically.

4.2.2. The Government should make sure that the national income reaches the poor in order to reduce poverty. This can be done through the provision of basic services in rural areas such as education, health, water, energy, and rural roads. Lack of these essential services complicates the problem of poverty.

4.2.3. The Government should continue (as it has already started with TASAF) to involve people in the whole process of planning. The people should own the whole process of development. The people should identify their problems, should decide on what strategies that will help to reduce their poverty.

4.2.4. The national income should be distributed evenly between regions and districts so as to bring equitable development to all Tanzanians.

4.2.5. The Government should continue to sensitize people to form groups and establish income generating activities so as to fight the evil poverty jointly and tap the available financial assistance that are only available to groups.

4.2.6. People should heed the call of the government to join in-groups so as to fight poverty jointly.

4.2.7. The government should create an environment that will enable people to form community banks that will provide credit to low income people. Informal banks such as SACCOs should be encouraged.

4.2.8. High learning institutions should emulate the program of CED of committing students to work with the community as a basic requirement for attaining a degree.

The approach of theoretical thesis if possible should be avoided. By so doing a big portion of the poor people will reduce their poverty because they will get expertise that they lack.

Because of the CED program I was in the position of helping members of Rungwe group to write a project proposal that has bore fruits of getting contributions worth sh. 1,700,000.00

CHAPTER 5
PROJECT PROPOSAL
EXECUTIVE SUMMARY OUTLINE

PROJECT TITLE: Poultry – Commercial Layers

PROPOSAL SUBMITTED BY: Members of Rungwe – Iloilo Group

PROBLEM STATEMENT: To Eradicate Poverty For an Individual is more difficult than through a Group

MISSION STATEMENT: To help each other financially and socially in order to eradicate poverty so as to enable each member and their families to live peacefully mentally and have a dignity.

TARGET GROUP: Young females and males aged between 22 years and 45 years.

ACTIVITIES: To keep 250 commercial poultry layers

OUTCOMES:

The poultry project will give them skills and experience on project planning, implementation and evaluation.

Group members will increase income from sh. 21,690.00 to sh. 35,000.00 by the year 2007

Group members will improve their gardens because they will be able to utilize chicken fertilizer/manure in their gardens.

Members of the community will learn about in door poultry keeping.

Members of Rungwe community through the group will learn and possibly imitate the spirit of working together

Vulnerable groups will benefit from the project because members of Rungwe Group have the plan of helping the most needy people in Iloilo village.

REQUEST FOR FUNDING:

TSH.800,000.00

OUR CONTRIBUTION:

TSH.960,620.00

5. IMPLEMENTATION OF ASSIGNMENT

5.1. Project Proposal

There are mainly two reasons for helping members of Rungwe group writing this project proposal:

To publicize the group by giving people and government departments copies of the proposal for its support and assistance.

To solicit funds as the group needs funds for initial capital that can be solicited from banks, government and non-government organizations or from individuals.

In most cases all these sources of funding demand project proposals as the main requirement for getting a loan, grant or donation.

The project is on poultry keeping- layers chicken. The chicks will be kept for the aim of getting eggs to be sold.

5.1.1. Project Objectives

The main aim of the project is to enable members of Rungwe Group eradicate income poverty. It is the intention of members of Rungwe Group that by the year 2010 each member must be able to live a better life with good permanent house, have money for medical fees, school fees and clothes for their children.

However, specific objectives are as follows:

- To get financial and moral support from members of the group in case of problem or events that need support.
- Through joint efforts to increase their income from an average of sh. 21,690.00 to sh. 35,000.00 per month by the year 2007.
- To get and share ideas about eradicating poverty.
- Through the group to get loans/grants from the Government and non governmental organizations
- To improve their gardens by using poultry manure and hence increase productivity per unit of land.

5.1.2. Project description

The project is about keeping layers that will lay eggs for sale. Their plan is to keep 250 layers as their starting point. They may add the number depending on the availability of funds and quality of the chicks. They will purchase chicks from Malawi of the age of three months old. So they will keep the chicks for three months before they start laying eggs at the age of six months. They have decided to purchase chicks from Malawi because they are closer to Malawi than Dar es Salaam where chicks are found. One chick would cost sh. 3,000.00

The chicks will be kept in door by the deep litter system.

The number of chicks is assumed to decline at 0.02 per cent at each four months due to death.

5.1.3. Feeding program

At the age of 4-5 months chickens will be given 120 grams of feed per day (growers mash) and from the age of six months onwards the chickens will be given 130 grams of feed per day (layers mash). During the whole period of two years the chicken will consume 367.5 bags of feed and the feed will cost the project sh. 4,042,500.00 at a price of sh. 11,000.00 per bag of 50 kg. For more information see table 10 below.

Table 10: Chicken Feed Program.

| Age (months) | Formula | No. of bags | Price per bag | Total (sh.) |
|--------------|--|-------------|---------------|--------------|
| 4-5 | <u>120x120gmsx60days</u> 50,000grams | 36 | 11,000/= | 396,000/= |
| 6-9 | <u>245x130gmsx120days</u> 50,000grams | 76.44 | 11,000/= | 840,840/= |
| 10-13 | <u>240x130gmsx120days</u> 50,000grams | 74.88 | 11,000/= | 823,680/= |
| 14-17 | <u>235x130gmsx120days</u> 50,000grams | 73.32 | 11,000/= | 806,520/= |
| 18-21 | <u>230x130gmsx12days</u> 50,000grams | 71.76 | 11,000/= | 789,360/= |
| 22-23 | <u>225x130gmsx60days</u> 50,000grams | 35.1 | 11,000/= | 386,100/= |
| Total | | 367.5 | | 4,042,500/= |

5.1.3. Egg production

It is assumed that the first four months egg production will be 70 per cent of the total layers per day. The second quarter and the third quarter egg production will be 80 per cent and 75 per cent respectively. At the fourth and fifth quarters egg production will be 70 per cent and 60 per cent respectively per day. In total 3,073 eggs are expected to be produced. The percentages vary according to age of chickens. When they start laying normally their laying performance is low and picks up when they are matured. But then laying performance slows down when chickens are old. For more clarification see table 11 below:

Table 11: Egg Production

| Age | No. Of chicken | Egg production | No. of egg trays | Price per tray | Total amount |
|--------------|----------------|--|------------------|----------------|--------------|
| 6 – 9 | 245 | $\frac{240 \times 70\% \times 120 \text{days}}{30 \text{ eggs}}$ | 686 | 2,400/= | 1,646,400/= |
| 10 –13 | 240 | $\frac{240 \times 80\% \times 120 \text{days}}{30 \text{ eggs}}$ | 768 | 2,400/= | 1,843,200/= |
| 14 – 17 | 235 | $\frac{235 \times 75\% \times 120 \text{days}}{30 \text{ eggs}}$ | 705 | 2,400/= | 1,692,000/= |
| 18 –21 | 230 | $\frac{230 \times 70\% \times 120 \text{days}}{30 \text{ eggs}}$ | 644 | 2,400/= | 1,545,600/= |
| 22 – 23 | 225 | $\frac{225 \times 60\% \times 60 \text{days}}{30 \text{ eggs}}$ | 270 | 2,400/= | 648,000/= |
| Total | | | 3,073 | | 7,375,200/= |

5.1.4. Marketing survey

The feasibility study done in Tukuyu Township showed that very few people or group of people keep hybrid chickens either layers or broilers. Our survey revealed only 3 households who keep layers. In total there were 300 layers aged between 10 months and 15 months. Eggs produced per week were 42,000 trays. Eggs consumption per week was 60,000 trays. Eggs from local breed filled the gap.

Also a feasibility study was conducted in Mbeya municipal with hotels and chips fryers.

Members of Rungwe group visited 10 hotels and approached 20 chips fryers. All of them assured them that there is a shortage of eggs and that new entrants in the market do not face any stiff market.

The results encouraged members of Rungwe group to continue thinking about the poultry project.

The feasibility study also revealed that poultry feed is available in Mbeya municipal though it is expensive. By the time they were conducting the survey the price for layers mash was sh. 11,000.00 per bag of 50 kilograms. But there is an alternative. Poultry feed can be made at home. There is a formula. It is

cheaper to produce locally than purchasing the ready made. Locally produced could be produced at the cost of sh. 9,000.00 per bag.

5.1.6. Marketing Plan

The main market for eggs from the project will be Tukuyu Township and Mbeya municipal. The customers will be hotels and chips fryers and other interested individuals. The price for one tray of 30 eggs will be 2,400.00. Mbeya municipal is just 1 hour and 30 minutes driving from Tukuyu. The fare is sh. 2,000.00 to and from. There will be a weekly route to Mbeya municipal to sell eggs. The budget for the fare is provided.

5.1.7. Participation

Members of the group who are 13 have involved themselves in the whole process of planning. They decided to form the group on their own. They started and implemented projects on their own initiatives. Likewise this project is of their initiatives through participatory decision-making. They participated in the need assessment, setting the objectives, market survey, and resource assessment and in budget preparation.

Also members of the group participated in the project by organizing raising fund event so as to get some money for investing in the project. Preparations for the event costed sh. 70,000,00 an amount that was contributed by members of the

group. Members of the group will also contributed sh. 360,000.0 from the shares they have with community bank.

Members of the group both males and females are participating in building a chicken shed. The group has carpenters. They are doing the construction work.

5.1.8. Project management

The project will be under the management of all members, under the executive committee. The executive committee is made up of the group chairperson, the vice chairperson, the secretary and the treasure.

Before the project takes off each member has been assigned to accomplish a certain activity (see activity chart appendix 6.7 and responsibility schedule appendix 6.8).

The project will employ a poultry attendant who will be responsible to feed, to provide water for the chickens and to collect eggs. The poultry attendant will work under close supervision. Each member of the group will be responsible to supervise the project two days per week and each member will sell eggs two days a week.

5.1.9. Project impacts and indicators

The end result of the project is to improve the livelihood of the members of Rungwe group and their families.

The impact of the project will be as follows:

- The poultry project will give them skills and experience on project planning, implementation and evaluation.
- By getting some income from the project single parents will be able to meet family requirements.
- Group members will improve gardens because they will be able to utilize chicken fertilizer/manure in their gardens.
- Members of the community will learn about indoor poultry keeping.
- Members of Rungwe community through the group will learn and possibly imitate the spirit of working together
- Vulnerable groups will benefit from the project because members of Rungwe Group have the plan of helping the most needy people in Iloilo village.

The project indicators will be as follows:

- Children of members for the group have school uniforms
- Food security at the household level of members of the group
- Parents and children of members of the group meet medical expenses

- Income of members of the group increased to sh. 35,000.00 per month

5.1.10. Project constraints.

The project as a living entity will face some constraints. Some of the identified constraints are as follows:

- Lack of knowledge and skills of poultry keeping to members of the group
- Risk of theft of eggs and chickens
- Risk of poultry diseases such as fowl typhoid, coccidiosis, new castle, fowl pox.

Strategies to weaken the constraints and hence to enable the project to success.

Lack of knowledge and skills on poultry keeping

They will invite an expert in poultry issues before the project takes off. The seminar took place on 3rd January 2005.

Risk of theft

They will make sure that they have a dog.

The poultry shed will be reinforced with iron bars

There will be a rooster for night security. Each male member of the group will be obliged to be a guard once per week.

Risk of poultry diseases

There will be a clear timetable for vaccination against fowl cholera, fowl typhoid, new castle and fowl pox.

The poultry shed will always remain clean without contaminated litter.

5.1.11. Monitoring and Evaluation

Monitoring.

The project will be monitored through the following strategies:

- A team of four members from within the group is empowered to oversee the project on daily basis. The team reports to the executive committee on problems that arise.
- The executive committee will meet weekly to discuss the progress of the project and take steps to remedy the situation.
- All members of the group will meet monthly to discuss the progress report from the executive committee

Evaluation

There will be annual evaluation and final evaluation that will take place at the end of the life span of the project, that is two years. All members of the group with an assistance of an expert will do annual evaluation.

The final evaluation will be also participatory. All members of the group will be involved. In addition some members of Iloilo village especially the vulnerable ones will participate.

5.1.12. Project sustainability

Taking the following steps will ensure the sustainability of the project:

Each member of the group will continue paying monthly contributions of sh. 1,000.00. The money will be used to pay wages for the poultry attendant.

The group will establish a garden to fully utilize the chicken manure. Income from the garden will be used to buy chicken feed.

The spirit of togetherness will be further fostered. It is through this spirit that the group was formed.

More seminars on poultry management will take place so as to make all members of the group aware with poultry risks and thus be in a position to avoid the risks.

Also income from the project will ensure the sustainability of the project because the income will be used to finance different project activities of the project especially chicken feed.

Income of the project is expected to come from sales of eggs and culls. In a period of 18 months, 3,073 trays of eggs are expected to be laid and will be sold at Tsh. 2,400.00 per tray of 30 eggs. Total income from sale of eggs is sh. 7,375,200.00. At the end of the project 220 old layers will be sold at a price of

sh. 2,500.00 per cull, hence giving income of sh. 550,000.00. Therefore expected total income of the project is sh. 7,925,200.00.

5.1.13. Project Investment costs and Financial Plan

Investment costs of the project will be as follows:

Table 12: Investment cost schedule

| Item | No. of units | Price per unit sh. | Total cost (Tsh.) |
|--------------------|--------------|--------------------|---------------------|
| Tree poles | 25 | 300 | 7,500.00 |
| Tree barks | 112 | 300 | 33,600.00 |
| Iron sheets | 30 | 6,300 | 189,000.00 |
| Nails | 10kg | 1,300 | 13,000.00 |
| Roofing nails | 4kg | 1,800 | 14,400.00 |
| Wire mash | 2pieces | 10,000 | 20,000.00 |
| Sand | 1 trip | 16,000 | 16,000.00 |
| Cement | 4 bags | 8,500 | 51,000.00 |
| Roofing caps | 4 pieces | 2,500 | 10,000.00 |
| Roofing timber | 20 pieces | 1,350 | 43,200.00 |
| Doors | 2 | 7,000 | 14,000.00 |
| Iron rods | 1 piece | 20,000 | 20,000.00 |
| Labour charge | | | 25,000.00 |
| Sub total | | | 456,700.00 |
| Chicks | 250 | 3,000 | 750,000.00 |
| Feeders/ drinkers | | | 100,000.00 |
| Grand total | | | 1,306,700.00 |

Financial Plan

The financial plan of the project will be as follows:

| | | |
|--|--------------------|----------------------------|
| Investment costs | Tsh. | 1,306,700.00 |
| Operating costs two months before egg production | <u>Tsh.</u> | <u>456,920.00</u> |
| <u>Total initial costs</u> | <u>Tsh.</u> | <u>1,760,620.00</u> |

The budget is to be financed as follows:

| | | |
|------------------------|--------------------|----------------------------|
| Bank loan | Tsh. | 360,000.00 |
| Fund raising event | Tsh. | 600,620.00 |
| Grant from well wishes | <u>Tsh.</u> | <u>800,000.00</u> |
| <u>Total</u> | <u>Tsh.</u> | <u>1,760,620.00</u> |

5.1.14. Projected operating costs of the project

Operating costs of the project will involve purchase of chicken feed, medicines, electricity and other overhead cost. Total operating costs of the project during the life span of two years is expected to be sh. 4,759,350.00

For more details see table 13 below.

Table 13: Operating costs

| Particulars | Months | | | | | |
|----------------|----------------|------------------|----------------|----------------|----------------|----------------|
| | 4-5 | 6-9 | 10-13 | 14-17 | 18-21 | 22-23 |
| Chicken feed | 396,000 | 840,840 | 823,680 | 806,520 | 789,360 | 386,100 |
| Treatment | 7,920 | 16,820 | 16,470 | 16,130 | 15,790 | 7,720 |
| Electricity | 4,000 | 8,000 | 8,000 | 8,000 | 8,000 | 4,000 |
| Transport | - | 48,000 | 48,000 | 48,000 | 48,000 | 24,000 |
| Wages | 20,000 | 40,000 | 40,000 | 40,000 | 40,000 | 20,000 |
| Interest | - | 36,000 | 36,000 | - | - | - |
| Administration | 26,000 | 16,000 | 16,000 | 16,000 | 16,000 | 10,000 |
| Total | 453,920 | 1,005,660 | 988,150 | 934,650 | 917,150 | 451,820 |

Total operating costs is Tsh. 4,751,350.00

5.1.15. Projected project income

Income of the project is expected to come from sales of eggs and culls. In a period of 18 months, 3,073 trays of eggs are expected to be laid and will be sold at Tsh. 2,400.00 per tray of 30 eggs. Total income from sale of eggs is sh. 7,375,200.00. At the end of the project 220 old layers will be sold at a price of sh. 2,500.00 per cull, hence giving income of sh. 550,000.00. Therefore expected total income of the project is sh. 7,925,200.00. For more information refer table 14 below.

Table 14: Projected Income

| Particulars | Months | | | | |
|----------------|------------------|------------------|------------------|------------------|------------------|
| | 6-9 | 10-13 | 14-17 | 18-21 | 22-23 |
| Sales of eggs | 1,646,400 | 1,843,200 | 1,692,000 | 1,545,600 | 648,000 |
| Sales of culls | - | - | | - | 550,000 |
| Total | 1,646,400 | 1,843,200 | 1,692,000 | 1,545,600 | 1,198,000 |

Total income is Tsh. 7,925,200.00

5.1.16. Financial Statements

Financial statements are principal means through which financial information is communicated to those outside the enterprise. In this paper they include trading account, income and expenditure statement, balance sheet and statement of cash flow.

5.1.16.1. Projected Trading Account.

This account measures the success of enterprise's operations for a given period of time, and summarizes the enterprise's revenue and expenses. The projected

income statement shows that the project will realize a profit of sh. 3,601,850.00 before other expenses. For more information refer table 15 below.

Table 15: Projected Income Statement (Trading Account)

| | | | |
|--|-----|--------------------|----------------------------|
| Sale | | Tsh. | 7,925,200.00 |
| Less of cost of goods sold | | | |
| (Opening stock +purchases- closing stock) | | | |
| 750,000.00 | + 0 | - 550,000.00 | Tsh. 200,000.00 |
| Gross profit | | Tsh. | 7,725,200.00 |
| Less poultry expenses (feed and treatment) | | <u>Tsh.</u> | <u>4,123,350.00</u> |
| <u>Profit before other expenses</u> | | <u>Tsh.</u> | <u>3,601,850.00</u> |

5.1.16.2. Projected Income and Expenditure Schedule

Projected income and expenditure shows that the project we realize a profit of sh. 2,973,850.00 after deducting all expenses except depreciation.

Table 16: Projected Income and Expenditure

| | | | |
|--|------|-------------|---------------------|
| Gross profit from trading account | | Tsh. | 3,601,850.00 |
| Less | | | |
| Electricity | Tsh. | 40,000.00 | |
| Transport | Tsh. | 216,000.00 | |

| | | |
|-------------------|-----------------|--------------------------|
| Loan interest | Tsh. 72,000.00 | |
| Wages | Tsh. 200,000.00 | |
| Administration | Tsh. 100,000.00 | Tsh. 628,000.00 |
| Net profit | | Tsh. 2,973,850.00 |

5.1.16.3. Projected Balance Sheet

The balance sheet shows the financial position of a firm at a given period; it indicates the investment made by the firm in the form of assets and the means by which the assets were financed (borrowing – liabilities and equity). The projected balance sheet of the project indicates that the project will have total assets of the value of sh. 4,080,550.00. The assets will be financed by liability; net income sh. 3,268,850.00 and owner's equity sh. 811,700.00. For more information refer table 17 below.

Table 17: Projected Balance Sheet

Assets

Fixed assets

| | | |
|---------------------------|----------------|-----------------------|
| Poultry shed | sh. 456,700.00 | |
| Feeders and drinkers | sh. 100,000.00 | |
| Total fixed assets | | sh. 556,700.00 |

Current assets

| | | |
|-------|----------------|--|
| Stock | sh. 550,000.00 | |
|-------|----------------|--|

| | | |
|-----------------------------|------------------|--------------------------|
| Cash | sh. 2,973,850.00 | |
| Total current assets | | sh. 3.523,850.00 |
| Total assets | | sh. 4,080,550,.00 |

The total assets have been financed by:

Liabilities

| | | |
|------------------------|------------------|-------------------------|
| Net income | sh. 3,268,850.00 | |
| Owners equity | sh. 811,700.00 | |
| Total liability | | sh. 4,080,550.00 |

5.1.16.4. Projected cash flow.

The statement of cash flow shows the source of income during the period under study and how the income was used.

The projected cash flow of this project that involves cash receipt and payment only shows that at the end of the project life there will be a balance of sh. 3,268,850.00. For more details see table 18 below.

Table 18: Projected cash flow.

| Particulars | Months | | | | | | |
|--------------------|---------|---------|-----------|-----------|-----------|-----------|-----------|
| | 0 | 4-5 | 6-9 | 10-13 | 14-17 | 18-21 | 22-23 |
| Cash inflow | | | | | | | |
| Cash sales | | | | | | | |
| Eggs | - | - | 1,646,400 | 1,843,200 | 1,692,000 | 1,545,600 | 648,000 |
| Culls | -- | - | - | - | - | | 550,000 |
| O. income | 13,000 | - | - | - | - | - | - |
| T. inflow | 13,000 | - | 1,646,400 | 1,843,200 | 1,692,000 | 1,545,600 | 1,198,000 |
| C. outflow | | | | | | | |
| Chicks | 750,000 | - | - | - | - | - | - |
| Feeders | 100,000 | - | - | - | - | - | - |
| Shed | 456,700 | - | - | - | - | - | - |
| Feeds | - | 396,000 | 840,840 | 823,680 | 806,520 | 789,360 | 386,100 |
| Treatment | - | 7,920 | 16,820 | 16,470 | 16,130 | 15,790 | 7,720 |
| Electricity | - | 4,000 | 8,000 | 8,000 | 8,000 | 8,000 | 4,000 |
| Transport | - | - | 48,000 | 48,000 | 48,000 | 48,000 | 24,000 |
| Administr. | - | 26,000 | 16,000 | 16,000 | 16,000 | 16,000 | 10,000 |
| Wages | - | 20,000 | 40,000 | 40,000 | 40,000 | 40,000 | 20,000 |
| Loan | - | - | 180,000 | 180,000 | - | - | - |
| Interest | - | - | 36,000 | 36,000 | - | - | - |

| | | | | | | | |
|--------------------|------------------|----------------|------------------|------------------|------------------|------------------|------------------|
| T. outflow | 1,306,700 | 453,920 | 1,185,660 | 1,168,150 | 934,650 | 917,150 | 451,820 |
| Net cash flow | -1,293,700 | 453,920 | 460,740 | 675,050 | 757,350 | 628,450 | 746,180 |
| Reserves | - | - | 1,080 | 461,820 | 1,136,870 | 1,894,220 | 2,522,670 |
| N. inflows | - | - | - | - | - | - | - |
| | 1,293,700 | 453,920 | 461,820 | 1,136,870 | 1,894,220 | 2,522,670 | 3,248,850 |
| Bank loan | 360,000 | - | - | - | - | - | - |
| Donations | 933,700 | 455,000 | - | - | - | - | - |
| Balance c/f | 0 | 1,080 | 461,820 | 1,136,870 | 1,894,220 | 2,522,670 | 3,268,850 |

Key: O.Income = other income, T. inflow = Total inflow, C. outflow = cash outflow, T. outflow = Total outflow, N. inflow = Net inflow

5.1.17. Financial Analysis

5.1.17.1. Profitability Ratios

The ratios measure the ability of the project to generate profits.

i) Net Profit Ratio

The result of net profit ratio and gross profit ratio as shown below show that for every sh. 100 invested will bring in a profit of sh. 40.99 before taxation and sh. 45.40 as a gross profit. Under normal situation a project that yields a profit of 40 per cent is really very profitable and indeed it encourages some one to invest in

it. Through experience the poultry industry is very profitable if there is no market saturation.

$$= \frac{\text{net income before taxation}}{\text{Total sales revenue}} \times 100\% = \frac{3,248,850}{7,925,200} \times 100\% = 40.99\%$$

ii) Gross profit ratio

$$= \frac{\text{Gross profit}}{\text{Total sales revenue}} \times 100\% = \frac{3,601,650}{7,925,200} \times 100\% = 45.4\%$$

5.1.18. Investment Appraisal

5.1.18.1 Net Present value (NPV)

NPV is the difference between the present value of future cash inflows and the present value of initial outlay, discounted at the firm's cost of capital. Acceptable rule is that NPV should be greater than 0 in order a project to be acceptable.

Net cash flow x discount rate = Present Value – Initial Investment

| | | |
|--------------------------------|---------------------|------------------|
| Year 0 | 1,306,700 x 1.00 = | (1,306,700) |
| Year 1 | 5,181,600 x 0.909 = | 4,710,074 |
| Year 2 | 2,739,700 x 0.826 = | 2,262,909 |
| Net Present Value (NPV) | | 6,972,836 |

NPV is greater than 0; therefore, the project is acceptable. This result tells us that the future income if computed to the present value, the money is still valuable. So invest in the project is not wastage of money, but it worth to be invested.

5.1.18.2. Internal Rate of Return (IRR)

IRR is the discount rate, which equates the present value of the expected initial cash investment, with the present value of the expected cash inflows. In other words the IRR is the discount rate, which is applied to investment's cash flow, gives a net value of 0.

$$IRR = r^1 + \frac{NPV^1}{NPV^1 + NPV^2} (r^2 - r^1)$$

Assume r^2 is 15%

Therefore NPV² is.

| | | | |
|------------------------|-------------------|-----------|------------------|
| Year 0 | 1,306,700 x 1.00 | | (1,303,700) |
| Year 1 | 5,181,600 x 0.870 | 4,507,992 | |
| Year 2 | 2,739,600 x 0.756 | 2,071,137 | 6,579,129 |
| NPV² | | | 5,272,429 |

Therefore IRR is.

$$10 + \frac{5,666,136}{5,666,136 + 5,272,429} (15 - 10)$$

$$10 + \frac{5,666,136}{10,938,565} \times 5\%$$

$$10,938,565$$

$$10 + (0.517) \times 5\%$$

$$10 + 2.585$$

$$12.58\%$$

IRR is less than the cost of capital of 20%. The cost of borrowing the loan of sh. 360,000 is greater than IRR; therefore, according to this criterion the project is not acceptable.

From the above financial analysis and investment appraisal the project is profitable and therefore is worth to be invested, though IRR is lower than the cost of borrowing.

5.2. Fund Raising.

As it was mentioned above under chapter 1 section 1.5 that a project proposal will be written so as to enable the group solicit funds from different sources. The project proposal was used during the fund raising event that took place on 2nd October 2004. Copies of the project proposal were distributed to all potential donors. At that event the group managed to get sh. 350,000.00 as cash and sh. 450,000.00 as pledges. Also the project proposal was sent to outside the country where they helped the group with sh. 800,000.00

Members of Rungwe Group after getting funds from the fund raising event started the work of constructing a poultry shed. The shed is constructed with a capacity of holding 400 chickens at a time.

Members of the group did construction works. Construction materials were locally available. They used trees for poles, tree barks, bamboo trees and grasses for roofing shed instead of iron sheets. Total actual construction costs stands at sh. 254,090.00

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