

ACTIVITY REPORT

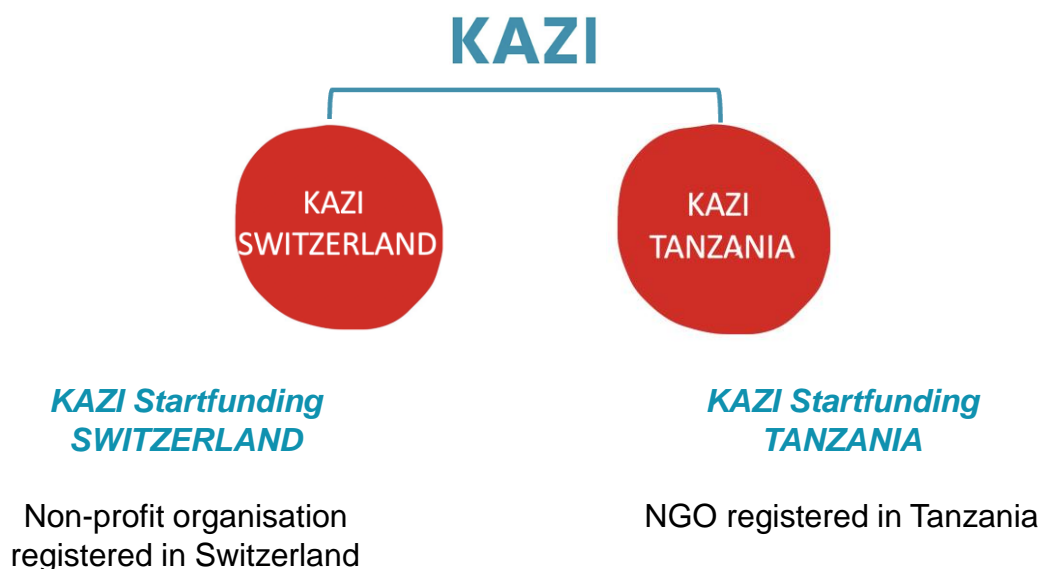
2022



Kazi Startfunding
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hi@kazi-funding.org

I. SUMMARY

KAZI Startfunding is a non-profit organisation, consisting of two legally separate entities that have worked closely together since 2019, based in Switzerland and Tanzania respectively.



MISSION

Our mission is to support local entrepreneurs in order to promote the development of projects that respect the Sustainable Development Goals in low- and middle-income countries.

HOW?

Access to starting capital is a major barrier to launching projects in low- and middle-income countries. KAZI Startfunding offers **interest-free loans** to provide the initial capital needed by entrepreneurs to launch their project or business. The loans are **indexed in Tanzanian currency** (the shilling, abbreviated TSH), so that exchange rate fluctuations are covered by the organisation.

With a view to sustainable development, the **entrepreneurs are autonomous** in the creation and execution of their projects. KAZI Startfunding does, however, offer consulting to accompany and support the development of their business if the beneficiaries so wish. This support is provided by members of the organisation, wherever possible from the country where the project is located, allowing for a sharing of experience and knowledge, in particular on administrative and financial questions.

II. OUR GOALS, VALUES, AND METHODS

Inspired by the Swahili word for "job," "work," or "opportunity," KAZI Startfunding's mission is to create financially self-sufficient employment opportunities with a focus on local empowerment. We seek to **reduce the economic disparity** between low- and high-income countries by **creating concrete, sustainable and transparent opportunities** for economic and social development that are environmentally friendly.

FINANCING

We want to maintain a **vision of emancipation**, where projects are developed and implemented by local people. We believe **interest-free loans indexed in local currency** are a good alternative to conventional credit institutions or donations. The costs of currency devaluation fall thus on the organisation and not the local entrepreneurs.

Our reasons for choosing this method of financing are:

- To **avoid the need for large amounts of equity or collateral**, the initial capital of which is often required by conventional lending institutions and remains a major barrier to local entrepreneurship;
- To **avoid requiring very high profits** from the businesses for them to be able to repay the interest, which is often offered at high rates even by micro-credit institutions;
- To avoid an increase in the real value of the repayment due to exchange rate fluctuations (by indexing the loan in local currency);
- To **implement true community empowerment perspectives** by involving and enabling local entrepreneurs through the attribution of loans rather than donations, which imply a one-sided dichotomy of power between the parties;
- To allow for loan repayments to be allocated for investing in new projects and thus, in the long term, build up working capital for future projects, with multiple uses of the organisation's funds.

We seek to enable the launch of projects and businesses that otherwise might not have been considered by conventional financing institutions (banks, micro-credit institutions, etc.) for the aforementioned reasons.

CONSULTING

We want to allow the projects to be **accompanied by experienced individuals**, ideally **from the country where KAZI Startfunding is active**. This is especially important in rural areas where the level of education and entrepreneurial knowledge tends to be more limited, or for recent graduates who have less professional experience.

For the time being, the KAZI team in Tanzania has reviewed several projects in financial matters (especially profitability) before their launch. In the short term, we would like to intensify this financial and administrative support by engaging with local mentors and coaches and through the implementation of business workshops.

III. OUR TEAM

KAZI STARTFUNDING TANZANIA BOARD MEMBERS

The current board of KAZI Startfunding TANZANIA consists of three **volunteers** from Tanzania. They work at the Ifakara Health Institute research centre and the adjoining hospital. The board is responsible for the overall decision making of the NGO, the selection of projects and the monitoring of the work on site. They have been assisted on an ad hoc basis by other members of KAZI Startfunding TANZANIA.

Since January 2022, the steering committee has been supported in its activities by a **paid employee** (Everester Kessy). The statutes of the two structures forming KAZI Startfunding are available on request.



Felician Meza
Treasurer



Michael Kasmiri
President



Everester Kessy
Project Coordinator



Goefrey I. Ashery
Secretary

KAZI STARTFUNDING SWITZERLAND BOARD MEMBERS

In 2022, KAZI Startfunding SWITZERLAND was composed of a team of eight **volunteers** with different backgrounds. The Swiss team is in charge of fundraising, establishing communication tools to increase the association's visibility and providing support in the evaluation of projects. It also provides support in the development and monitoring of the administrative (registration, accounting and reports) and legal structure of KAZI in Switzerland and Tanzania.



Paul-Camille Genton
President



Lucas Giannini
Vice President



Maël Correia-Mula
Secretary



Kélan McDonell
Communication



Adrien Pernet
Project Evaluation Manager



Lionel Cachin
Fundraising & communication



Nathan Vibert
Treasurer



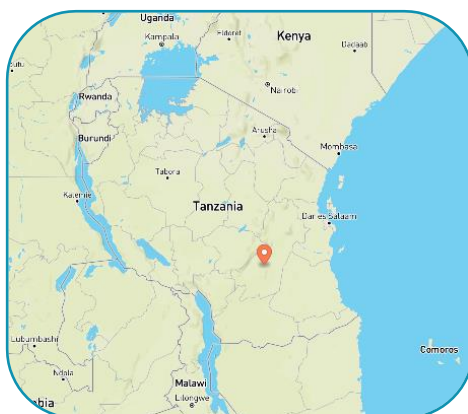
Mariia Bardina
Head of IT



IV. DEVELOPMENT AND RETROSPECTION OF KAZI

In 2019, KAZI Startfunding was [founded in Switzerland](#) to promote local empowerment to develop income-generating activities (project and business) in resource limited-countries. At the end of 2019, Paul-Camille Genton, then president of KAZI Startfunding, which later became the Swiss branch of the organisation, worked at the [Ifakara Health Institute in Tanzania](#) as part of a collaboration with the Swiss Tropical Institute. During his stay, he came into contact with many people at the hospital and the adjacent research centre (Ifakara Health Institute). Some expressed their desire and interest in developing and sustaining this project in Tanzania, and so the steering committee of the Tanzanian branch of KAZI was formed.

The [pilot phase started at the beginning of 2020](#), when interest-free loans were granted to five projects proposed by the Tanzanian KAZI team (*concerning the supported projects descriptions, please read next section of this report*). These initial projects were financially supported by KAZI Startfunding SWITZERLAND through the committee members' own private donations. At the same time, a ["Memorandum of Understanding"](#) was signed with KV-HELP (Kilombero Valley Health and Livelihood Promotion), a Tanzanian NGO that has been working for several years in the economic development of the rural regions of the Kilombero Valley. This partnership allowed for the support of five additional projects with KV-HELP taking charge of monitoring the projects on site.



At the end of 2020, [the first projects started their repayment phase](#): three funded projects were fully repaid on time, allowing the entrepreneurs to launch their businesses as planned; one further project needed a prolonged repayment plan but maintained consistent refunding, the last failed (failure of rentability of the project). One project leader obtained a second loan to extend her business after refunding her first loan. Regarding the projects monitored by our colleagues at **KV-HELP**, four of the five projects were completed as planned, while the final one failed (due to the project leader's major health problems).

In interviews with the entrepreneurs, they indicated that the [initial funding helped them immensely and allowed them to become self-sufficient](#), which they remain to date. The objectives of contributing to economic, social and sustainable development, which are at the core of KAZI, appear to have been met. At the same time, steps were taken to register the Tanzanian branch of the organisation as an NGO in Tanzania. The association was officially recognised as an NGO at the start of 2021.

In 2021, the [position of the first paid employee in Tanzania was created](#). This position allows for the regular monitoring of ongoing projects, the active search for partners and new projects, and lastly, the administrative tracking of the projects. In addition, a paid employee enabled us to start developing the "consulting" activities in Tanzania and to carry out some of the administrative tasks of the Tanzanian branch of KAZI.

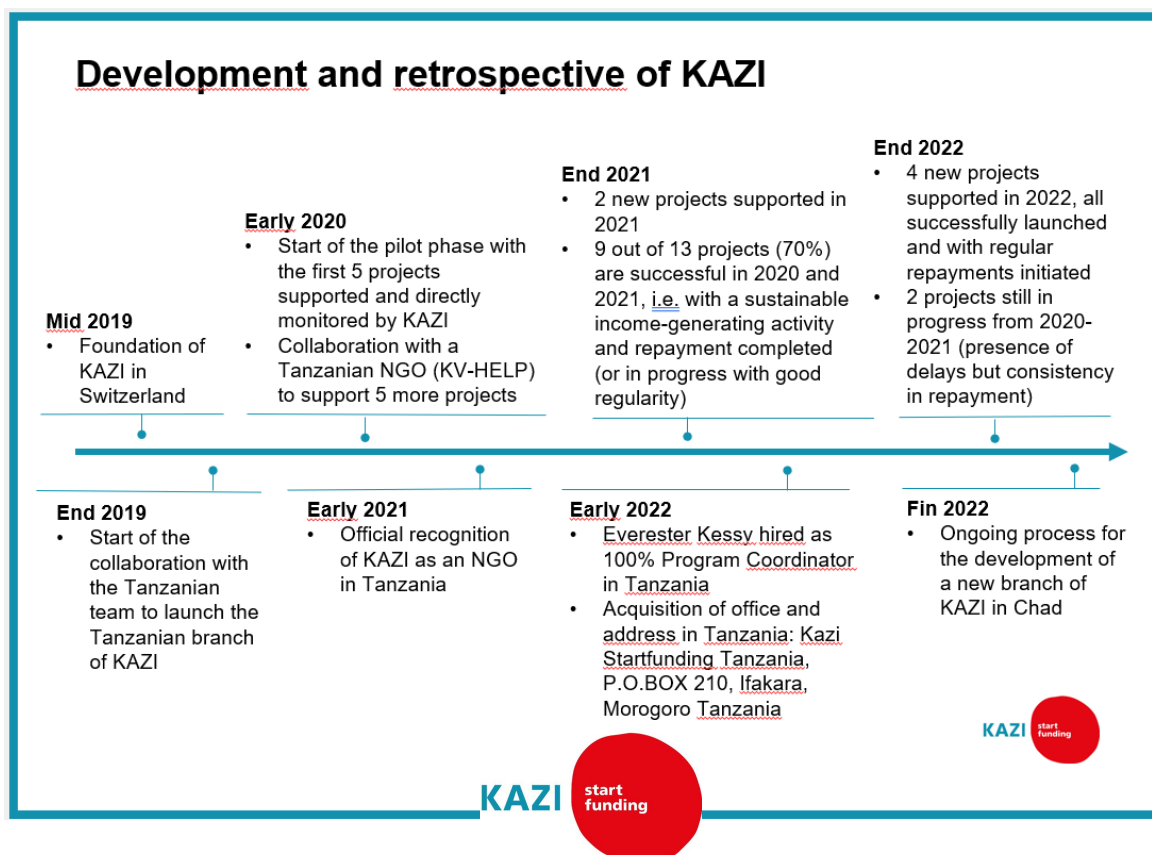
After several interviews conducted by the Tanzanian team, [Everester Kessy](#), a 23-year-old woman from Marangu (Tanzania) who studied social work at the University of Dar-Es-Salaam (graduating in 2020), was selected. She officially started in January 2022. In addition, an [office](#) was opened in Ifakara in December 2021, giving the NGO a fixed point in Tanzania to develop its activities.

In the same year, two new projects were supported. The first successfully launched its activities and progressively repaid the granted loan. Conversely, the second project was initially successful, enabling the repayment of half of its loan, before losing its financial profitability and unfortunately having to request a repayment extension, which is still ongoing. In addition, one project from the previous year was ultimately unsuccessful, after only partial repayment despite multiple delays (second loan for business extension), mainly due to the insufficient commitment of the entrepreneur to her project.

On the Swiss side, since the first projects had been mainly financed through private funds of the members of the Swiss branch of KAZI and their relatives, the [first active fundraising campaign](#) was launched at the end of 2021.

In 2022, KAZI had already experienced a first year in which the vast majority of its projects were successful, but a second year that was much more difficult with several failures for various reasons. With this in mind, intensive discussions took place between the team in Tanzania, the new employee, and the team in Switzerland. [New procedures](#) were developed to ensure greater robustness. Having a paid person on the field allows more time to be spent on researching the projects, but also [accompanying](#) them both in the development phase and in their progressive evolution and ensuring regular monitoring. In this way, 4 new projects were supported, all of which have now successfully started their activities, and secured their first instalments of repayment on time with good profitability.

In parallel, in 2022 the Swiss branch of KAZI has initiated the steps to [register](#) KAZI Startfunding SWITZERLAND with the commercial register in order to improve its legal basis and to anticipate a change in the Swiss legislative framework concerning the requirements for associations transferring money abroad. A final registration is planned and expected for spring 2023. Through work of Paul-Camille Genton's with "Médecins Sans Frontières (MSF)", contacts were developed to launch a [third KAZI network branch in Chad](#) on a similar model. Registration of the Chadian partner NGO is planned for early 2023, with the first supported projects to follow rapidly.



V. SUMMARY AND OUTCOMES OF PAST PROJECTS

For each project, you can find more detailed information and documentation, including loan applications, amounts and receipts, as well as the business plan, on [our website](#). Furthermore, for the description of the projects initiated in 2021 and 2022, please refer to the “Activity report 2019 to 2021” also available on our website. This report presents in detail only the projects newly supported in 2022.

SUMMARY AND OUTCOMES OF THE PROJECTS SUPPORTED IN 2020 – 2021

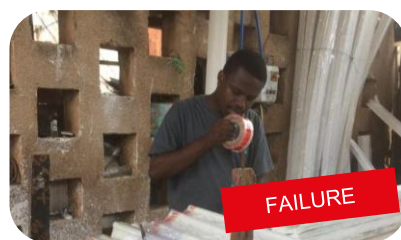
- 9 out of 13 projects (70%) supported in 2020 and 2021 were successful, with a sustainable income-generating activity and an active business with repayment completed or still ongoing with consistency in repayment.
- This means that 9 new small businesses and projects have been created and are sustainable in this rural area of Tanzania. This provides employment opportunities and strengthens local economic activity, while offering environmentally friendly products. In addition, these businesses can often replace products that are usually imported, and thus modestly but sustainably reduce the importation-deficit by favouring local products.



Fully successful and refunded projects with active businesses: IT Services, Independent Seamstress, first loan for Local Palm Oil production , 4/5 in collaboration with KV-HELP which are Bike Rental, one Local Restaurant, Local Shop, Agricultural production (seeds purchase).



Sustainable income-generating activities with actives businesses and consistency in repayment (but delays): Mushroom Cooperative and Soap Cooperative.



Failure: Gypsum Production, local Stoves Production, Second loan for extension of Local Palm Oil Production, and 1/5 with KV-HELP which was a Local Restaurant.

VI. NEW PROJECTS INITIATED IN 2022

- For each project, you can find more detailed information and documentation, including loan applications, amounts and receipts, as well as the business plan, on [our website](#).
- In this section you will find a [description of the new projects initiated and supported in 2022](#).
- Currently, [all of them have successfully](#) started their income-generating activities and are repaying their loans within the planned timeframe. In other words, we currently have a [100% mid-term success rate for projects initiated in 2022](#).
- Finally, it should be noted that in addition to these, we still have 2 ongoing projects from 2020 and 2021 with regular repayments despite remarkable delays, namely the mushroom and soap production cooperatives, which you can find the description of in the activity report 2019 to 2021 and/or on our website.

2022-2024 : INDEPENDENT SEAMSTRESS - SALMA MSOMI (SECOND LOAN)



[Salma Msomi](#) is a Tanzanian seamstress from the Ifakara region who repaid her first loan on time (first loan to finance the purchase of two sewing machines) and secured a second loan from KAZI. With a full order book, this second loan will enable her to [move](#) from a remote area to [downtown Ifakara](#) and thus [increase her local production of garments](#) and expand her customer base.

IN NUMBERS:

- Loan of [Tsh 3,000,000](#) (approx. CHF 1'300) with repayment scheduled over 24 months.
 - ✓ Reduction of clothing imports and support of [local production](#) of regional and/or traditional clothing.
 - ✓ Preservation of [regional handcraft](#).
 - ✓ Increase of [available jobs in Ifakara](#) (new jobs opened with the expansion of the business) and transfer of knowledge locally to new employees.
 - ✓ [Successful expansion](#) of the business and regular repayments since mid-2022.

2022-2023 : SHOE MAKING PROJECT – JOHN MBWAMBO MTAE



[John Mbwambo Mtae](#) has been working as a self-employed [shoemaker](#) for several years after training at Tannerier College at Kilimanjaro region. The loan from KAZI will enable him to purchase all the necessary [equipment](#) and raw [materials](#) to secure a stock to respond quickly and efficiently to customer demand, as well as to partially [renovate](#) his shop and production site.

IN NUMBERS:

- Loan of [Tshs 2,000,000](#) (about CHF 850) with repayment scheduled over 24 months.
 - ✓ Transformation and [creation of added value](#) on leather produced in Tanzania.
 - ✓ Direct (its shop and production site) and indirect (purchase of regional leather production) creation of [economic activity and employment in Tanzania](#).
 - ✓ [Local production of shoes](#), accessories and clothing thus reducing imports of these products while maintaining of [local handcraft](#) expertise.
 - ✓ [Successful launch of the project](#) and regular repayments since the end of 2022.

2022-2023 : YOGHURT PRODUCTION PROJECT - VIJANA KAZI FROM MBASA



Vijana Kazi is a group of 15 young people between 20 and 30 years old, created in 2019 with the aim of helping each other in daily life. One of their goals is to develop **agricultural and food processing activities together**. In 2021, they successfully registered their group and started to produce yoghurt and wine locally on a small scale. The loan from KAZI will enable them to purchase the necessary equipment and products to increase their yoghurt production, using milk produced in the Ifakara region. The local development of **food preservation methods** (such as yoghurt) is of major importance in a context of limited resources in order to combat food insecurity.

IN NUMBERS

- Loan of Tsh 1,255,000 (approx. CHF 600) with repayment scheduled over 15 months.
 - ✓ Development of **local yoghurt production**, and thus of a food preservation method for milk.
 - ✓ Creation of **added value** on local agricultural products and reduction of imports of processed dairy products.
 - ✓ Increased income for local farmers.
 - ✓ Increased employment and **economic activity** in the region.
 - ✓ **Successful launch** and **regular** repayments since the end of 2022.

2022-2023 : LOCAL BAKERY PROJECT – REHEMA MAGOKO



Rehema Magoko is a 45 year old woman from Maendeleo in the region of Ifakara in Tanzania who has been making cakes and bread for five years.

The KAZI loan enabled her to **acquire a dough kneading machine** necessary for her bakery business. In other words, she now owns **her means of production** and can carry out her economic activity independently.

IN NUMBERS:

- Loan of 2,000,000 TSH (ca. CHF 850) over a 15-month period.
 - ✓ **Ownership of the means of production.**
 - ✓ **Independence** in her economical activities.
 - ✓ Increased employment.
 - ✓ **Successful** launch and **regular** repayments since the end of 2022.

2023 – 2024 : NEW PROJECTS UNDER DEVELOPMENT

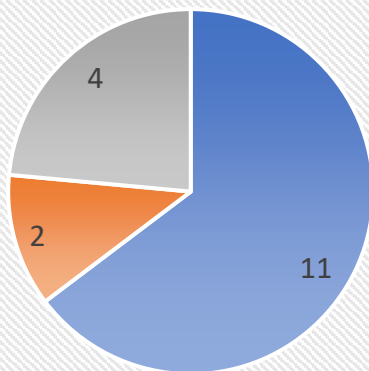
- Finally, it should be noted that **two projects** were developed in 2022, but the granting of the loan itself did not take place until **the very beginning of 2023**. They will therefore appear in the **2023 activity report**, despite the fact that the research and development work of the projects took place this year. These are **a cooperative of production of bags from local raw materials**, and an **agricultural project for the production of chillies**.

VII. KEY NUMBERS AND FINANCES

The impact of the association is assessed as follows 3 years of activity:

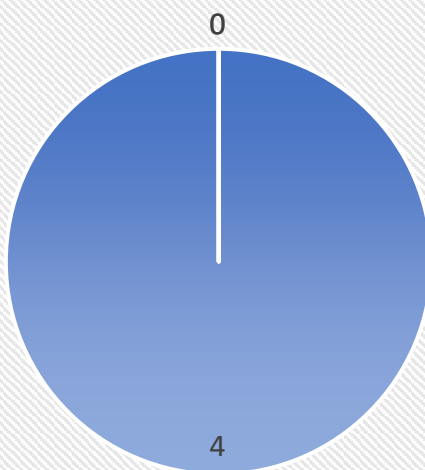
- Approximately **40 jobs created**.
- More than **17 sustainable projects** with high social and environmental impact funded directly or through our partner KV-HELP.
- More than **30 projects received and reviewed**.
- **11 volunteer members** and **1 full time employee**.
- **About 76% creditworthiness** with ongoing or completed project repayments.
- More than **CHF 8'000 of projects financed** during these first years of activity.
- Currently at the halfway mark of the planned repayments, a **100% success** rate for projects **launched in 2022** after reinforcement of the loan granting process and having a paid employee in Tanzania for project development, consulting and monitoring.

Results of KAZI supported projects since creation



- Successful projects (repayments completed or repayments in progress but on time), 65%
- Active projects and businesses with regular repayments but with delays, 11.7%
- Project failures, 23,5%

Results of projects launched in 2022



- Successfully launched projects with already initiated regular repayments (on time), 100%
- Active projects and businesses with regular repayments but with delays, 0%
- Project failures, 0%

Below is the summary of the [financial status of the ongoing projects during 2022](#) (new projects supported in 2022 and ongoing projects from previous years), and the [accounts](#) of the association in Switzerland (KAZI CH) as well as the Tanzanian NGO (KAZI TZ). We have detailed accounts with the related receipts for each of the two branches of KAZI, which can be provided on request.

To date, the accounting period in Switzerland closed mid-year, due to the association being founded in April 2019. This year we have decided to close it on 31.12.2022, in order to easily compare accounts between Tanzania and Switzerland (and soon Chad) for better follow-up. Therefore, this year the Swiss accounts are being presented in two different ways:

1. Presentation of the entire year 2022 in order to draw the parallel with the Tanzanian 2022 accounts presented here,
2. Presentation of KAZI CH accounts since its creation, with, as the only new element compared to the 2019 to 2021 activity report, the period from 01 May 2022 to 31 December 2022, in order to have a follow-up and a complete readability of our accounts since our creation.

Concerning the Tanzanian accounts, we only present 2022 in this activity report. Indeed, consulting 2019 to 2021's activity report (available on our website), will give continuity of our accounts in Tanzania (due to closure already on 31 December). It should be noted that from the 2023 activity report onwards, only the accounting of the various KAZI branches for the year in question will be presented in the annual activity reports.

Finally, a few remarks for easier reading:

- In Tanzania, once the money has been repaid by the projects, it is [reused to finance new projects](#) or to cover the running costs of the NGO.
- "New founders equity" is money directly invested in KAZI CH by committee members.
- The "Fundraising event fees" correspond to the costs incurred for the "KAZI support evening", which were fully covered by the incomes of the event itself (included in "Other Profits") with a net profit of almost CHF 4,000 for the event.
- The Tanzanian accounting is done in Shillings (TSH), and the Swiss accounting in Swiss Francs (CHF). It should be noted that the exchange rate has varied during the year 2022 between 1 CHF = 2'300,48 TSH (min rate) to 1 CHF = 2'567,53 (max rate).

Financial status of the ongoing projects during 2022

INTEREST-FREE LOANS TO PROJECT LEADERS' ACCOUNTS FROM 01.01.2022 TO 31.12.2022 in TSH			
Project Leader Repayments Outstanding on 01.01.22		Repayments received from Project Leaders	
Outstanding amount Mushroom Project	750 000,00	First Period from Jan 2022 to 30.06.22	
Outstanding amount KV-HELP partnership	900 000,00	Repayment from SOAP 26.01.2022	130 000,00
Outstanding amount Stove project	1 000 000,00	Repayment from KV-HELP 10.02.2022	700 000,00
Outstanding amount SOAP project	1 370 000,00	Repayment from SOAP 04.03.2022	140 000,00
		Repayment from SOAP 31.03.2022	125 000,00
Total amount outstanding on 01.01.22	4 020 000,00	Repayment from SOAP 02.06.2022	70 000,00
Money granted to NEW Project Leaders in 2022		Second Period from 01.07.2022 to 31.12.2022	
First Period from Jan 2022 to 30.06.22		Repayment from SOAP 06.09.2020	
<i>no new projects supported</i>		Repayment from Jacline Mushi (Stove project) 13.10.2022	500 000,00
		Repayment from Salma (Tailor Project) 1st installment 05.11.2022	125 000,00
Second Period from 01.07.2022 to 31.12.2022		Repayment from Footwear project 1st installment 15.11.2022	200 000,00
Salma Msomi (Tailor project) Second loan 21.07.2022	1 000 000,00	Repayment from Bakery project 1st installment 31.12.2022	200 000,00
Salma Msomi (Tailor project) Second loan 25.08.2022	2 000 000,00		
John Mbwambo (Footwear project) 30.08.2022	2 000 000,00	Total amount repaid by Project Leaders on 31.12.2022	2 290 000,00
Rehema John Magoko (Bakery Project) 15.09.2022	2 000 000,00		
Vijana Kazi (Yoghurt project) 17.09.2022	1 255 000,00	Project failures	
		KV-HELP: one of the 5 projects supported failed	200 000,00
<i>Note: in the project description, Stove project is already considered a failure, in the accounts it is kept open for one year without repayment before being counted a failure</i>			
Total amount provided in 2022 for new projects	8 255 000,00	Total project failure loss	200 000,00
		Total amount outstanding (with Project Leaders) on 31.12.2021	9 785 000,00
Total	12 275 000,00	Total	12 275 000,00

Swiss accounts from the beginning of KAZI

KAZI Switzerland - Summary of accounts 01.04.2019 to 31.12.2022 in CHF (since creation to end 2022)				
	01.04.19-31.03.20	01.04.20-30.04.21	01.05.21-30.04.22	01.05.22-31.12.22
Total External Donations	688,00	3 093,00	4 210,00	4 887,50
Other profits	0,00	0,00	0,00	5 816,92
Total Profits	688,00	3 093,00	4 210,00	10 704,42
Initial Equity (end Balance n-1)	0,00	98,30	3 139,80	4 210,44
New founders (KAZI CH) Equity over period	4 035,82	218,85	2 206,54	6 839,98
Total Liabilities	4 035,82	317,15	5 346,34	11 050,42
Bank account KAZI CH	98,30	3 139,80	4 210,44	6 967,82
Total assets	98,30	3 139,80	4 210,44	6 967,82
Money provided to KAZI TZ	3 794,90	0,00	5 084,00	12 278,00
Costs of activities of KAZI CH in Switzerland	830,62	270,35	261,90	2 509,02
Travel to TZ for project follow-up				750,00
Fundraising event fees				1 731,02
Bank fees				28,00
Total costs	4 625,52	270,35	5 345,90	14 787,02
Closing Balance	98,30	3 139,80	4 210,44	6 967,82

Summaries of Swiss and Tanzanian accounts 2022

KAZI CH - Summary of accounts (in CHF)	Year 2022
Total External Donations	6 267,50
Other profits	5 816,92
Total Profits	12 084,42
Initial Equity (end Balance n-1)	2 753,80
New founders (KAZI CH) Equity over period	8 186,62
Total Liabilities	10 940,42
Bank account KAZI CH	6 967,82
Total assets	6 967,82
Money provided to KAZI TZ	13 534,00
Costs of activities of KAZI CH in Switzerland	2 523,02
Travel to TZ for project follow-up	750,00
Fundraising event fees	1 731,02
Bank fees	42,00
Total costs	16 057,02
Closing Balance	6 967,82

KAZI TANZANIA (TZ) - Summary of accounts 2022 (in TSH)	01.01.22 to 31.12.22
Money provided by KAZI CH	31 461 382,84
Other profits	10 000,00
Total Profits	31 471 382,84
Initial Equity (end Balance n-1)	7 753 041,46
New founders (KAZI TZ) Equity over period	0,00
Total Liabilities	7 753 041,46
Cash box (TZ)	0,00
Bank account (TZ)	13 742 184,32
Amount outstanding (with Project Leaders) (TZ)	9 785 000,00
Total assets	23 527 184,32
KAZI TZ activities costs	15 497 239,98
Material and office costs	845 200,00
Office rent	600 000,00
Transport costs	661 000,00
Bank costs	434 876,22
VAT costs	77 863,76
Salary	9 282 000,00
WCF (Worker Compensation Fund)	48 000,00
Pay As You Earn costs (Government tax for salaries)	1 137 500,00
National Social Security fund costs	2 400 000,00
Various costs	10 800,00
Total project failure losses	200 000,00
Total Costs and Losses	15 697 239,98
Closing Balance	23 527 184,32

VIII. 2023 BUDGET

Our cost structure is divided into **three parts**, namely the costs of the activities of the different branches of *KAZI* in Tanzania, Switzerland, and for 2023 in Chad. The budget is in CHF.

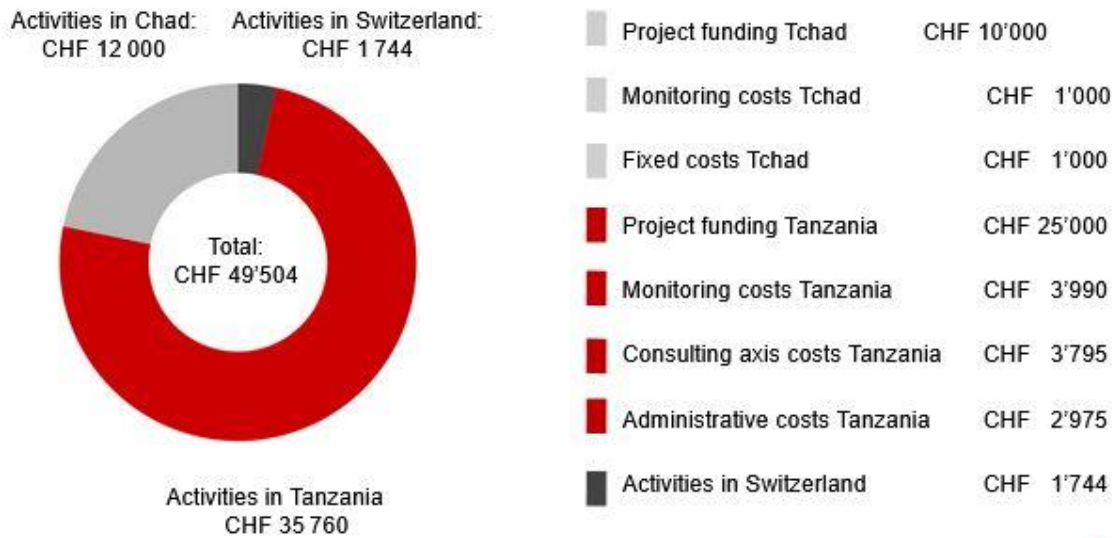
Under the title "project funding" we present the **additional amounts we hope to allocate** for interest-free loans to local entrepreneurs. In other words, this corresponds to the **amount we want to add in 2023** to the already existing project funding envelope (in case of successful repayment of the ongoing projects, this money is re-used for the activities of the *KAZI* branch in question). In other words, "project funding" does not include any operational costs. These are divided respectively into monitoring costs (project follow-up), consulting (guidance, advice and project development), administrative costs (other operational costs of the *KAZI* branch in question), and fixed costs (these are one-off costs, e.g. the acquisition of equipment or the NGO's registration fees). It should be noted that many NGOs include operational costs of projects in the "project funding" section, rather than differentiating them as shown below.

As presented in the table above, **in Tanzania, CHF 25,000 are budgeted for the new 2023 projects**. The aim is to gradually reduce the additional amount to project budget over 3 years to CHF 10,000, and thus reach a **stable total project budget of about CHF 50,000** (in case of a hoped-for and budgeted project success rate of 80%). The first **project budget of *KAZI* Chad for 2023 is set at CHF 10,000**.

Project funding budget Tanzania						
Year	2023	2024	2025	2026	2027	2028
Existing projects budget (n-1)	4 000,00	28 200,00	42 560,00	54 048,00	53 238,40	52 590,72
Project failures 20%	-800,00	-5 640,00	-8 512,00	-10 809,60	-10 647,68	-10 518,14
Additional amount to project budget	25 000,00	20 000,00	20 000,00	10 000,00	10 000,00	10 000,00
Year-end available project budget	28 200,00	42 560,00	54 048,00	53 238,40	52 590,72	52 072,58

We would like to point out that almost all of the association's money is used in the field (in Tanzania and from 2023 also in Chad) to finance the projects and operational activities of the local *KAZI* branches. The operating costs of the **Swiss branch of *KAZI* are only between 3 and 5%** of the total budget, *KAZI* CH being based entirely on voluntary work.

Budget 2023 - cost structure - overview



Budget 2023 - cost structure - details

Activities in Chad: CHF 12'000	Activities in Tanzania: CHF 35'760	Activities in Switzerland CHF 1'744
Project funding: 10'000	Project Funding 25'000	Administrative support KAZI 1'744
Monitoring costs: 1'000	Monitoring costs 3'990	IT internet server 238
10% of project funding 1'000	½ of the salary 3'800	Zoom pro 154
Fixed costs: 1'000	½ of phone costs 90	Bank costs 52
Computer 650	½ of transport costs 300	Publicity & fundraising costs 500
Chair/table/desk 100	Consulting axis costs 3'795	Other admin. costs 300
Printers 200	Dev. consulting axis 1'800	Events 500
Others 50	¼ of the salary 1'800	
	¼ of phone costs 45	
	¼ of transport costs 150	
	Administrative costs 2'975	
	¼ of the salary 1'800	
	¼ of phone costs 45	
	¼ of transport costs 150	
	Office rent & electricity 540	
	Others admin. costs 440	



IX. PROJECTS AND FUTURE GOALS

Our organisation is currently **looking for funds** in either of the following two forms :

- **Donations.** Donations (especially regular ones) remain the basis for the **funding needed to continue KAZI's activities**. They allow **direct financing** of new projects (via an increase in the project funding budget), cover the **operational costs** of the different branches of *KAZI*, cover exchange rate fluctuations and cover losses in case of project failure. They are also easier to manage administratively than loans.
- **Loans.** KAZI offers the possibility to "invest" directly in a **particular project**, although no profitability is expected for the "investors" (at least for the moment). The idea of this "investment" is simply to make available the funds needed to develop a specific project. If the project is successful and the repayment is made within the agreed timeframe, the "investor" will have the choice to **reinvest the final amount in a new KAZI project**, or recover the amount lent after subtracting bank charges and possible exchange rate variations.

In the future, we would like to support (if our finances allow and such projects emerge) larger projects and give particular attention and support to projects working in the following areas.

- Development of **food preserves**:
 - Preserving fruits and vegetables (sauces, drying, oil, salt, and sugar preserves).
 - Preserving and processing cereals.
- Development of **renewable energy and electricity** sources and deforestation-limiting heating systems (solar panels, providing electricity to villages, alternatives to wood-burning stoves).
- **Access to clean drinking water** (building community wells, local filtering and purification projects (ceramic, mineral and biological filters)).
- **Local production** of necessary consumer goods and **creation of added value** through the processing of regionally available raw materials, while **reducing imports**.
- Sewage disposal (toilets, sanitary facilities, plumbing).
- **Health promotion** (improving sanitary conditions, access to medical care and preventive health care infrastructure).
- Solid construction and **sustainable and health-adequate housing**.
- **Access to and promotion of education** (infrastructure, supplies, training of adults and children).

These areas would be prioritised and funded first, without withholding support for other projects that also meet KAZI's values.