

## **‘Youth Entrepreneurship Program Rombo’**

**1th of January 2016 – 31th of December 2021**



***Education- Access to Capital – Coaching – Cooperation- Capacity  
Development- Sustainability and Financial independency***

**Youth Entrepreneurship Program Rombo** is a cooperation between the Sengerema Foundation from the Netherlands, YEP Tanzania and the Council of Rombo District.

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## 1 Introduction

In December 2006 a group of young people from the Netherlands visited Sengerema, Tanzania, as volunteers, in order to help young entrepreneurs to write a business plan. They believed that supplying people with knowledge and insights on how to run a business would help them to improve their lives by creating sustainable income with their own shop. Every year they came back and trained new youth

In 2008 we established an foundation in the Netherlands “Sengerema Foundation” and we started supplying small loans as well because with only the plans the youth where not able to start anything serious. Also the first graduate students were involved in training new youth. The origin of the Tanzanian NGO YEP Tanzania is based on those students who called themselves the education committee from the Community Based Organisation, CBO- Sengerema Young Entrepreneurs established in Sengerema.

During the years our training is developed on the job and adapted to the needs of the youth who received a training; computer classes where added and special skill classes like negotiation and bakery were added to the original basic training.

We believe that we self are entrepreneurs as well because we adapt our service offering year by year to the needs of our students and to new insights we have by evaluation visits from our board members and students out of the Netherlands.

In 2018 we have a strong team of role model YEP (Youth Entrepreneurship Program) trainers, who have (had) their own business and followed the classes before.

YEP Tanzania as the implementing partner of Sengerema Foundation is aimed at supporting youth in Tanzania to become successful business men and business women. We believe that supplying people with knowledge and insights on how to run a business would help them to improve their lives by creating sustainable income with their own shop.

Therefore YEP Tanzania creates sustainable youth entrepreneurship systems in Tanzania. YEP Tanzania focusses itself on the youth of Tanzania which are not able to develop themselves due to lack of (financial) support from family and friends.

In Arusha YEP Tanzania works with the local chamber of commerce (TCCIA Arusha). YEP and TRIAS (a Belgian NGO) started a five years program in Arusha to empower the TCCIA by teaching their member (young entrepreneurs) the basic skills of entrepreneurship. The aim is that TCCIA will be able to provide such trainings by themselves after 5 years. YEP Tanzania shares its knowledge on training and monitoring with the TCCIA.



### **Our education model has 4 important elements**

- 1 Based on theory and practice, (50% - 50% in time)
  - Basic training elements such as how to use a computer and how to keep records followed by internship and practical assignments;
- 2 General knowledge and specific skills (70% - 30% in time)
  - promotion using modern media, saving classes, bookkeeping and financial management classes, how to calculate price of your products, and dedicated classes depending of the type of business such as bakery classes, learning how to feed cows/pigs/chicken, building and maintaining a greenhouse etc, for those who have this kind of business;
- 3 Individual based and groups based (60% - 40% in time)
  - most of the time the students follow classes with 8- 25 people, but market research, practical assignments and action plans are only applicable for one at the time;
- 4 Training is done by Role Model trainers
  - most of the training is done by youth who followed the same program and are willing to share their knowledge and experiences with others

For funding we establish a revolving credit fund. This means that the local SACCOS starts with a credit fund designated for loans to YEP graduates. The repayment of the loans plus interest will be paid to SACCOS and in this way the credit fund will grow in order to reach a larger number of young entrepreneurs who want to obtain a loan.

## 2 Our developed approach for Rombo

### 1. Promotion and selection done in close cooperation Rombo council.

- We start by sending sound car, we do an exclusive interview on the local radio, we distribute flyers and application forms at churches, markets, hotels, restaurants, street and shops, we use modern media (Facebook) to share.
- After receiving the application forms we select around 60 entrepreneurs to have an interview with questionnaire to get to know them better.
- Selection criteria are e.g.: (i) seriousness about business, (ii) readiness to attend class.
- We want to start with 4-6 groups with 25-40 participants and expect that due to selecting we finish with 3-4 groups with 18-24 who will receive individual coaching for the next 2 years and if needed receive loans to improve current/ start new business.

### 2. Implementation of the program delegated to YEP Rombo Management Team.

- YEP Management Team Rombo consist of one fulltime YEP member, and 1 part time program manager from Sengerema Foundation, 2 members are employed by the Government and 2 internship members are representing the youth.
- For the different classes we hire qualified trainers / YEP trainers depending on the topics.
- YEP Management Team Rombo reports every 3 months to Sengerema Foundation and the council receives copies of those reports.

### 3. Business / entrepreneurial skills

- We start with 3-4 months basic business skills and computer classes;
- Basic entrepreneurial skills are about the understanding of type of cost, fixed and variable. To understand the formulas;
  - Sales – Variable cost is margin,
  - Margin – Fixed cost is profit
- How to organise your record keeping;
- Understand customer needs and customer profiles;
- How to use Social media for promotion of your business
- How to evaluate investments,
- Classes about contracts and negotiation;
- How can you use record keeping to improve your business;
  - Like forecasting based on records, production planning based on estimated sales, rejecting low margin products, adding other products in good moving categories;
- How to manage your money IN and how to organise your different savings;

Cash in Biashara		us money thieves
Matress/house	no cost withdraw chap-chap	big mouse burn thieves use on hand with family no chap-chap cost.
Bank	safe chap-chap (mobile) %	cost network mobile use out of network not safe
Mposiq	chap-chap safe	
Saving group	% monthly access to	

**How to handle your money**



**Computer classes**

#### 4. “special” classes internships, depending on the types of business.

- Depending on the types of business we have costume made classes for groups of students the duration of those classes can be 1 week up to 3 weeks.
- We deliver classes such as bakery classes for cakes and bread, classes how to maintain chicken, fish or cows and how to avoid diseases and the importance of high quality food, and classes about Greenhouses farming.



Bakery classes



Fish pound classes

#### 5. Supplying loans by using local SACCOS (Savings And Credit Co-Operative Society)

- During training the participants are informed about benefits and conditions for joining the SACCOS;
- Participants are according the rules and regulations allowed to receive 3 x their savings as a loan. The capital at the SACCOS is supplied by the Credit fund from the program. The SACCOS is responsible for executing the credit approval process;
- During the training the participants are trained in requesting a loan and making a business plan/ investment plan.

#### 6. Coaching / monitoring visits during the first 2 years.

- During the first 2 years after the training we visit the graduates, who are requested coaching and monitoring support on an regular basis and help them to implement and develop the skills they received during training.
- We identified the following coaching areas:
  - Record keeping and financial management
  - Promotion by using social media
  - Family budget and separating private and business expenses
  - Special for woman, how to handle your husbands financial demands.
  - Taxes; payments and regulations
  - Electronical Fiscal Device usage and regulations
  - Authority of Food and Drugs, regulations and licences

#### 7. Cooperation with the Rombo Council

- Based on discussions with the Rombo Council we focus the training program on sectors mentioned in the City Council.

**8. Sustainability of the program goals:**

- Capacity development of the Rombo Council staff;
- Develop a member service program, for the SACCOS members based on identified needs of their members

### **3 Youth Entrepreneurship Rombo project goals**

1. Cooperation with the council in order to develop youth who are in the starting phase of their business, focus on added value related business and on sectors mentioned by the Council
2. Empower and train on yearly basis 30-60 participants, gender balance, on topics related to entrepreneurship and make sure that from the approximately 25 graduates;
  - At least 80% recognises the importance of saving and joins a “savings-group”;
  - At least 80% recognises the importance and use social media as tool for promotion and is “posting” on a regular basis;
  - At least 80% recognises the importance of record keeping and starts doing this and will be able to develop on monthly insight in revenues, cost and profit;
3. Tested the implementation of an online monitoring tool which YEP Tanzania uses in other areas;
4. SACCOS who will be selected has developed and has started with implementation of a member service program, based on identified needs of their members.