



ZAMBIAN DEVELOPMENT SUPPORT FOUNDATION

REPORT UPDATE FOR ZAMBIAN DEVELOPMENT SUPPORT FOUNDATION 2021 ACTIVITIES

Zambian Development Support Foundation is a non-profit making organization whose objective is to help the vulnerable groups of Zambia to change from the vulnerable status to a viable status. Its source of income is dependent on donors and other well-wishers. In order to reach out the vulnerable groups, ZDSF has been implementing some programmes that enable the community members to access support ranging from financial literacy, teachers literacy training, skills literacy, computer skills and practical trainings, as well as financial support to local businesses and projects. ZDSF started implementing its first project in Chipulukusu of Ndola Zambia as a pilot project. Chipulukusu is a place in Zambia where one can find the most vulnerable people. Then later ZDSF extended its support to Pamodzi and George community and now the support is open to anyone living in Zambia.

The first pilot project was a micro finance project targeting vulnerable women of Chipulukusu community. The project yield about 80% success results. 10 women were given financial loans of ZMW 2500 in 2016 to pay back at 10 percent interest. Physically all women were doing different business models but the challenges came after the outbreak of cholera diseases which led to most of the public business places closed. This affected most of their business and contributed to the delayed loan repayment though about two people failed to finish paying their loans. Despite having this negative challenge, there was also a positive challenge about the funding of which most of women had an opportunity of starting their own business but because of the nature of the society they are living in; their business became the main income to cater for their household needs as well. This made it difficult for them to save and expand their business. According to the few people who were interviewed on how the loans assisted them, it was discovered that some women used the same profits from their business to support their children school fees because most of them were widows and single parents. Upon interviewing them further on the other benefits they acquired from the funding, business experience was not left out. The funding enabled them to acquire some business experience because for some women, that was the only opportunity they had come across with such empowerment fund and it was their first business experience. The women further wished that the program could continue but it bared a great risk and needed more time and commitment to the organization.

The second phase of the funding was a group fund. ZDSF decided to fund the already existing groups who can work together and manage the funds. The groups funded were Rolay Business Centre, Twikatane George Habitat group, CARYM group of Pamodzi. Among the three groups funded two groups managed to pay back their loans. Rolay Business Centre was funded with ZMW 25000 for 10 members and had its group split in to two groups of which five where doing poultry business and the other five tailoring. Rolay finished paying off the loans and continued to do the poultry business. The tailors also finished paying off the loans and returned back the tailoring machine which ZDSF had lend them for their start up. Despite

the group reporting some few challenges during the process of paying back their loan the other most important success factor which they said they benefited from the fund was business experience.

Twikatane George was one of the most innovative groups and it's the group that followed guidance and advice very seriously. The group was funded with ZMW25, 000 and it had split the fund in to two separate investments. One of them was poultry and the other one was village banking. The group was faced with some challenges of mortality in poultry but they were still able to reinvest with the money they were banking in the village banking scheme. After the group paid off their loan, they disband the group upon achieving their objective. Currently each former individual member of the group is running his/her own business. ZDSF took a random visit recently and met with the former group member and it could show how happy and grateful they are for the fund. Among the group members Mr. Cimfwembe built a very big house which is on window level, the other one Veronica opened a grocery shop and is taking her child at Northrise University, then others are also running different business. They call the project a success story.

CARYM group was funded with a ZMW38500. This group is running a skills development school and it brought forward a proposal of buying a spindle machine which will enhance the production of the carpentry work. With this group the motive was good because they also wanted to equip their students with machine knowledge. Despite their proposal being outstanding, they are still limping in paying back the loan. Upon analysing their challenge, it was noted that they bought second hand equipment which has already depreciated in value and needs high maintenance costs. The machine gave them a big challenge to be connected to electricity and after being connected it has full of break downs which require a lot of money to maintain. According to the nature of their operations, a grant was suitable for the nature of their business as compared to a loan. Despite them recording success in their skills development the loan has become a burden to their project as they are repaying it from the money they are collecting from other well-wishers. Fortunately enough they still go round to ask for support from other institution and last time ZDSF paid them a visit, it was noted that the school is growing despite having the mentioned challenges. They have enrolled a lot more students in catering.

The other set of groups whose projects were funded are Craftsmen Support Centre, and Tubombele Pamo. Craftsmen Support Centre had put up a proposal to buy some electrical tools to help equip some people with different trades with electrical tools in order to improve the quality of their work. They managed to procure an interlocking brick machine, a welding machine, drilling machines and other little electrical equipment. The concept was to reduce the hard work from manual tools by hiring out these same electrical tools to the tradesmen. The business concept sounded good but what the group overlooked was to identify on how best they can change the mindset of the tradesmen. One of the challenges reported by the group was that some tradesmen want to use the equipment for free. The times some equipment were bought it's the time when the whole entire country was faced with the electricity challenge (Load shedding). This also contributed to their business performance. Despite having these challenges, they are still determined to clear the balance even when they have breached the loan repayment period. Craftsmen were given a total loan of ZMW 40,000 of which it has paid about 40% of the loan amount.

The other group which was funded was Tubombele Pamo whose main business is welding and metal fabrication. This group was the main victim of load shedding due to power outages. The group has also struggled to pay back the loan despite them paying slowly.

Looking upon all the challenges faced by the different groups concerning the micro finance project, efforts has been made by ZDSF to mitigate these challenges. One of the initiatives which have been introduced is the skills business integration program. This program was set to address two critical issues facing the organization. One of them is poor loan repayment and currency devaluation. Since it was becoming difficult to monitor the groups projects and follow up own loan repayments, the money which was also recovered from the loan repayment has been constantly losing value in the bank due to the economic meltdown faced by Zambia. ZDSF set up a project to mitigate all those challenges. The amount of ZMW 50,000 was withdrawn from the bank and invested in the materials to be used by the tradesmen. The materials bought included timber for carpentry works, leather for upholstery and steel for metal fabrication. The concept is empowering the tradesmen who have skills but lack the capital to buy the raw materials for their start up business. ZDSF provides the raw material and the tradesmen provide the skill to produce an item which is then later sold from ZDSF workshop. After selling the product, ZDSF gets back its money with a 10% percent interest on profit then the tradesmen get their labour fees from the product. Thereafter, ZDSF reinvests the money back in the materials to continue supporting the vulnerable groups of individuals. The tradesmen are required to benefit from the project for not more than six months then later become independent. Then another set of the vulnerable groups are recruited. ZDSF has provided a working space in the central business area where the products for the tradesmen can be easily sold. The money invested in to the project has grown from ZMW 50,000 to ZMW 65,000 within the space of three months. This means inflation rate has been taken care of by the initiative. Among the products produced in the workshop include wooden doors, sofas, household decorations and mobile metal structures which can be used as shops.

Through this initiative, Samson, one of the beneficiaries has managed to raise money and has invested in a poultry business which his wife is running at home. Samson is a trained carpenter who had challenges in raising capital to start his own workshop. He has started with 120 chickens. Samson is staying in Chipulukusu.

The other beneficiary from this initiative is Evance. He does rubber bonding using the old tires from the trucks. He is able to replace the worn out rubber seals from the cars as well as the kits. He has been using ZDSF workshop to do his work where he has managed to capture a lot of business. He has even managed to buy a second hand car which he has put it on a taxi rank to earn extra cash. Evance stays in Ndeke township of Ndola.

Ammon is also one of the project's beneficiaries. He is also specialized in carpentry and joinery. He also had challenges of finding a carpentry workshop. With the support of ZDSF workshop, he is able to find jobs from the customers visiting the workshop. He has managed to raise himself some money and assist his family to buy farming inputs such as maize seeds and fertilizer. This year had a positive contribution towards his family. Due to the bumper harvest on the staple food maize, the family including him will not

be victims of the high mealie meal prices which have hiked due to economic challenges faced by the country.

Adofas is the other beneficiary of ZDSF workshop. Adofas graduated at Northern Technical College as a mechanic and started work in the auto shop as a salesman. According to his story, he could not sustain himself with the salary he was getting from his employment. He had a dream of opening his own garage and auto shop. The salary he was earning as a shop keeper was only enough to pay for transport to work and buy food for lunch. Adofas dream come true when he was allowed to be operating from the back yard of ZDSF workshop which is well secured in a wall fence with a gate. He quitted his job and decided to work for himself at ZDSF workshop. Adofas has managed to raise funds to buy a car diagnostic machine and other mechanical tools. He finds most of his customers from the Workshop due to its strategic location.

Gabriel is the other ZDSF workshop beneficiary. He is specialized in tailoring and he repairs car seats. Gabriel has found survival at the ZDSF workshop. The customers come on their own to search for his services. Through the money he earns from the workshop, paying his home rentals and feeding his family is no longer a challenge for him. He also had a challenge in finding a work space in town because he couldn't afford to pay the rentals for the workspace.

Peter did metal fabrication and because he did not have enough startup capital, he decided to find a job as a gardener. He was cleaning the surrounding of the house in the residential area called Kansenshi , despite having skills in metal fabrication. Upon being told about the ZDSF skills business integration program, he decided to quit work as a gardener and pursue his career in metal fabrication through the ZDSF workshop. He is making window frames for selling and prefabricated metal structures which can be used as a mobile shop. Many people show interest in buying his products. Since he recently Joined the workshop, his products are moving at a good rate.

Among the five beneficiaries of the workshop, Evance is contributing a small amount monthly towards the rentals due to the high profits he is making from his business. The rest of the members were given time to settle their business of which they will start making contributions towards the month end of May when facilitating their graduation to be independent.

The objective of this program is to continue helping people with talented skills to get started with their businesses and then later graduate them by laying them off the program so that they can stand on their own. The program is designed for start-ups where we link their skills to the market and create business stream for them. The foreseen challenge is how these people will adapt to the change when time for them to come out of the ZDSF workshop comes. Despite everyone being communicated to that the workshop is not their permanent residence and that it is only meant for the start up, they seem to look very comfortable with the status quo.

The workshop is located at a very strategic business place and it is well branded with various skills advertised on the front part of the workshop. This is making it easier for the start ups skills men to sell their skills since clients come on their own.

ZDSF is therefore required to open up a dollar account where all its funds collected from the loan repayments and from the project be deposited in order to avoid its money depreciating due to the weak economy. Plans are being put in place to revamp the micro financing project once enough money is raised from the project.

ZDSF is also planning to construct a Modern library in Chipulukusu in which it was agreed to partner with the government under Ministry of General Education. The process took a bit long for the government to approve the partnership due to the format of the agreement which was presented. The correct format was drafted and ZDSF was allowed to put in its obligations and government obligations. After amending the Memorandum of understanding between ZDSF and MOGE, the government approved the partnership through Attorney general Office for execution. The projected challenge that ZDSF might face is that there will be lapse of time since the country is going to be having elections on the 12th of August and if there will be change of government a lot of structures in the government system might change and ZDSF might have no access to signing the document .

Below are some of the photos for the ZDSF workshop and the activities

Emmanuel Phiri May 2021















