

## Kenya Trip Report: 13-16<sup>th</sup> October 2010

**UK Team:** Rachel Millward (FT Development Director) with Trustees / volunteers; David and Janet Fletcher  
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### Purpose of visit to Thika Community Development Trust (TCDT), Kenya

The objective of the trip was to visit our partner organisation, The Thika Community Development Trust (TCDT) which Five Talents partnered with in 2005 and originally provided funding for loan capital and start-up costs. The aim of this visit was to; meet Peterson Karanja (the Executive Director of TCDT) and encourage the staff who provide client training and program oversight, meet clients who have been assisted by TCDT and finally to strengthen our link with Bishop Gideon Githiga and the Diocese and provide opportunities for our team to witness firsthand a successful, well-run program in East Africa. This visit was also important for members of our team as donors to evaluate the impact of their investment and compare and contrast progress from a previous visit.

### The Thika Community Development Trust (TCDT)

TCDT is a savings-led program, following the Accumulated Savings and Credit Associations (ASCA) model. Through its local staff, TCDT's key mission is to build the capacity of community groups, empowering and training them to mobilise and organise their own resources in a sustainable way by developing savings groups with micro loans provided to group members from accumulated savings. Five Talents now provides funding to TCDT's staff salaries, office overheads and operational costs (eg training, transport, group materials such as manuals, account books etc). No grants are provided as capital for micro lending purposes.

#### **Key statistics as of 30<sup>th</sup> June 2010 (£1 = Kshs 123)**

- 25 Trust Groups (approximately half of the Parishes in the Diocese)
- 2036 members comprising 1075 women and 961 men
- Total accumulated savings Kshs 27,254,536 (£207,153)
- Total loan value Kshs 44,753,443 (£340,163)
- Outstanding loan balance was Kshs 18,514,890 (£140,728)

### Day 1 – Meetings with World Concern and Church Missionary Society (CMS)



Our first meeting was with Winnie Gachuri, World Concern's Program Manager for Economic Development, Elias Kamau, Deputy Africa Director and Hezbon (formerly from World Vision Kenya). Our hosts spent time explaining the role of World Concern and its broad portfolio of activities ranging from; work with orphans and vulnerable children, HIV / AIDS, leprosy work, water / health and sanitation programmes, food security and

"Master," he said, "you entrusted me with five talents. See, I have gained five more." (Matt. 25:20)

economic development encompassing savings-lead microfinance. Their particular strength lay in the growth of Financial Service Association (FSAs) which are formal savings group with shareholders (5-15 members) and non-shareholders. FSAs vary in terms of their own constitution and rules and interest rates but each member of an FSA co-guarantees the other members and therefore by definition there is a strong sense of group commitment and support. Some group members are eligible after 3 months of saving to take loans to pay for medical fees, school fees and food and other essential items.

We then returned to the Fairview Hotel for a meeting with Serah Wambua and Karobia Njogu from Church Missionary Society (CMS). They gave a helpful overview of CMS' work in Kenya and their vision for the Anglican Church to be more actively involved in practical ways of working amongst the community.

We then travelled to the town of Thika which is 60km north east of Nairobi to meet Peterson and Lillian at the Blue Post Hotel which was a welcome break after a long day.

### **Day 2 – client visits**

The morning was spent with a very successful loan group who were looking to be graduated onto the FSA structure. They have 103 members and we met them in a church hall in Gatunguru, in the tea-growing region outside Thika. Other group members were invited to come to the meeting and ask questions about potentially joining TCDT. It was an extremely informative morning learning more about group structures, operational procedures and new business ventures eg rabbit rearing and the hiring of tea-trees to produce leaves for tea. It was a great opportunity to listen to new clients voice their concerns and interest about potential membership. We were extremely impressed by their drive and organisation and business-like approach.



Throughout the afternoon we met with the following clients;



**Name:** Ruth

**Businesses:** With her loan, Ruth hired some tea trees to grow tea to sell. She also has a small convenience shop locally and she uses the loans to stock the shop

**Loans:** Kshs15,000, 30,000 and 90,000 (£684) over a two year period



**Name:** Jean

**Businesses:** with her loan from TCDT Jean bought a Friesian cow (called Micro) whose milk she sells. Micro has also produced a calf (Microbaby). She has also bought a machine (pictured left) which cuts up the grass stalks to feed to the cows.



**Name:** Nancy

**Business:** Nancy used her loan to buy 200 chicks and she now has 1,400 chickens. The money was used to finance the food and cost of rearing the chicks. She also bought piping to make a bore-hole to help provide water more easily for the chickens.

**Loans:** Kshs 90,000, 40,000, 120,000, 300,000 (£2,280)

We then met with **James Kirega** who is a very successful entrepreneur and who has grown his poultry business from very small beginnings and now employed 100 people over two sites and supplies chickens and eggs to the domestic market to hotel chains etc (see right). James played a vital role in the life of TCDT in that he regularly attended client meetings, acted as co-guarantor to his group and provided support and mentoring to the group. TCDT are greatly appreciative of his involvement and work in the local community.



The day ended with a dinner back at the Blue Post Hotel hosted by Bishop Gideon with members of the Board of TCDT and their wives and children. There were many speeches praising both the visit by Five Talents but also the work of TCDT and thanking them for their commitment and vision.

### **Day 3 – Wilmar Flowers and Safari**

The day started with an interesting visit to an MPesa kiosk to enable Peterson to illustrate how cash could be sent to a savings account. It was truly impressive! We then visited the following clients, both of whom had an exciting story and it was the perfect way to end our time in Thika.



**Name:** Ephraim

**Businesses:** ‘Baroka’ and ‘Baroka 2’ (*Baroka means blessings*)

Ephraim has used his four consecutive loans to stock his clothing shop and to establish a second site. He first started in 1994 with a second-hand clothes business and he used loans from TCDT and other microfinance institutions to help grow his businesses. He now sells new clothes, luggage and bags and shoes. His aim is to expand the business so he can provide for his family and educate his two children and his younger brother



**Name:** Wilfred Kamami

**Business:** exporting flowers to Europe, US and Asia

We could not fail to be impressed by Wilfred’s empire. He was clearly focussed on ensuring that that the growers and farmers were treated well and paid on time. Again Wilfred who was a friend and peer of James Kirega (with the poultry business) acted as a co-guarantor and long-time supporter of the work of TCDT and he spent time mentoring clients and helping them grow their businesses. His own business, which now supplies ASDA and potentially M&S

and Waitrose in future, is impressive and well-organised and it was another exciting example of popular and successful Kenyan export.



We then travelled back to Nairobi and visited the safari for the afternoon and enjoyed spotting the wildlife. After dinner at the ‘Carnivore’ restaurant (!) we then took our return flight back to London.

### **Conclusion**

As a team we felt that the trip was a great success. We enjoyed the time we spent with Peterson, the staff, the Bishop and the clients. The itinerary was broad and covered a wide range of activities, clients, visits which gave everyone the opportunity to have different experiences and thoughts on each part of the trip. It was extremely helpful to meet such a wide range of clients on day 2, particularly those who were interested in taking TCDT loans. This session was very valuable as it took the ‘spot-light’ off the guests and turned the session into a lively, interactive and informative meeting which was fascinating for us to witness. Although more time needs to be spent on analysing the current growth plan and numbers for TCDT with particular focus on sustainability, we were pleased that the Bishop noted our desire for the programme to be sustainable in the long term.

Team members are still providing their feedback on the visit but we are confident that TCDT is well managed and glad that Five Talents is supporting this project which is set to expand into further Dioceses in Kenya.

We wish them much success and we welcome the opportunity to walk more closely with them in future and help them grow.

*Rachel Millward  
October 2010*