

**RURAL COMMUNITY PARTICIPATION IN MICRO-PROJECTS AND  
POVERTY REDUCTION IN NGARA DISTRICT OF TANZANIA**

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**A THESIS SUBMITTED TO THE SCHOOL OF POST-  
GRADUATE STUDIES IN PARTIAL FULFILLMENT  
OF THE REQUIREMENTS FOR THE AWARD  
OF THE DEGREE OF MASTER OF BUSINESS  
ADMINISTRATION OF KAMPALA  
INTERNATIONAL UNIVERSITY**

**MAY 2009**

### DECLARATION.

I, Masudi Biteyamanga, declare that this research report is my original work and has not been submitted to any other academic institution for any award. Where referred to, the works of other authors have been duly acknowledged.

Date ..... 16/5/2009 .....

Signature .....  .....

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### APPROVAL FOR SUBMISSION.

This report is hereby approved for submission for examination with my approval as his supervisor.

Date.....12-10-2009.....

Signature..........

Mr. Omara Thompson

## ACKNOWLEDGEMENT.

No social work is done in isolation. This research report is the result of inputs of numerous people, of which I cannot mention all as I might run into a long list. But I will be very selfish if I do not mention the key persons who made particular contribution as follows.

My sincere thanks go to my supervisor Dr. Alex IjjO of Kampala International University (KIU). My employer the Kagera Regional administrative Secretary (RAS- KAGERA) who permitted me to pursue my studies in Kampala International University Uganda. Also to allow me to conduct my research study in Ngara district – Tanzania.

I heartily recognize the contribution and assistance accorded to me by all the staff of the college, mainly college management and my lecturers.

Further more, I am grateful for the willingness of the District Commissioner of Ngara District Col. S. W. Nyankonji and Biharamulo District Commissioner Mr. Erenest Kahindi for their kind cooperation and support during data collection and information gathering stage of the study.

I would also like to thank my workmate Mr. E. Rwegasira Human Resources Officer Ngara District Council who also assisted and guided me during my studies in Kampala International University.

Finally, my profound gratitude and appreciation go to my wife Edina Biteyamanga and my Sons and daughters for their patience and support during my absence from them.

I however take responsibility for all the errors and omissions in this report.

## ABSTRACT

This study looked at community participation in micro-enterprise projects as a tool for poverty reduction in the rural Ngara District of Tanzania. Although much effort has been put in empowering and financing micro-enterprises to kick start pro-poor growth in rural areas in recent years, the level of poverty has remained unacceptably high. This study has identified participation in microenterprises as an important factor in the fight against poverty. Empirical data were collected from Ngara District and analyzed using both quantitative and qualitative techniques. Data on participation and trends in socioeconomic indicators of poverty were collected from six out of seventeen wards comprising Ngara district. The canvassed wards include Nyamiaga, Kibimba, Rusumo, Keza, Bukiriro and Rulenge. Up to one hundred and thirty respondents were randomly selected and canvassed for information on participation and its effect on poverty and welfare. The findings show that community participation in micro-projects has reduced poverty in the selected areas of rural Ngara District. The study therefore, recommends that rural community participation in micro-enterprises should be encouraged and supported through appropriate public policy in order to significantly impact absolute poverty in Ngara District.

## ACRONYMS

CPRI	-	Community Poverty Reduction Initiative
HBS	-	House Holds Budget Survey
HIPC	-	High Indebted Poor Countries Initiative
HRDS	-	Human Resources Development Survey
KIU	-	Kampala International University
NMB	-	National Micro-Finance Bank
REPOA	-	Regional Poverty Assessment
SME	-	Small and Medium Enterprises
NPES	-	National Poverty Eradication Strategy
TAS	-	Tanzania Assistance Strategy
PRSP	-	Poverty Reduction Strategy Paper
PPAS	-	Participatory poverty Assessment

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## CHAPTER ONE

### INTRODUCTION

#### 1.0 Background of the study:

Ngara District is one of the seven administrative Districts of Kagera Region in mainland Tanzania. The other administrative districts are Biharamulo, Chato, Muleba, Karagwe, Bukoba and Missenyi. Ngara district is situated in Western Tanzania and it is bordered by both the Republic of Rwanda and Burundi. It covers an area of approximately 3,750 Square Kilometers and according to the National population and housing census of 2002 Ngara district has 334,939 people inclusive of the Burundian Refugees population (see Table 1 below).

**Table 1 population census in 2002**

SECTION	MALE	FEMALE	TOTAL	%
Local Population	113,257	120,114	233,401	69%
Refugee Population	51,490	49,518	101,008	31%
<b>TOTAL</b>	<b>164,777</b>	<b>169,632</b>	<b>334,409</b>	<b>100%</b>

Source: Tanzania's population and housing census report 2002

Ngara District is divided into four Divisions namely Nyamiyaga, Kanazi, Rulenge and Murusagamba. It also comprises of seventeen 17 Wards and seventy-two Villages. It is further subdivided into 359 Sub-Villages.

Tables 2 below shows the population of the four wards canvassed in the study

**Table 2 – Population Census of the Divisions.**

DIVISION	MALES	FEMALES	TOTAL
RULENGE	18,940	20,850	39,796
NYAMIAGA	74,750	74,870	149,622
KANAZI	29,370	33,098	62,461
MURUSAGAMBA	10,957	12,474	23,420
<b>TOTAL</b>	<b>161,777</b>	<b>169,632</b>	<b>334,409</b>

Source: Tanzania's Population and housing census report 2002

**Table 3 – Population Census of two divisions where Study was conducted**

DIVISION	MALES	FEMALES	TOTAL
NYAMIAGA	74,750	74,870	149,622
RULENGE	18,940	20,850	39,796
<b>TOTAL</b>	<b>93,690</b>	<b>105,728</b>	<b>189,418</b>

**Source:** Tanzania's Population and housing Census report 2002.

**Table 4 – Population Census of six Wards where study was conducted**

DIVISION	WARD	MALE	FEMALES	TOTAL
NYAMIAGA	Nyamiaga	8,209	8,676	16,585
	Rusumo	61,961	61,156	123,119
	Kibimba	4,580	5,040	9,620
RULENGE	Rulenge	9,819	10,678	20,497
	Bukiriro	6,174	6,904	13,078
	Keza	2,949	3,302	6,251
<b>TOTAL</b>	<b>TOTAL</b>	<b>93,692</b>	<b>95,756</b>	<b>189,150</b>

**Source:** Tanzania's Population and housing census report 2002.

### 1.1 The Policy Initiatives

The Community poverty reduction initiative (CPRI) in Tanzania has been occupied with the three development problems of ignorance, diseases and poverty since Tanzania's independence in 1961. National efforts to tackle these problems were initially channeled through centrally directed; medium term development plans, and resulted in a significant improvement in per capita income and access to education, health and other social services until the 1970. However, these gains could not be sustained because of various external problems and domestic policy weaknesses. Indeed, despite sustained effort to address the Country's economic and social problems from 1980, half of all Tanzanians are still poor. Approximately one third of the population lives in abject poverty.

To tackle this problem of poverty, the government of Tanzania formulated an economic reform programme that is based on the philosophy of market economy in which the private sector was to take lead in income creating employment and growth. The role of the state was restricted to the creation of favorable environment for private economic activity, the production of public goods, and that of carrying out a regulatory role to level the playing field for different private sector actors. Private players were expected to take the lead in driving economic growth. This philosophy is evident in almost all official policy statements issued since 1986. The private sector has started playing an ever-increasing role in creating incomes and employment.

The Tanzania National Vision of economic and social objectives to be attained by the year 2005 lays out the long-term development goals and perspectives, against which the strategy for poverty alleviation Nation Poverty Eradication Strategy (NPES) was formulated. The Tanzania Assistance Strategy (TAS) is the result of a mutually felt need by the government of Tanzania and its international partners for a comprehensive development agenda, around which issues to on going activities can be regularly discussed and assessed. As such, the TAS covers all the development areas that have characteristically been supported by the International Partners, both within and out side the framework of the central Government budget. It is hoped that the TAS will provide a useful framework for organizing periodic consultations and dialogue among all development partners.

The Poverty reduction strategy Paper (PRSP) is an integral part of the Highly indebted Poor countries initiative (HIPC) process, focusing mainly on poverty alleviation, subject to a strict (Central Government) budget constraint especially from Financial Year 2000/2001. Never the less, the PRSP encompasses poverty oriented extra budgetary activities, and various non-financial considerations that have an important bearing on poverty reduction.

The elaboration of the PRSP has entailed broad consultation among the stakeholders, a factor that has contributed to underlying consistency in the country's development policy

objectives, including the strategy for poverty alleviation. This notwithstanding, the national policy planning process has features that call for continuous review and reassessment. First, substantial efforts toward poverty reduction by International Partners are still being implemented out side the frame work of the central Government budget. To ensure maximum progress toward poverty reduction and improved predictability of budgets, these efforts would need to be rationalized and realigned progressively, to reflect the Poverty reduction strategy paper (PRSP) priorities. Second, a large amount of international resources is being channeled through specific donor-driven projects, sometimes entailing duplication.

An effective struggle against poverty will require continued efforts to channel these resources in the context of sector wide development strategies. Third, a key step in the area of public sector reform, notably the Medium-Term Expenditure Frame Work (MTEF) exercise for financial year 2000/2001 (July-June), preceded the formulation of the PRSP. The priority objectives of the latter will therefore, need to be reflected more fully in the MTEF for 2001/2002 and the subsequent years. Finally, major reforms in key areas, especially local government, education, and agriculture, are still being formulated, and their imprecation for poverty reduction and resource requirement cannot be assessed accurately now. The government will, therefore, continue to review and adjust the poverty reduction strategy, in order to reflect the ramification of these reforms.

In this perspective thus, the Tanzania Development Vision foresees that, by the year 2025, Tanzania should have created a strong, diversified, resilient and competitive economy, that can effectively cope with the challenges of development and, that can also easily and confidently adapt to the changing market and technological conditions in the regional and global economy. The challenge is therefore to mobilize human and other resources towards that goal.

Also poverty is now widely viewed, as captured in the Poverty Reduction Strategy Paper (PRSP) as encompassing both in come and non-income dimensions of deprivation. The key dimensions of poverty identification include in adequate income to purchase basic

necessities, deficiencies in human capabilities, isolation and vulnerability and powerlessness and hopelessness.

The Participatory Poverty Assessments, (PPAS) point to the problems of hunger, powerlessness, voiceless ness, and humiliation that come with being poor. Poor people want access to basic services and infrastructure, and know that education helps one to escape from poverty. The poor also know that bad health throws people into poverty. Results coming out of the House hold Budget Survey (HBS 2000/01) shed some light on these issues. Poverty measures provide important pointers on our ability to meet targets.

Results from HBS 2000/01 show the proportion of the population below the food poverty line to have declined from 21.6 percent in 1991/92 to 17.7 percent in 2000/01, a fall of 18 percent over the decade with regard to the basic needs poverty line, the proportion of the poor has declined from 38.6 to 35.3 percent over the same period. Inequality levels seem to have risen slightly, with a Gini Coefficient of 0.37 compared to 0.34 in 1991/92. This is at a time of improved economic performance in terms of Macro economic stability and higher growth rates (5.6%), and low rates of inflation (now down to 4.7 percent per annum). How ever there are observations that achievements at the micro level are not translating into improvement of the lives of the poor majority, especially in rural areas.

In reality, more than a third of Tanzanians cannot satisfy their basic needs and nearly 18 percent cannot afford the food required for a healthy living by Tanzanian standards. About 53 percent of the rural population still does not have access to protected water and more than 50 percent have to fetch water more than a kilometer or 50 away. Ninety percent of Tanzanians do not have access to electricity or gas and twenty five percent sill have to travel more than 6 kilometers to a health center or dispensary.

Other problems relate to the demographics, and most notable related to the scaring situations arising out of the HIV/AIDS pandemic, which increasingly threatens achievements made. These seemed to be a steady increase of the prevalence of HIV/AIDS, rising from an average of 5.5 percent of adults in 1992 to 9.4 percent in 1999

(8.7 percent male and 12.6 percent female). Estimates show that about 12 percent of the country's adult populations are HIV Positive; the infection rate is highest among young adults, aged 19 and 25. This spells disaster on the productive labour force, on economic growth, with the potential to divert resources away from supporting economic progress and improved livelihoods.

## **1.2 Challenges to address poverty Initiatives**

These results pose some major challenges to Tanzania and it is important that we address them collectively based on the consensus that has emerged with the preparation of the Poverty Reduction Strategy Paper (PRSP). Indeed the most critical, given these developments, is how do we accomplish the goal of eradicating poverty by the year 2025. Some of the challenges are as follows:

- (i) Fighting the further spread of HIV/AIDS should be high on the agenda if we are to prevent the erosion of the productive human resources.
- (ii) Keeping track and maintaining the progress made at the macro level and providing linkages to the micro level, job creation, increased investments, is critical.
- (iii) Building capacity for poverty analysis, ensuring availability of high quality data and using results coming out of various surveys (HBS and DHS) to inform policy, is critical.
- (iv) Work out modalities to capture the vulnerable, especially those in un reached, unconnected communities, in the rural and distressed urban areas.
- (v) The provision of social services and enhancement of access to high quality rural infrastructure services (Education, Health, Water, Irrigation, Energy, and communication).

In aspect of poverty reduction strategy, the government of Tanzania in collaboration with other stakeholders prepared a Micro-enterprise projects policy, which was basically

participatory. Between 1998 and mid 2001, several workshops were held to discuss the status of the sector and to lay down strategies for boosting the development of the sector. Based on the inputs received, a draft policy document was prepared and again discussed by stakeholders in zonal workshops held in Dodoma, Mbeya, Mwanza, Arusha, Kibaha and Dar-es-Salaam (Tanzania).

The Common Wealth Secretariat, United Nations Industrial Development Organizations (UNIDO) DFID, and USAID did offer assistance in the formulation of this policy.

The Micro-enterprise projects are very important to the economy of Tanzania, but they have been facing the on going reform programmes. This is one of which is a persistent culture that has not recognized the value of entrepreneurial initiative in improving the lives of the people, other factors include complex bureaucratic and costly legal regulatory, and administrative environment, where Micro-enterprise projects are at a greater disadvantage than their counter parts that are larger in size. The high cost of compliance to regulations may discourage potential entrepreneurs from formally setting up their businesses while driving some existing enterprises out of businesses and those working for them into unemployment. Also due to insufficient competition and in adequate information on the banks are discouraged and not willing to lend to Micro-enterprise projects.

Also, Micro-enterprise Projects have lower demand for business development services such as training, consultancy and counseling due to cost considerations and lack of knowledge about the benefit of external service in improving competitiveness.

### 1.3 Strategies to address implementation of economic reforms c onstraints

In the course of implementing the economic reforms, the government of Tanzania has put in place a number of strategies and programmed aiming at addressing some of the major constraints. Such programmes and strategies included: -

- (a) Rural development strategy.
- (b) Agricultural sector development strategy.
- (c) Strategic Trade Policy.
- (d) Business environment strengthening for Tanzania programmes.
- (e) Micro-finance policy and
- (f) Poverty alleviation strategies.

To complement these and other existing initiatives the Micro-enterprise projects development policy shall ensure that Micro-enterprise projects and other related components are adequately implemented harmonized and coordinated.

More recent efforts to tackle poverty and other development problems have been pursued under relatively decentralized, but largely complementary policy initiatives.



**Table 5 – Recent Policy initiatives in Tanzania:**

<b>POLICY PLANNING</b>	<b>OBJECTIVE</b>
Vision 2025	National vision of economic and social objectives to be attained by the year 2025
National Poverty eradication Strategy (NPES)	National Strategy and Objectives for poverty eradication efforts through 2010
Tanzania Assistance Strategy (TAS)	Medium- term national Strategy of Economic and social development encompassing joint efforts of government and the international community.
Poverty reduction Strategy Paper	(PRSP) Medium- term strategy of poverty reduction, developed through broad consultation with National and International stake- holders in the context of the enhanced Highly indebted Poor countries (HIPC) initiative.

**Source:** Small and medium enterprises development, policy 2003.

The assessment of poverty levels and trends is complicated by the lack of consistent information and absence of officially recognized poverty lines since the early 1980s, a number of houses holds surveys using different definitions, samples, and methods have been conducted. Some of these include:

The 1983 Human resources survey (HRS); covered 498 rural house holds in four regions in main land Tanzania. The 1991/92-house holds Budget survey; covered 5,328 houses holds Country Wide. The 1991/92 Cornell/ERB survey; covered 1,046 households in mainland Tanzania. The 1993 Human resource Development survey (HRDS); covered 5,184 house holds country wide.

The 1995 Participatory Poverty Assessment (PPA); covered 768 house hold in rural Mainland Tanzania and the 1998 REPOA Survey; covered 649 rural house holds in three Regions in Mainland Tanzania and 148 Peri-Urban house holds in Dar-es-Salaam (DSM).

#### 1.4 Categories of Small and Medium Enterprises

In the context of Tanzania, Micro-enterprises are those engaging up to 4 people, in most cases family members of employing capital amounting up to Tshs. 5.0 Million.(see table below). The majority of Micro-enterprises fall under the informal sectors. Small Enterprises are mostly formalized undertaking engaging between 5 and 9 employees or with capital investment from Tshs. 5 Millions to Tshs. 200 Millions. Medium Enterprises employ between 50-99 people or use capital investment from Tshs. 200 Millions to 800 Millions. This is illustrated in tables 6.

**Table 6: Categories of SMEs in Tanzania**

CATEGORY	EMPLOYEES	CAPITAL INVESTMENT- TSHS.
Micro-enterprise	1- 12	Up to 5 Millions
Small Enterprise	12-49	Above 5 Millions to 200 Millions
Medium Enterprise	50-99	Above 200 Millions to 800 Millions
Large Enterprise	100+	Above 800 Millions

Source – Small and medium enterprise development 2003

The government of Tanzania has embarked on several initiatives to empower Tanzanian citizens economically so as to provide them with the opportunity to afford the basic needs and lead quality life. These initiatives appear to have had some positive impact on the country's socioeconomic indicators.

However, the positive effects of economic development filter down to the bottom low income sector of the population very slowly so that achievements of quality life by 2010 and the Millennium Development Goals (MDGS) by 2015 seem unlikely. It is estimated that with the current pace of economic growth of around 6% per annum and conducting "business as usual", it would take Tanzania 18 years to move its people from an income of below US\$ 1 to US\$ 2 a day. The majority of Tanzanians are likely to remain subsistence farmers, Micro-entrepreneurs or un-employed unless 7-8 GDP annual growth is attained. This growth rate would be able to pull down poverty by 4% annually. For the GDP to grow at 7-8%, it would require an investment of about 33% annually. The 18 years stated

is a mere statistical calculation based on the current situation with a change in attitude towards work, use of technology and time management.

Hence, the urgent need for the extra dose of economic empowerment which is targeted and concerted efforts to operationalize the concepts of citizen economic empowerment, guided by the National Economic Empowerment Policy, and National Economic Empowerment Act. It is however important, that the initiative has to be district focused, district tailored and participatory. Therefore it is envisaged that a national dialogue on economic empowerment involving all the regions will encompass “a local problem-solving approach” and enhance local ownership of the activities.

### **1.5 Poverty Situation in Ngara District**

Further more the prevalence of poverty is still high in Ngara District especially in the rural areas. Poverty remains overwhelming in rural areas where about 87 percent of the poor population lives. It is highest among households who depend on agriculture.

As the population is growing, the absolute number of poor raises concern. There is also a big disparity between urban and rural poverty for both food and basic needs poverty. The HBS 2000/01 results reveal growing income in quality as measured by a rise in the Gini-coefficient from 0.34 in 1991/92 to 0.35 in 2000/2001.

The results of the population and housing census which was conducted in 2002 show that 85 percent of Ngara's rural population are still living in sub-standard houses, the majority cannot afford to send their children to schools due to lack of adequate income to pay school fees; in addition they have no access to communication, health and transport services. Again, they even lack enough food to eat and in adequate income to purchase basic necessities as well as deficiencies in human capabilities (illiteracy, malnutrition diseases etc), isolation and vulnerability (social exclusion and decency) and powerlessness and hopelessness.

### **1.6: Statement of the Research Problem**

Although participation in income generating micro enterprises is seen as a key factor in poverty reduction, the extent to which participation influences changes in socioeconomic welfare has not been clearly established in previous studies. This study examines the relationship between indicators of participation and trends in poverty and socioeconomic welfare to assess the strength of such a relationship looking at empirical evidence from Ngara District of Tanzania.

### **1.7: Purpose of the study:**

The main objective of the study was to examine the relationship between the level of participation in micro-enterprise projects and poverty reduction in Ngara district of Tanzania. Specifically, the study aims at achieving the following objectives.

### **1.8 Specific objectives**

- (i) To review the trend in poverty and socioeconomic welfare in Ngara District;
- (ii) To assess the level of participation in micro-enterprise projects in Ngara district;
- (iii) To examine the relationship between participation in micro enterprises and the trends in poverty and socioeconomic welfare in Ngara-District;
- (iv) Explore policy options to enhance rural participation in micro enterprises and poverty reduction in Ngara district.

### **1.9: Research Questions:**

- (i) What has been the trend in poverty and socioeconomic welfare in Ngara District?
- (ii) What is the level of rural participation in micro enterprises in Ngara District?
- (iii) Is there any relationship between participation in micro-enterprise projects and the trend in rural poverty in Ngara District?

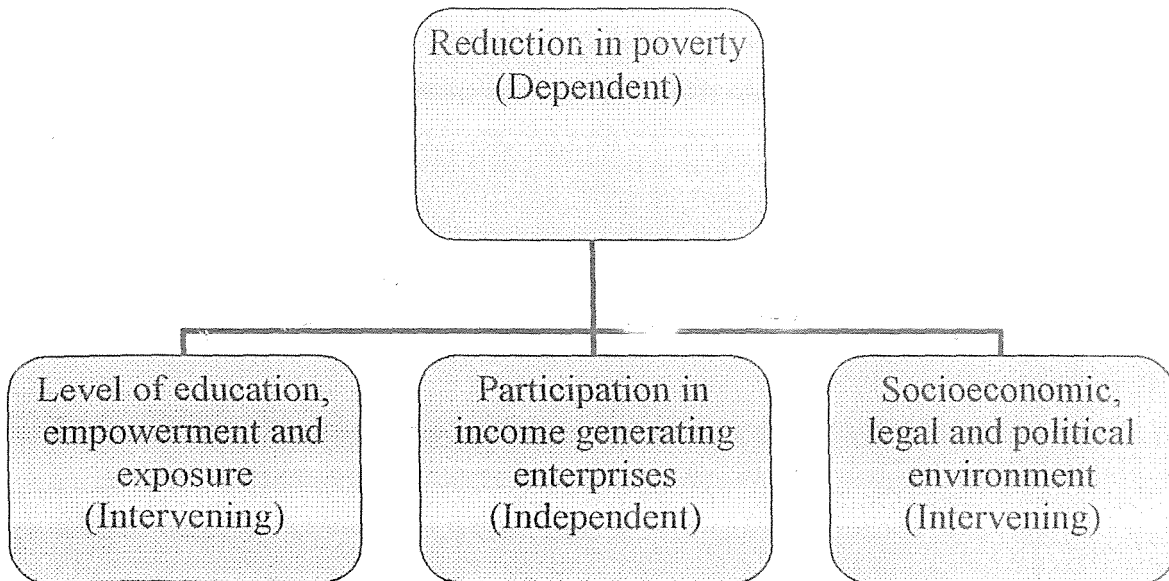
- (iv) What policy options are there to enhance participation and poverty reduction in Ngara District?

### 1.9.1: Hypothesis

In addition the study examines the following hypotheses:

- (i) More participative projects are more effective in poverty reduction than less participative projects
- (ii) Women are more active participants in micro-enterprise projects than men.
- (iii) The level of participation in micro-enterprise projects is positively correlated with the level of education of the people.
- (iv) National micro-finance bank of Ngara branch has given no support to the micro enterprise project groups of the rural areas.

**Fig: Conceptual Framework**



Source: Author

## CHAPTER TWO

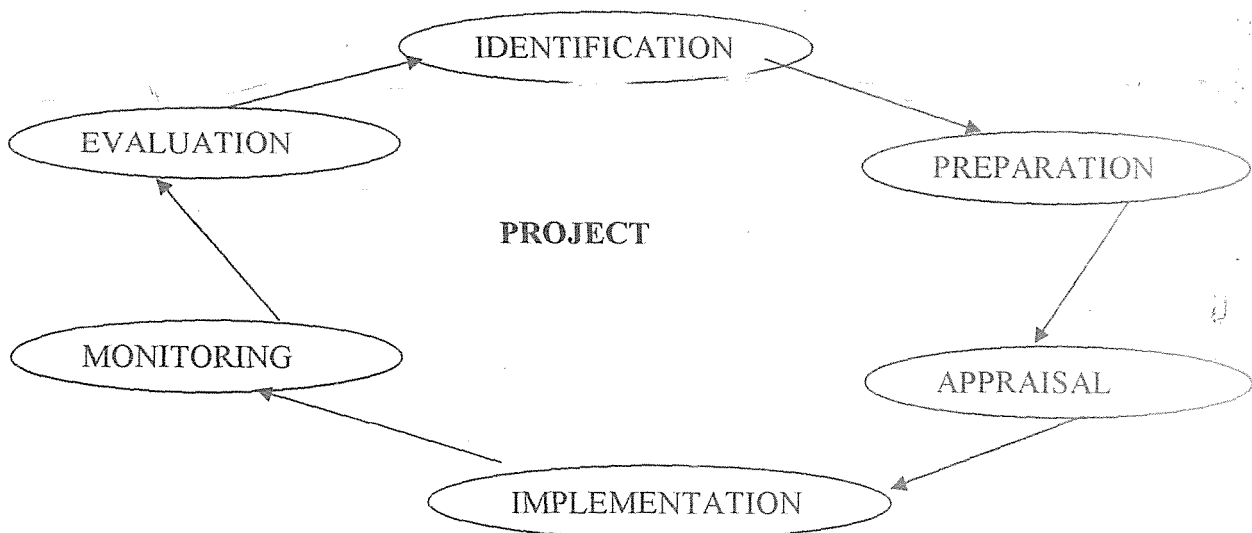
### 2.0 Review of related literature

#### 2.1: Introduction

Different scholars have explained various ways concerning poverty reduction initiatives. The Ideas put forward by the scholars might be the same or differ due to the environment background or socio-economic situation. The ideas given basically were on good selection of areas for investment, mobilization of people in the other resources. Also poverty should be eliminated through increased productivity especially in agriculture and in micro economic projects. In this regard, people must engage in micro – projects since they play a very big role in employment creation and income generation.

Gittinger (1973) defines projects as the cutting edge of development, clearly projects preparation is not the only aspect of agricultural development or planning. Identifying national agricultural development objectives, selecting priority areas for investment, designing, effective price policies, and mobilizing resources are all critical. Project should be carefully prepared in substantial detail, in efficient or even wasteful expenditure of money is almost sure to result a tragic losing capital short nations.

Fig 1 –project cycle



Source: Small and Medium enterprise development (2003)

This cycle illustrate how each stage of the project depends on the next stage. Failure to complete a stage may lead to the failure of the whole project.

There are an enormous variety of agricultural activities, which may legitimately be cast in project form. The World Bank it self lends for agricultural projects as widely varying in their nature as irrigation, livestock's agricultural credit, land settlement, tree crops, and agricultural education.

Ministry of Industry and Trade Dar es Salaam – Tanzania (April 2003) “It is now increasingly recognized that the Small and Medium Enterprise (SME) play a crucial role in Employment creation an income generation in Tanzania. Small and Medium Enterprises all over the World and in Tanzania in particular can be easily established since their requirements in terms of capital technology, management and even utilities are not as demanding as it's the case for large enterprises.

In Tanzania therefore, it is estimated that, about a third of GDP originates from the Small and Medium Enterprises Sector. According to the information sector survey of 1991, micro enterprises operating in the informal sector alone consisted more than 1.7 billion businesses engaging about 1.3 million persons, that was, about 20% of the Tanzanians Labour Force. Though data on Small and Medium enterprises (SME) Sector are rather sketchy and unreliable.

Small Medium Enterprises (SME) creates employment at relatively low level investment per job created. At present unemployment is a significant problem that Tanzania has to deal with. Estimates show that there are about 700,000 new entrants into the Labour Force every year. About 500,000 of these are School leavers with few mark able skills. The Public Sector employs only\_about 40,000 of the new entrants into the Labour Market; living about 660,000 to join the unemployed or the under employed reserve. Most of these persons end up in the Small and Medium Enterprises (SMEs) Sector. (from small and medium enterprises development policy, 2003)

In poverty reduction strategy paper (PRSP) that of the United Republic of Tanzania (DSM) October, 2000 printed by Government Printer Dar es Salaam Tanzania denotes that in the rural areas income, are lower and poverty is more wide spread and deeper, than in the Urban areas. According to the 1991/1992 HBS, a basic need rural poverty incidence is estimated at 57 percentages and the food poverty incidence is about 32 percentages. Tentative estimates for year 2000 suggest that the incidence of poverty in the rural areas may have increased.

The 1993/1994 HRDs indicates that within the rural areas farmers are poorer than non-farmers. According to the 1991/1992 HBs, the poverty incidence for house holds whose heads work in own farms was 57 percent. These results are also supported by the 1998 REPOA rural survey. In addition farmers that grow cash crops have higher incomes than those who do not holding farm size, education, and other factors constant.

Again, according to the 1991/1992 HBs, 44 percent of population is below the age of 15 and 4 percent is aged 60 or over implying a dependency ratio of over 0.9. Other dependency ratio. The REPOA (1998) rural survey data yield an overall dependency ratio of 1.1. More over, the 1991/1992 HBs indicate that the proportion of the poor increases as the level of dependency rises. Households with a dependency ratio of 0 – 0.25 showed a basic needs poverty incidence of 32.1 percent, while those with a ratio of 0.75 – 1.0 showed a poverty level of 55.8 percent. Other surveys also confirm the relationship between household size and poverty. According to the 1991/1992 HBs, people living in house holds of seven or more are two thirds more likely to be poor than those living in house holds of six or less. The 1993 HRDs data indicates that are nearly twice as likely to be poor than households of 1 – 5 people.

Women represent 51 percent of the population and head 14 percent of the households survey show that women headed households are not necessarily poorer than male-headed house holds. For example, the 1991/1992 HBs show a poverty incidence level of 45 percent for female-headed households, and 49 percent for male-headed house holds. A recent case study established that male-headed households (without wives) are likely to



be poor as male-headed house holds (without husband). This is not with standing a good number of studies suggest that women are infected poorer than men.

In the daily news Wednesday, June 29, 2005 – remarks by the Minister for Finance, of Tanzania Honourable Basil Pesambili Mramba (Member of Parliament) guest of Honour at the Launch of the Local Government capital development Grant system held on Monday 27<sup>th</sup> June, 2005 he said “The guiding Principle for Village activity was self-reliance, self-help and togetherness. Tanzania thus became a unique Country where rural modernization took place and replaced traditional tribal rule that was seen to be backwards looking. There is no doubt that contrary to criticism of the time; villagization engendered unique social and political bases for rural development in Tanzania. It is the economic aspect of Villages, which was less successful, for inter-alia, lack of managerial and technical competency. This is my view, is our main challenge in planning and implementing the capital development grant system by decentralization, devolution and capacity building. We should aim at eliminating poverty at house hold level through-increased productivity, especially in agriculture, macro-economic projects, enterprises irrigation system, and access to credit for especially productive use, through the creation of rural savings and credit schemes”.

A Review of Political and economic performance Tanzania: (1961 – 1981) Bank of Tanzania, Rural development is a strategy designed to improve the economic and social life of the rural poor. “A strategy for rural development must recognize three points”

Firstly, the rate of transfer of people out of low productivity agriculture and related activities into more rewarding pursuits has been slow; and given the relative size of the modern sector in most developing Countries, it will remain slow. Secondly, the mass of the people in the rural areas of developing Countries-face varying degrees of poverty. Their position is likely to give worse of population expands at unprecedented rates while limitation continue to be imposed by available resources, technology, institutions and organizations. Thirdly, rural areas have labor, land and at least some capital which, if

mobilized, could reduce poverty and improve the quality of life" (chapter 7 page 75) Gerald M. Meier (1989).

It is difficult to measure the extent of poverty. To begin with, absolute poverty means more than low income. It also means malnutrition, poor health and lack of Education. Not all of the poor are equally bad off in all respects.

Despite all this, no one seriously doubts that a very large number of people are extremely poor. Taking as the cut off a level of income based on detailed studies of poverty of India, the number of people in absolute poverty in developing Countries (excluding China and other centrally planned economies) is estimated at around 780 million. In 1975, about 600 million adults in developing Countries were illiterate and only two-fifths of the children in these Countries currently complete more than three years of Primary School. In 1978, 550 million people lived in Countries where the average life expectancy was less than 50 years, 400 million in Countries where the average annual death rate children aged one to four was more than 20 per 1,000 – 20, times that in the industrialized Countries.

In aggregate however, considerable progress has been made in reducing of poverty over the past 30 years. So, since 1950 income per person in the developing world has doubled. But in low-income Countries; the average increase has been half ( $\frac{1}{2}$ ) that, and in both low-and middle income Countries the incomes of the poor have grown more slowly than the average. The proportion of people in absolute poverty in developing Countries as a group is estimated to have fallen during the past two decades (though) probably not in sub-Saharan Africa in 1970s. But because population has grown, the number of people in absolute poverty has increased (Page 26 I.B.3 chapter 1).

Projections for the year 2015 suggest that Africa will not meet the millennium development targets if structural transformations are not adopted. A healthily and well-educated population is essential for growth and growth reduction. In this aspect therefore, the Government should sensitive its people to engage in micro-Economic Projects as well as to support the individuals and groups by credit and enhancing business education. Expectations can be met only by a close partnership between Government and

business. Business and markets are the cornerstone of developments and the means of achieving a transition from dependence to sustainable growth.

The domestic economy is thus the dominant source of savings for investments, but Africa's domestic savings are still too low to sustain the required investment and growth necessary to reduce poverty. (The courier the magazine of ACP-EU development co-operation Financing for Development Country report Mauritania No. 191 March – April 2002 Page 17).

## **CHAPTER THREE**

### **3.0 RESEARCH METHODOLOGY:**

#### **3.1 Introduction**

This chapter describes the design of the research, target population, the sample selection techniques, data collection instruments, technique of data analysis and limitations of the study.

#### **3.2 Research design:**

A research design is the conceptual structure within which a research is conducted and questions answered. The design guides data collection, measurement and analysis (Enon, 1998). During the study, case design was adopted.

Case study design was adopted because it examines a small number of units extracted from a large number of variables and conditions (Keya et al, 1989, Enon, 1998). Furthermore, case studies are greatly comprehensive and reliable because of their nature of making deep exploration of instances intending to gain information that is purposive, compressive as well as by the fact that they could be based upon for easy and meaningful analysis of finding (Tuckman, 1978).

#### **3.3: Research Approach.**

A study like this which involves interaction of people of different ages, sex, education levels, thoughts, and upbringing required a research method or methods of study which could meet the desired objectives for the research.

Therefore, in most cases quantitative research approach was used although in few cases qualitative approach was also used.

The quantitative research approach includes a range of methods such as case study, interviews and observation (Enon 1998), documentary analysis, observation and questionnaires methods were used to collect data.

The researcher used quantitative approach during the study because the approach gives opportunity for problems to be studied in some-depth and enable the researcher to collect facts sources and solutions of the facts. Enon (1998) maintains that researchers adopting quantitative perspectives are more concerned to understanding of individual perception of the world.

Therefore, the researcher was able to do an intensive study on the conditions for implementation of Micro-enterprise projects as a tool in poverty reduction especially to the rural community. Further more, the researcher recommends the use of quantitative approach because of its flexibility in data collection and research plan.

More over, quantitative approach contains different data collection methods, which facilitate triangulation of information from different sources. This multi method approach increases both the validity and the reliability of data.

However according to Tuck man (1978) competent researchers always employ both qualitative and quantitative research approaches because they depend on each other. This is in line with keya et al (1989) observations that highlight that the use of both qualitative and quantitative approaches in the research to enable the researcher to apply both words and numbers to the analysis of the phenomenon.

Questionnaires were distributed to the respondents which were closed and open ended as shown in table seven.

**Table 7: Administration of Questionnaire**

NO	TYPE OF RESPONDENTS	NUMBER OF QUESTINNAIRES DISTRIBUTED
1	National Micro-finance Loan Manager	3
2	Government Leaders	11
3	Micro-Enterprise Project Leaders or Supervision	10
4	Micro-Enterprise Project members	10
5	Others beneficiaries	9
<b>TOTAL</b>		<b>43</b>

**Source:** Primary data collected by the researcher

### **3.4: Area of the Study**

The study was conducted in Ngara district Kagera Region Tanzania. The study covered six wards, which were Nyamiaga, Kibimba, Rusumo, Keza, Bukiro and Rulenge. These six wards represented seventeen wards comprised Ngara District.

The district covers an area of approximately 3,750 square Kilometers. In this regard the annual rainfall ranges from 800 mm in Rulenge and Murusagamba Divisions and 1,400 mm in Nyamiaga and Kanazi Divisions (Ngara).

The main land use types are upland agriculture, wet land agriculture, game reserve and livestock keeping. The main crops that are grown include banana, beans, maize and coffee.

Ngara district has been a hosting refugees from neighboring countries since the 1950s. However, it never reached a scale as in 1994, when hundreds of thousands of Rwandese fled the violence in their country following the assassination of the Presidents of Rwanda and Burundi. By the end of 1994 over 400,000 refugees had settled in four large refugee camps in Ngara district. 1996 the majority of Rwandese refugees were repatriated to the home of their origin.

### 3.5: Population of the Study

The target population in the study was rural community of Ngara district. But for the purpose of the study, one hundred thirty people were used as target population. Twenty people were selected from each ward; hence it brings a total number of one hundred twenty. Additional to that nine government officials and one Loan National Micro-finance Manager were also used in the study.

The table eight below shows the administration of target population.

**Table 8: Administration of target population**

NO	TYPE OF RESPONDENTS	TOTAL
1	Government Officials	9
2	Loan Manger	1
3	Project group Leaders	12
4	Micro-Enterprise Project group members	60
5	Beneficiaries	48
TOTAL		130

Source: Primary data collected by the researcher

### 3.6: Sampling Procedure:

In this study, the sample consisted of 130 people in respect to gender balance. Mainly sampling was basing on the following characteristic:-

- (a) Education level
- (b) Members of micro-enterprise projects.
- (c) Government officials and
- (d) Supervisors/Leaders of the projects.

Also when selected sample the researcher took into consideration of Age, which was from 18 – 80 years old and gender balance.

The researcher used purposive sampling method in selecting the sample because the method based on judgment of the researcher regarding the characteristics of the representative sample (Enon 1998). Therefore, this method ensured that all-important units in the population were represented in the sample under study.

### **3.7: Data collection Instruments.**

This study employed four types of methods which were interview, observation, questionnaires and documentary review during data collection.

#### **3.8: Interview:**

Interview is a research method for data collection that involves the collection of data through direct verbal interaction between the researcher and respondents. According to Enon (1998), research interview is a two-person conversation initiated by the interviewer for specific purpose of obtaining relevant information and focused by research objectives of systematic description, prediction, or explanation. This method was chosen because the choice of the study method depends on the purpose of the study and research question under the study (Seid man, 1991). Therefore, open-ended and closed ended questionnaires were used during the interviews and were bridged by the researcher's physical observations in the field.

More over, interview allowed the researcher to enter into person's inter-perception and the meaning they make from those perspectives. Enon (1998) argues that interviews require simple facilities and equipment and it is built on the conversation skills, which the researcher already had. During interviews each informant was given questions. Freedom was given to informants to choose how to be interviewed in order to get good relationship with them. Good atmosphere enable the researcher to get valid information.

#### **3.9: Field Observation**

Field observation was used during fieldwork. Cohen (2000) recommends the use of observation during data collection because it gives an opportunity to gather live data in natural setting. In light of this, observation helped the researcher to eliminate subjectivity and bias during data collection. Thus, the researcher observed Micro-enterprise projects belongs to Faru Fruit, Tumaini, Changamka, Juhudi, Tushirikiane, Upendo, Muungano women, Ujamaa, Tika's Twiyunge, Umoja, and Nguvu Kazi groups how they are conduction their activities in their groups. Findings from interviews provided primary



data. Enon (1998) defines primary data as those that provide evidence from direct sources such as conversations between a researcher and researches.

### **3.9.1: Review of Documents**

Documentary are claimed to be a bridge for obtaining rich data from the research. In this regard, documents are vital sources of information and are usually in the written, visual, and sound forms, artifacts, photographs, manuscripts, charters, files, letters, memoranda, biographical, official publications, logbooks, research reports, and transcription. During the study the researcher looked at the official documents from the department of community development of the District Office as well as in the wards executive officers, and in Micro-enterprise projects groups.

These provided data on the development and community participation in these micro-projects as the tool for poverty reduction in Ngara rural. In light of this documentary analysis method provided secondary data for the study.

### **3.9.2: Validation of the Study Instruments.**

Before conducting a study, the researcher tried out the research instruments at Biharamulo District Council through a pilot survey. In the pilot, the research questionnaires and interviews were administered to Government leaders of the wards, District council Micro-enterprise project members and other stake holder. Results from the try out exercise enabled the researcher to make modifications in the instruments in order to make them appropriate for collecting valid and reliable data.

### **3.9.3: Ethical and Legal Consideration**

Ethical standards were strictly observed during the study in order to protect the participants from psychological, physical and social risks. The study was conducted under informed consent of the informants by informing them the purpose of the study to influence their choice to participate.

### **3.9.4: Data Analysis techniques.**

Data analysis is an important step towards finding solutions of a problem under study. Guba (1994) describes data analysis as being a systematic process involving working with the data, organizing and dividing them into small manageable portions. Also, he continues to explain that data are further synthesized in order to discover what is important and what has been learned so as to decide what to tell others.

The first step during data analysis was to transcribe data because some of the collected data was in Kiswahili language. Content analysis technique was used to analyze collected data. In this regard, content analysis was used because ensures that collected data is analyzed in a systematic manner and also all variables under study are covered. In this case data analysis began with individual response and then responses from different respondents were purposefully sorted and grouped to make them coherent with research objectives. Sorted data was then compared to identify those that are related. In so doing a large amount of organized data was reduced into small manageable and analytical portions.

Miles and Hubermans (1994) explain the importance of data reduction that embodies analysis of elements because it sharpens, focuses, sorts out, discards and organizes them in such a way that final conclusions can easily be drawn. Thus, based on miles and Hubermans (1994) argument, it was easy for the researcher to synthesize information that was obtained before drawing conclusions and putting recommendation forward.

### **3.9.5: Limitations of the Study**

This study was carried out amidst so many difficulties and challenges. It was difficult to trace and reach most of the respondents easily like Bukiriro, Kibimba and Keza because it was a rainy season but the researcher had to hire motorcycle so as to reach the intended place of the study.

Some of the respondents were suspicious and reluctant to provide data presuming the researcher was reaching for the same political reasons rather than academic. In such a case, apart from the researcher producing a letter of introduction, thus emphasizing the

genuiness and significance of the study being undertaken, the researcher approached the ward executive officers of each ward where the study was conducted to clear doubt on the issues pertaining to the study. In this regard the respondents understood what was going on. Never the less they provided information that was vital for the study. There was also a problem of miscommunication to the respondents who were standard seven leavers who were not able to read and answer questionnaires which were presented in English language. As such the researcher would always translate to them in Kiswahili (Tanzanian National Language) in explaining the questionnaires and interview questions. Never the less, the respondents were able to provide data for enhancement of this study.

## CHAPTER FOUR

### 4.0: DATA ANALYSIS AND PRESENTATION OF FINDINGS

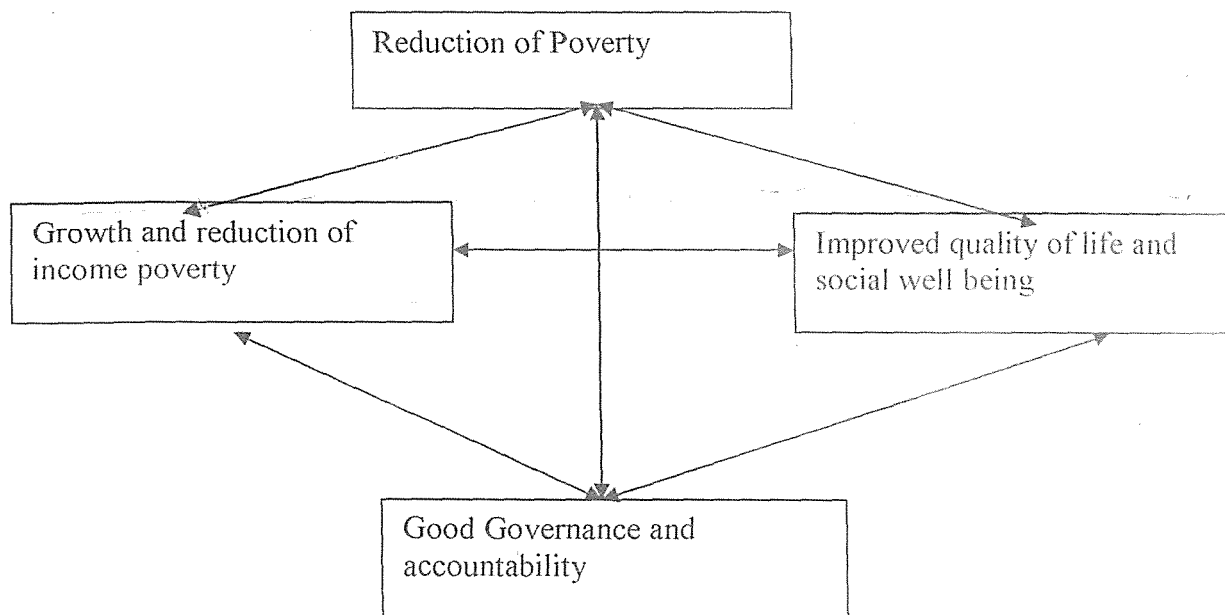
#### 4.1 Introduction

This chapter presents the findings from the study with specific emphasis on poverty reduction in the progressive of Ngara rural community participation in micro enterprise projects as an alternative in poverty reduction.

The study solicited responses for research hypothesis:

- (i) More participative projects are more effective in poverty reduction than less participative.
- (ii) Women are more active participants in micro enterprise projects than men.
- (iii) Educated people have more advancement in micro enterprise projects participations than illiterates
- (iv) National micro finance bank of Ngara branch given no support to the rural micro-enterprise groups.

**Fig: Participation in micro enterprise projects**



**Source** – National strategy for growth and reduction of poverty (NSGRP) 2005.

**Table 9: Administration of Participation.**

Wards	Project	Products produced/dealing	No of participants
<b>RULENGE</b>	Faru Fruit group	Deals with fruits	10
	Tumaini group	Chicken	8
<b>BUKIRO</b>	Changamka group	Milk cattle	10
	Juhudi group	Bee keeping	10
<b>KEZA</b>	Tushirikiane group	restaurant	8
	Upendo group	Banana juice processing	6
<b>NYAMIAGA</b>	Mungano women group	Dvd/Cd sales	10
	Ujamaa group	Carpentry	8
<b>RUSUMO</b>	Tika's group	Tree nursery	10
	Twiyunge group	Traditional drums	9
<b>KIBIMBA</b>	Umoja group	Garden flowers	10
	Nguvu Kazi group	Traditional pots	10
	<b>TOTAL</b>		<b>109</b>

**Source:** Primary data collected by the researcher

In Table 9 shows the level of participation in micron enterprise projects and the trend in poverty reduction. There fore, the table indicated the number of participants in all groups and the products produced. Interview and field observation method were applied. In his face to face interview the researcher wanted to know social economic welfare of the respondents. In this regard indicators were based on owning living houses roofed by corrugated iron, access to health services, access to afford to pay money (school fees) and send their children to school, access to buy and own radio as well as domestic wealth like owning banana and coffee farms.

The indicators were used by the researcher in respect to the socio-economic welfare situation of Ngara District. These are the common indicators for the Ngara rural

community that for the house hold to afford to have them all is the level of poverty reduction.

- (i) Faru Fruit Group owned ten(10) acres of pineapples, The researcher in interviewing the leader of the group, the findings revealed the following:
  - a) Members of the group have to attend to the project every two(2) days of the week to clean their farm and to harvest the fruits as well as to take them to the market.
  - b) The capacity of the farm can realize three tones every week which gives a total of Tanzania Shillings 840,000/=
  - c) The group has temporarily employed 3 (three) men to guide the Farm. They are paid every month.
- (ii) Tumaini Group is keeping local chickens. In the researchers interview and observations method, the results revealed the following:
  - a) The group has constructed 4 (four) local buildings. One structure is for young chickens, two is for those which are laying eggs and the other is a combination of the big chickens.
  - b) The group owned a total of three hundred big chickens and two hundred young chickens.
  - c) When the group sells eggs they can afford to get a total of 150,000/= Tanzanian shillings every month. Like wise when they sell big chickens for meat, they can be able to get 382,000/= Tanzanian shillings every month.
  - d) The group has employed three temporary laborers for serving the project.
- (iii) Changamuka group is keeping fifteen diary milk cattle. The situation revealed as follows when they were interviewed.
  - a) Three temporary employees are employed to serve the project and they are paid every week.
  - b) The cattle can produce 150 Litres of milk every day. When milk is sold Tanzanian Shillings 75,000/= is realized every day.

- c) Every member of the group is assigned to be on duty every day so as to monitor the progress of the project.
- (iv) Juhudi group like other groups is dealing with beehives. The researcher revealed the following:
- a) The group has 478 hives. These are located in three different areas which is four kilometers from the village.
  - b) Only 265 hives are ready having bees and are productive.
  - c) The group can harvest 100 litres of honey every month which is worth Tanzanian shillings 3000/- per every litre
- (v) Tushiri Kiane group owned a restaurant at Keza trading centre. When the Leader of the group was interviewed, the following are the findings:
- a) The restaurant is serving breakfast, Lunch and Dinner.
  - b) It can afford to accommodate 50 (fifty) customers at a time.
  - c) Five laborers are employed to serve the customers
  - d) The project can produce the average of Tanzanian Shillings 101,500/= every day
- (vi) Upendo Group which is processing Banana juice. In the researcher's interview, the following are the findings:
- a) The project is situated at Keza trading centre
  - b) Members of the group are the main actors in the project.
  - c) Juice is processed locally using banana fruits
  - d) Members have a special room for processing and there is another room which is used to serve the customers.
  - e) Processing and selling is conducted by members of the project
  - f) The project can afford to produce 100 litres of juice every day and if the group attempt to sale all litres of juices for Tanzanian shillings 500/= per litre, then 50,000/= can be realized.

- (vii) Muungano women group which owned a shop of DVD/ CD at Nyamiaga trading centre. The researcher revealed the following findings when he interviewed the leader of the group:
- a) The group has a shop of DVD / CD in Nyamiaga trading centre
  - b) The group owned one emergency generator which is valued at Tanzanian shillings 400,000/= which operates when there is power / electricity problem.
  - c) The project can afford to earn an average of Tanzanian shillings 1,050,000/= every month.
  - d) DVD / CD are imported from Mwanza, Dar-es-salaam and a little from Kampala.
- (viii) Ujamaa group which deals with Carpentry. When the researcher interviewed the members of the group, the findings revealed the following:
- a) The project is operating at Mkididili village near Nyamiaga trading centre
  - b) The project has all the required tools/ instruments to run the business.
  - c) All members of the group have technical know how in the field of operation so they work everyday except Sunday.
  - d) They get timber from Mwanza and Biharamulo District.
  - e) They get small orders from village council, making furniture for primary schools and the local community.
  - f) The project can produce Tanzanian shillings 3,455,000/= every month.
- (ix) Tika's group which is dealing with tree Nurseries. The project operating at Rusumo border near Rwanda during the interview and observation applied by the researcher the following are the findings:
- a) The project has 30 (thirty) nursery plots with varieties of seedlings.
  - b) All members of the projects are the main actors
  - c) The project employed 2 (Two) laborers to look after the project and to monitor the welfare of the seedlings not to be destroyed by domestic animals.



- d) The project can produce Tanzanian Shillings 440,000/= every month especially during the rainy season starting from September to April every year
- (x) Twiyunge group which is dealing in Traditional drums. In the researcher's findings revealed the following:
- a) Cattle skins are used to make drums
  - b) Cattle skins are locally found in the butchers all over the district.
  - c) All members of the group have the skills in making the drums
  - d) The drums are made on orders and the price varies according to the size and quality of the drums.
  - e) The project can be able to earn Tanzanian Shillings 640,000/= every month depending on the orders received as well as the availability of the customers.
- (xi) Umoja group which is dealing in garden flowers. The following are the findings when the researcher interviewed the leaders of the group:
- a) The group has eight (8) plots with a variety of flowers at Kibimba valley near Ruvuvu River.
  - b) All members of the group participate fully in the project.
  - c) The project can be able to produce Tanzanian Shillings 435,000/= depending on the availability of the customers.
  - d) The majority of the customers are local and central government offices, churches and from Bukoba and Mwanza. Also during the special occasions like marriages, graduations, send off and birthdays.
- (xii) Nguvu Kazi group which deals in traditional pots. When the members were interviewed, the following were the findings:
- a) The participants in this project are members themselves because they have the technical know how of making the pots.
  - b) Pots are mainly preferred by rural community.

- c) The group members can afford to make twelve pots in different sizes every day.
- d) The price of the pot depends on the sizes.
- e) The project is undertaken at Kibimba village.
- f) The project can produce Tanzanian shillings 102,000/= every day depending on the availability of the customers. Therefore, table 10 revealed the situation.

**Table 10. Response in Micro-enterprise Projects**

Ward	Types of Project	Respon-dents	House roofed by corrugate iron	Access to health	Money to pay for fees	Who have Radios	Who have coffee & Banana	Percentage
<b>RULENGE</b>	Faru Fruit group	10	10	10	10	10	10	100
	Tumaini group	8	8	8	8	8	5	80
<b>BUKIRIRO</b>	Changamka group	10	8	10	10	10	10	85
	Juhudi group	10	10	10	8	9	10	87
<b>KEZA</b>	Tushirikiane group	8	8	8	8	8	8	100
	Upendo group	6	6	6	6	6	5	92
<b>NYAMIAGA</b>	Muungano women group	10	10	10	10	10	10	100
	Ujamaa group	8	8	7	8	6	7	87
<b>RUSUMO</b>	Tika's group	10	10	10	10	10	10	100
	Twiyunge group	9	9	9	8	8	8	94
<b>KIBIMBA</b>	Umoja group	10	10	10	10	10	10	100
	Nguvu Kazi group	10	10	9	9	9	8	94
<b>TOTAL</b>		109	107	107	105	104	101	

**Source:** Primary data collected by the researcher.

In view to the above table, the findings show that 109 were the total respondents. So, 107 out of the total respondents in all twelve groups live in house roofed by corrugated iron which is almost 99%. Their houses are roofed by corrugated iron. Also 99% respondents can afford to get in come for health service given that they do not experience much to

infant mortality, child mortality, malaria related mortality and maternal mortality. In this regard women and child death in particular are not too much due to lack of accessing health facilities.

They support and treat themselves in improving the well being. There have been some successes in immunization coverage of children, in TB treatment and in the accessibility to contraceptive. So generally death due to pneumonia, diarrhea, Malnutrition and complications are not very common to them.

Also the findings revealed that those engaged in micro enterprise projects can afford to get income to pay for important necessities. Like health services, sending their children to schools, buying radio and affording to have banana and coffee farms which are domestic economy for Ngara rural.

In this regard the findings revealed that 104 out of 109 total numbers of the respondents which is equal to 96% they said to own Radios. Radios are the instrument for communication for the majority of the rural. It enables them to get essential news within and out side their country. The news received play very big role in educating them and keep them aware with what is going on in the Country as well as the whole World.

Focus on table 10, 101 out of 109 of total respondents, responded to have banana and coffee farms, which are maintained. Banana is food crop in the other hand coffee is a cash crop. As far as agriculture is the lead sector in Tanzania, which is accounting for 45 percent of GDP and again it is a source of food and raw materials for industries. It also provides lively hoods to 82 percent of the population. In additional to the income earned from Micro-enterprise projects, hence when yielding coffee and bananas as well as other crops people can sell them and get income which enable to purchase the required necessities.

Further more, when the researcher applied field observation, he witnessed the properties of the respondents like their living houses and farms. In this aspect field observation revealed the situation and the living facts. Twelve (12) ward executive officers of twelve

wards taken in the study when they were interviewed concerning contribution of micro-enterprise projects in poverty reduction, the findings revealed positively. They said that Micro-project actors of the rural are able to get adequate income and also employment in generating micro-enterprise projects.

The field observation conducted by the researcher to all the respondents mainly the project actors, he witnessed the reality as shown in Table 10. In addition to that, he conducted face to face interviews of the respondents in the issues pertaining to access to health, access to pay for school fees and access to buy radios because these variables were not easy to be observed. But in the course of their responses, revealed to own the said properties, therefore the data given in table 10 clearly explain the picture on how participation in micro – projects enables rural people to get income which helps them to purchase the necessities.

Also the data shows that 99% of the project participants can afford corrugated iron roofed houses and 99% can afford to get health facilities, taking their children to school and afford to buy radios as well as banana and coffee farms. In this regard therefore participation in micro projects plays a big role in poverty reduction.

### **Women participation in micro enterprise projects**

As shown in table 11 women are more active participants in micro enterprise projects than men.

Looking at the table below the findings revealed that the total number of respondents was 126 in all the projects, women were 87 which is 70% of the total respondents. While, men were 39 out of 126 that is 29%.

The situation revealed that the rural women of Ngara District are more participative in micro-enterprise projects than men. The reasons given by one woman of Tushirikiane group when interviewed by the researcher that, in micro-enterprise project involved in,

she can afford to get income to purchase the important necessities. Also she feels more happy and active in project involvement.

More over, women played very big role in rural areas in strengthening their participation in small economic projects as means of improving rural house holds income and food security. For example in Agriculture, they do better farming method use of improved seeds, access to farm inputs and using irrigation in crops production.

**Table 11: Revealed the Situation.**

WARDS	PROJECTS	TOTAL RESPONDENTS	NO.OF WOMEN	NO.OF MEN
RULENGE	Faru fruit group. This is growing fruits	10	8	2
	Tumaini group. • Chickens keepers/form.	10	8	2
BUKIRIRO	Changamka group • Milk cattle's keepers and shop.	10	6	4
	Juhudi group • Bee dealers	10	7	3
KEZA	Tushirikiane group. • Hotel business.	11	10	1
	Upendo group. • Banana juice processing	10	7	3
NYAMIAGA	Ujamaa group. • Capentry dealers	10	0	10
	Muongano Women group • Sells DVDs and cds	10	8	2
RUSUMO	Tikas' group. • Tree nursery dealers	10	8	2
	Twiyunge group. • Traditional drums dealers	14	9	5
KIBIMBA	Umoja group • Garden flower dealers	10	6	4
	Nguvu kazi group. • Traditional pots and Selling honey	11	10	0
<b>TOTAL</b>		<b>126</b>	<b>87</b>	<b>39</b>

Source: Primary data collected by the researcher

Many reasons have been given by respondents when interviewed to the researcher concerning the number of women participation in micro enterprise projects to be much high than the number of men. Among them the number of 21 men and 10 women interviewed gave different reasons as follows

- (a) Majority rural men are employed in the government sectors and non-Governmental organizations.
- (b) Women are discriminated to undertake domestic economy, like coffee and banana farms. There fore micro-enterprise projects is the best alternative for them to generate income and employment.
- (c) Women are adoptive to undertake micro-enterprise projects when they are sensitized and empowered by the government and other stake holders than men given the fact that women are flexible.
- (d) Rigidity of rural men's mind-set in accepting changes.
- (e) Due to HIV impact, some women left widows, and they have orphans to take care. In this regard Micro-enterprise projects are their alternative to give them income.
- (f) Traditional norms and cultures that desegregated. Women from some of tasks and decision making.
- (g) Women are more active in working together and sharing responsibilities.

The researcher's observation came up with idea that the question of shared responsibilities of both men and women in the aspect of implementation of economic activities should not base on discrimination. There fore both should take charge and work together.

Further more, women have a decisive role to play in creating a new consciousness and a new paradigm because among all social groups, they are the most oppressed and there fore have the most to gain from radical transformation in relation between themselves and men.

Given the situation of Ngara District women account for 51% population and contribute 70% of all the labour inputs in economic activities especially in micro-enterprise projects. They participate in the development process in myriad of ways. Their contribution of economic and social change continues to be inadequately recognized and greatly undervalued because their male dominated cultures have given them an inferior position in society and custom, taboo, and sexual division of labour keep them subordinate to men.

Economic, social and cultural factors have combined to produce a situation in which most development effort have tended to discount the potential social and economic contribution of women and so fail to mobilize the benefit from this vital human resource. There is a persistent misconception in Ngara District that the value of women's contribution to the economy and to society is adequately recognized and their needs and interest are satisfied if they are made the beneficiaries of certain welfare programs, however the adjustment programmed of the 1980's have its essential therefore, that the concerns of women should be incorporate within the frame work of regional and National development policies in a comprehensive manner. Adequately resources should be made available to meet their needs.

In one place or another rural women are termed poorly. But in the actual fact there are capable of promoting their own efforts and initiatives if are recognized and supported. A useful role for the development agencies is to support women's groups in their attempts to break through some of the constraints they face. This means support not just for income earning opportunities but for advocacy, for mobilization the public sphere, for ensuring that women's voice are heard in all the main decision making process, not just in small and isolated women bureau.



### **The role of education in micro projects participation**

As shown in table 12 education is very crucial and it contributes highly in micro projects generation.

As such it contributes to decisions and activities that surround the projects. The study shows that the projects below which among their members are diploma holders are performing well than those who have not.

Basically education helps members who are under taking any business unleash their creative and productive energies. It creates business confidence in them and understands the reality of their environment (social, economic, political, ecological and cultural) and the necessary actions needed to improve their well-being. Also, it helps in poverty monitoring system so that they can plan for and pull together information from a wide range of sources, and analyze it to guide our policies and plans for poverty reduction.

Further more, people make plans based on how they understand the World. How they understand the Word depends on what they know. This is on what evidence they have. If people don't know much and if what they know is wrong, then their understanding and their plans will not be very good. Based on poverty reduction strategies education provides analysis to broaden understanding about the amount and causes of poverty and about the impact of poverty reduction policies.

**Table 12: Role of Education in micro projects participation**

WARDS	PROJECTS	NUMBER OF RESPONDENTS	EDUCATION				Total
			Primary School	Secondary School	Diploma	Degree	
RULENGE	Faru Fruit group	10	2	6	2	0	10
	Tumaini group	8	6	2	0	0	8
BUKIRIRO	Changamka group	10	10	0	0	0	10
	Juhudi group	10	2	7	1	0	10
KEZA	Tushirikiane group	8	8	0	0	0	8
	Upendo group	6	6	0	0	0	6
NYAMIA GA	Muungano group	10	5	4	1	0	10
	Ujamaa group	8	4	4	0	0	8
RUSUMO	Tika's group	10	2	7	1	0	10
	Twiyunge group	9	4	5	0	0	9
KIBIMBA	Umoja group	10	6	3	1	0	10
	Nguvu Kazi group	10	1	8	1	0	10
	<b>TOTAL</b>	<b>109</b>	<b>50</b>	<b>56</b>	<b>7</b>	<b>0</b>	<b>109</b>

**Source :** Data collected by the researcher

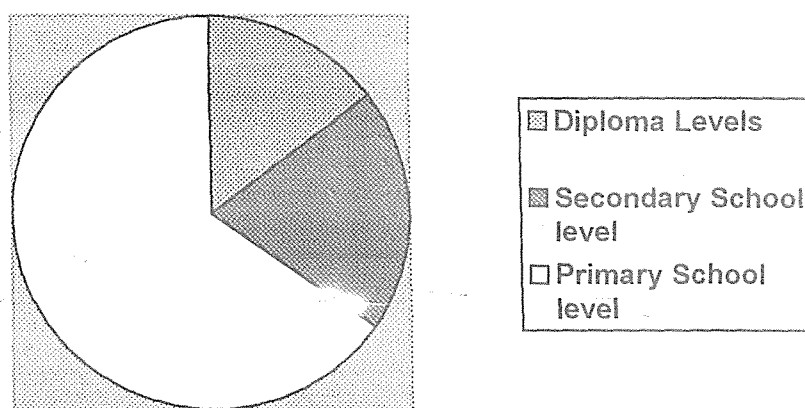
To reduce poverty, a wide-range of actors must make informed choice. To do this they need information about poverty, how it is changing and what causes these changes.

Information on the status of poverty and how it differs by gender, and other factors helps to inform the design of strategies to reduce poverty. It assists with the identification of those people and areas that are most disadvantaged and therefore require priority

attention. Evidence on changes in poverty is important to assess whether the country is on track to achieve the target set.

Information about outcomes and impact of actions on poverty needs to be linked to resource allocation. Monitoring of inputs is important to assess whether the commitments made in poverty reduction strategies translate into higher allocations, for the priority sectors and, within those, the priority budget lines for poverty reduction.

Fig: Educational levels of respondents.



Source: Primary data

#### **Primary School levels:**

They are the majority in Ngara rural who undertaking micro-enterprise projects.

#### **Secondary School levels:**

The numbers who are not absorbed by the government sectors due to lack of Employment capacity, they remain in the rural after completed secondary education. Thus some of them participate in micro-enterprise projects.

### **Diploma Levels:-**

Looking at the table 12, the researcher noted that most of Ngara rural who are undertaking Micro-enterprise projects are secondary school leavers and primary schools. 50 people out of 109 who are respondents were primary schools leavers and 56 were secondary school leavers while 7 people out of 109 were diploma holders.

The researcher sought to know why the majority undertaking micro-projects are secondary schools and primary school leavers, the findings revealed that over half of people who completed secondary school and primary school remained in rural unemployed. In this regard therefore the alternative is to join the informal sectors as the only alternative of securing income, and employment.

Arguing in the same vein those few people who are diploma holders in different disciplines, in table 12 is seven. In Faru fruit group there are two, Juhudi there is one, Muungano one, Tikas' group one, Umoja one as well as Nguvu Kazi one.

Those seven respondents who had diplomas when were interviewed; they responded to be retired officers from Governmental sectors. When they terminated their services they came back and settle in their respected villages and joined in Micro-enterprise projects.

On the other hand the researcher observed the projects undertaken by all twelve groups and later on interviewed orally leaders of all groups and other two members of each group.

In observation the findings revealed the following, six groups which are Faru Fruit, Juhudi, Muungano, Tika's Umoja and Nguvu kazi groups their projects are progressing ahead given that in all groups management is well designed, there is a head leader of each group, secretary, and two members who are among the management team. Further more they have got a valid saving account. Also they have a specific exercise book shown the meeting schedules as well as files to keep their documents and records of their daily affairs.

The interview conducted to all 12 leaders of the projects and 2 members from each project, the researcher was interested to know if every group has a meeting schedule. Among six (6) groups with diploma holders they all said that they have members meeting every 3 months but the least group they do not meet. In the research findings it revealed that when they meet, chairperson of the group reads the agenda and agreed upon. In the meeting they discuss issues pertaining the development of their projects, constraints undergone and how to overcome them. Also the income and expenditure are tabled and discussed all together. They agreed together and tabled strategies for betterment of their projects in the future.

On the other hand, the researcher wanted to know the position of the government in the district level concerning the issues of empowerment and capacity building to the project members. When the researcher interviewed district community development officer pertaining empowerment and capacity building of the project members the findings revealed that since the year 2006-2008 no empowerment and capacity building has been conducted to micro-enterprise project members due to financial constraints but he declared to make six visits to various groups like Tikas group, Changamuka, Umoja, Farm Fruit, Twiyunga and Tumaini group in January 2008. In his visit he talked to group leaders about various strategies to better their projects.

Again, the researcher was told by leaders of Tika's and Juhudi groups when interviewed them orally that, no visit has been done by the government officials so as to see the progress of their projects. In this regard, the researcher noted that the argument given by community development officer was not true.

More over, the researcher passed through and observed the projects of six groups which one of their members have/has a diploma, the findings revealed that the performance of all six projects are progressing ahead even if they are in small scale.

Following other projects of Tumaini, Changamka, Tushirikiane, Upendo, Ujamaa, and Twiyunge whose the majority members are primary school and secondary school leavers, their businesses are going on, but they face challenges, like doing their things through experience without technical know how. When the researcher asked Leaders and few members of these projects on the issues pertaining the project cycle, monitoring and evaluation of their projects implementation, saving accounts, and minutes of their meetings, the findings revealed that all the above things are not done. They declare that all the project affairs are known by leaders of the projects, hence the only thing they enjoy is Tshs. 60,000/= which members earned from the project every month as income from their projects.

Go back to the hypothesis; Education in respect to project management is very crucial to the micro-enterprise project members. So, that it is why through data drawn in table 12, there is a gap of project progressing between the projects which have members who are diploma holders in various disciplines because these members are key helpers in their areas of operations unlike those who composed primary school leavers of the majority and secondary school leavers. Therefore, education is very helper in the aspect of planning, organizing, controlling, directing, implementing, and monitoring as well as evaluating micro-enterprise projects.

The position of micro finance bank of Ngara branch pertaining the supporting of Rural Micro - Enterprise Project

**Table 13: The data for National Micro-Finance Bank support to the Micro-enterprise projects in the rural areas.**

Wards	Project	Number of respondents	Number agreed to get support from NMB	The number disagreed not to support from NMB
<b>RULENGE</b>	Faru Fruit group	10	0	10
	Tumaini group	8	0	8
<b>BUKIRIRO</b>	Changamka group	10	0	10
	Juhudi group	10	0	10
<b>KEZA</b>	Tushirikiane group	8	0	8
	Upendo group	6	0	6
<b>NYAMIAGA</b>	Muungano group	10	0	0
	Ujamaa group	8	0	8
<b>RUSUMO</b>	Tika's group	10	0	10
	Twiyunge group	9	0	9
<b>KIBIMBA</b>	Umoja group	10	0	10
	Nguvu Kazi group	10	0	10
	<b>TOTAL</b>	<b>109</b>	<b>0</b>	<b>109</b>

**Source:** Primary data collected by the Researcher

The above table gives a picture on the position of micro finance bank of Ngara branch pertaining the support of rural micro enterprises project of the rural.

The responses of all 109 respondents were almost similar. The researcher's study when interviewed leaders of each group in the absence of group members, the response remained the same. But leaders of Nguvu Kazi complained to get no cooperation from bank management. He said that in September 2007, he went to the bank and saw the loan manager, in his presentation he asked the modalities to be followed by his group so as to get credit from the bank. He was given very

complicated conditions by the loan manager like having unmovable assets like a house value 12 millions belongs to the group members which is not available.

The researcher wanted to know where they got money/capital to start their operations. The findings shown that all groups started their operation after making contribution of all members of the group as shown below. So the contribution collected by each member of the group in totality become as a capital to start a project.

- (a) Faru Fruit group - Tshs. 320,000/=
- (b) Tumaini group - Tshs. 300,000/=
- (c) Changamka group - Tshs. 410,000/=
- (d) Tushirikiane group- Tshs. 250,000/=
- (e) Juhudi group - Tshs. 210,000/=
- (f) Upendo group - Tshs. 380,000/=
- (g) Muungano group - Tshs. 230,000/=
- (h) Ujamaa group - Tshs. 295,000/=
- (i) Tika's group - Tshs. 444,000/=
- (j) Twiyunge group - Tshs. 382,000/=
- (k) Umoja group - Tshs. 314,000/=
- (l) Nguvu kazi group- Tshs. 270,000/=

Source: Micro Enterprise project groups

When the contribution of each individual are pooled together in respect to the total number of members of the group therefore the sum realized to be a starting capital. For example Tumaini group which compassed eight members every member of the group when contributed Tshs. 300,000 x 8 members, the group realized a total of Tshs. 2,400,000/= which was termed as a starting capital. This is like all other groups. Further more when the researcher interviewed all leaders of twelve groups concerning other sources, their response were the same that every month each members of the group has also to make contribution of other amount of money so as to make the working capital



reasonable according to the working situation. For example in Faru Fruit group it has been agreed to contribute Tshs. 10,000/=.

When the researcher interviewed community development officer for the District pertaining offering credit of the National Micro-finance Bank to the Micro-enterprises projects, the finding revealed that the Development officer was not aware with the situation pertaining micro-finance credits to the rural projects.

Further more, what was in his knowledge he thought that in order for a project group to get a credit from the bank must first implement the project and then the appropriate loan manger would visit the project and gives recommendation whether the project is qualifying to a get credit or not.

Given such a situation when the researcher interviewed Loan Manager from National Micro-finance Bank pertaining credit to the micro enterprise projects the following were the findings.

- (i) The Bank hesitated to give loans to rural enterprise project due to expected risk.
- (ii) The rural enterprise project groups are not well organized in such a way that Bank management can trust them.
- (iii) Inability of the rural enterprise project operators to fulfill the collateral requirements.
- (iv) National Micro-Finance Bank of Ngara District is operating in limited geographical areas because it is small
- (v) Lack of grantees to the rural micro-enterprise projects to return back the credit.
- (vi) Rural micro-enterprise project operators they are inabilities prepare and present applications that meet Bank's requirements.

After the researcher received the above explanation/statement from the Loan Manager he wants to know whether they can be proved to be true in relation to the fact that there any some of rural micro-enterprise projects already given credit and failed to return back. The findings revealed that no micro-enterprise projects that of Ngara Rural has been given credit. So, the researcher noted that there is misunderstanding of financial institutions to the rural micro-enterprise projects in thinking that rural people are unable

to operate. This is misconception and intuitive because the statements of the financial institution are not yet tested so as to come up with the real situation. In this regard, micro-enterprise projects of Ngara rural are not given credits by financial institution to generate their businesses for the ground of ignorance. No study or test has been conducted to come up with scientific answer.

## CHAPTER FIVE

### 5.0: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Introduction

This, chapter presents a summary of the implications, conclusions and recommendations

#### 5.2: Summary:

On the basis of these findings there are implications for action in order to address the issue pertaining rural community participation in micro - enterprise projects as a tool for poverty reduction. Therefore, possible considerations to address the issue highlighted in this study include the following:-

- (a) The government of Tanzania should strengthen the current small and medium enterprise projects policy of 2003 and other poverty reduction policies and spread all over in the rural areas so as to be read and understood by the common people. In this aspect, since the said policies written as a guide to poverty reduction are written in English, therefore they should be put in Kiswahili (National Language) because the majority of rural people cannot afford to read the articles written in English and understand them. In this regard therefore, awareness of poverty reduction policies will speed up poverty reduction strategy.
- (b) Men of Ngara rural should not neglect participation in the micro-enterprise projects. They should be sensitized so as to understand the position of micro-enterprise projects as a prime tool for poverty reduction.
- (c) The government should allocate special fund for the purpose of promoting micro-enterprise projects.
- (d) The government and non-governmental organizations should consider the empowerment and financing the rural micro-enterprise projects. Therefore, a

special department which will deal with the development and sustainability of micro-enterprise projects should be established.

- (e) The National Micro-finance bank of Ngara District should consider the provision of giving credits to the micro-enterprise projects of rural areas.

### **5.3: Conclusion:**

Micro-enterprise projects have been recognized as a significant source of employment creation, income generation, and poverty reduction and as basic for industrial development. Therefore, poverty will not decline without growth in rural incomes, where it is considered to be the home of the majority about 85 percent. Also rural incomes will not grow without improving productivity of micro-enterprise projects and other sectors, like agriculture, like wise, poverty will not be reduced if the growth is not horizontally broad and widely shared by many people and but not a few territorially scattered individuals.

As many people as possible of Ngara rural should be fully engaged in micro-enterprise projects and other economic activities. However, farming for example and other non-farm enterprises are primarily private sector activities. There is therefore, a need to pay particular attention to the development of the private sectors so that they can play their roles in the country's economic development.

The required actions for successful rural development including creation of the policies and institutions that encourage private investment in rural enterprises and complementary business should be putted in the place. It is also important to strengthen linkages between rural producers and urban centres are the focal points for information services, markets and industrial processing for rural economies.

Also, the small and medium Enterprise development policy of 2003 and other poverty reduction policies, which are there as a guide for poverty reduction in Tanzania are not yet understood by Ngara rural. Also copies of the policies are not available as well as such

policies should be put in Kiswahili (National language) so as to be read and understood by common people of the rural areas.

Further more, in all six wards used in the study women are more engaged in micro-enterprise than men. The findings revealed that they have other alternatives of securing income and employment. But, in regard to the essentiality of micro-enterprise projects contribution to socio- economic development of Tanzania as poverty reduction is concern; there fore, it is now a high time for both men and women to participate fully in this sector.

Micro-finance institutions are supposed to support rural micro-enterprise projects development through giving them credits. Due to lack of micro-finance services, rural micro-enterprise project actors of Ngara, they generate capital to implement their project by individuals' contribution. This enhancing inadequate and small capital which results in to limited employment and insufficient income as well as poor productivity of good and services.

Generally, it is noted that awareness and motivation of the rural people of Ngara District to make them engage in micro-enterprise projects since it has been realized to be a prime tool for poverty reduction and National economic development are very important. This sector is much helpful in income generation and employment of the majority rural people. It is the fact that at present, unemployment is significant problem that the Government of Tanzania has to deal with. Estimates show that there are about 700,000 new entrants into the labour force every year. About 500 of these are school leavers with few marketable skills. The public sectors employ only about 40,000 of the new entrants into the labour market, leaving about 660,000 to join the un-employment or the under employment reserve. Most of these people end up in micro-enterprise projects, and especially in the informal sector. Given that situation and the fact that Tanzania is characterized by low rate of capital formation, it seems clear that micro-enterprise projects are the best option to address the problem of poverty.

#### 5.4: Recommendations:

It was noted by the researcher that a part from challenges faced by micro-enterprises projects takers of the rural Ngara District which are unfavorable legal and regulatory frame work, under development infrastructure, poor business development services, lack of business know how, poor planning, limited access to finance and other resources, poor management and in effective and poorly coordinated institutional support frame work, therefore, the researcher came up with the following recommendations which are as follows:-

- (i) The present National small and medium enterprise development policy (2003) and other relevant policies which are there for guiding poverty reduction strategies should be exposed to the rural community. In this aspect the present policies which are written in English should be put in Kiswahili (National Language) language and spread down to the rural community,
- (ii) The Government of Tanzania should establish a department, which will be responsible for the development and sustainability of micro-enterprise projects of the rural.
- (iii) Micro-enterprise projects development should be a common agenda and also being addressed by Government officials and other stakeholders in all community mass meeting held in Ngara District.
- (iv) National Micro-finance Bank (NMB) of Ngara Branch should soften and regulate credit condition to micro-enterprise projects of Ngara rural. Therefore, it should not segregate rural micro-enterprise project actors in the question of credit rendering. It should not be biased to the micro-enterprise project actors of the urban, in this regard both rural and urban should be treated equally in the aspect of credit assistance.
- (v) There must be corporate responsibilities for micro-enterprise projects participation is both for men and women. Therefore, there is a need for instruments and mechanisms, which are responsible for development to take all the initiatives in educating women and men of the rural area so as to take charge in micro-enterprise projects participation. Also where necessary

existing legal system should be notified so as to facilitate the integration of men and women in the aspect of doing socio-economic activities together.

- (vi) Since education is a key element in development and sustainability of micro-enterprise projects, there fore, for the matter of effectiveness and efficiency of the projects the Government and other development stake holders should be on the position to design a sustainable system of training and empowerment micro-enterprise project actors on how to plan, coordinate, direct, manage, implement, monitoring and evaluation as well as marketing and sales skills to enhance high profitability of the project output.

#### **5.5: Suggestion for Further Research:**

Based on the findings of this study, there are implications for alternative of this study, that the incoming researcher should examine more on the following areas:-

- (i) The role of government policy on small and medium enterprise policy of 2003 in poverty reduction.
- (ii) The position of women in socio-economic development in the rural areas and
- (iii) Micro-finance institutions in contribution to poverty reduction.

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## APPENDIX 1

### QUESTIONNAIRES FOR MICRO-ENTERPRISE PROJECTS GROUP MEMBERS

Dear respondent,

Thank you very much for your time to fill this questionnaire for a research on the effect of participation in projects and poverty reduction.

The purpose of the research is purely educational and every information provided will be treated with utmost confidentiality.

Thank you much

Yours

Masudi Biteyamanga

DATE .....  
DISTRICT .....  
WARD .....  
VILLAGE .....  
GENDER .....  
NAME OF THE PROJECT .....  
PRODUCTS/SERVICES PRODUCED .....

1. What is the level of your education?

- (a) Primary
- (b) Secondary
- (c) Higher Education
- (d) Non

2. (a) What is the name of your micro-enterprise Project?

.....  
.....

(b) When did you start your Project? .....

(c) What type of the Project?

- a. Profit
- b. Non-profit/Service.

(d) How do you get Capital/Money to generate your Project?

- a. Members contribution
- b. Donors
- c. Loan
- d. Other sources

(e) What is the size of your Project?

- (i) Big
- (ii) Small
- (iii) Very Small

(f) How the members benefited from the project?

.....  
.....

(g) What are constraints/problems you face in generating your project?

.....  
.....

(h) a) Is the government and other stake holders give help/ assistance in your project?

- a. Yes
- b. No

(b) If yes, how do they help? .....

.....  
.....  
.....

9 Have you ever asked loan from National Micro-Finance Bank (NMB)

- (a) Yes
- (b) No

(b) If yes, how much?.....

.....  
.....

THANK YOU

QUESTIONNAIRES FOR MICRO-ENTERPRISE PROJECTS LEADERS/SUPERVISORS

Dear respondent,

Thank you very much for your time to fill this questionnaire for a research on the effect of participation in projects and poverty reduction.

The purpose of the research is purely educational and every information provided will be treated with utmost confidentiality.

Thank you much

Yours

Masudi Biteyamanga

DATE .....

GANDER.....

DISTRICT .....

WARD .....

VILLAGE .....

POSITION .....

What is the name of Micro-Enterprise Project undertaking by your group? .....

When did you start this Project? .....

Is it profit or service project? .....

How do you benefit from this project? .....

What type of Products/service produced by your project?.....

Where do you get money to generate your project? .....

Is the government and other stakeholders assisting you in generating your project?

(i) Yes

(ii) No

(b) If yes, how? .....

3. Have you secured Loan from National Micro-Finance Bank (NMB) your project? .....

(a) Yes.

(b) No.

(b) If yes, how much?.....

.....

.....

9. (a) Is the project performing well?

i. Yes

ii. No

(b) If yes why?.....

.....

.....

.....

(c). If no, what are the problems? .....

.....

.....

.....

10. What is the size of your project?.....

(a) Big

(b) Small

(c) Smaller

THANK YOU

## BENEFICIARIES

Dear respondent,

Thank you very much for your time to fill this questionnaire for a research on the effect of participation in projects and poverty reduction.

The purpose of the research is purely educational and every information provided will be treated with utmost confidentiality.

Thank you much

Yours

Masudi Biteyamanga

DATE .....

GANDER.....

DISTRICT .....

WARD .....

VILLAGE .....

OCCUPATION .....

AGE .....

MARITAL STATUS .....

1. Are you hand cap?

a. Yes

b. No

2) What is the level of your Education?

a. Primary

b. Secondary School

c. Higher Education

d. Non.

3) .(a) Are you aware with Micro-Enterprise projects?

a. Yes

b. No

(b) If yes, do you think members are benefit?

.....  
 .....  
 .....

4 (a) Are you a member of any micro enterprise project?

(a) Yes

(b) No

(b) If yes what is a name of your Project?.....  
.....

5. (a) Why are you not interested in micro-enterprise project?  
.....  
.....

6 How do other people say on the Micro-Enterprise Projects?  
.....  
.....

7 (a) Have you been heard about the constraints of Micro-Enterprise Projects?  
a. Yes  
b. No

(b) If yes mentioned three.  
.....  
.....  
.....

8. How do you benefit from Micro-Enterprise projects?  
.....  
.....

THANK YOU

# QUESTIONNAIRES FOR DISTRICT GOVERNMENT LEADERS

Dear respondent,

Thank you very much for your time to fill this questionnaire for a research on the effect of participation in projects and poverty reduction.

The purpose of the research is purely educational and every information provided will be treated with utmost confidentiality.

Thank you much

Yours

Masudi Biteyamanga

DATE .....  
OCCUPATION/POSITION .....  
DEPARTMENT .....  
DISTRICT .....  
WARD .....  
VILLAGE .....

1. How many Micro-Enterprise projects are there in the district?

.....  
.....

2. (a) Do the Micro-Enterprise projects important for your people?

- a. Yes
- b. No

(b) If yes how?

.....  
.....

3. How members of their Micro-enterprise projects get money to generate their business?

.....  
.....

4. How do you help the development of micro-enterprise projects?

.....  
.....

5. What are the challenges face micro-enterprise projects?

.....  
.....  
.....



6. (a) Do you think Micro-Enterprise projects are important in poverty reduction?

(a) Yes

(b) No

(b) If yes, how do they help?

.....  
.....

7. (a) Give other strategies for poverty reduction

.....  
.....

8. Why most of Micro-Enterprise projects are not performing well?

.....  
.....  
.....

(i) (a) Is National Micro-Finance Bank (NMB) gives loan to the rural micro-enterprise projects?

(i) Yes

(ii) No

(a) If yes how many micro-enterprise projects of the rural have secured Loan?

(i) .....

(ii) .....

(iii) .....

(j) What are your advices to the government in improving Micro-Enterprise projects? .....

.....

THANK YOU

QUESTIONNAIRES FOR LOAN MANAGER NATIONAL MICRO-FINANCE BANK (NBC)

NGARA BRANCH

Dear respondent,

Thank you very much for your time to fill this questionnaire for a research on the effect of participation in projects and poverty reduction.

The purpose of the research is purely educational and every information provided will be treated with utmost confidentiality.

Thank you much

Yours

Masudi Biteyamanga

DATE .....

OCCUPATION/POSITION .....

GENDER .....

DISTRICT .....

1. What are the Procedures given to members of the Enterprise to get Loan from National Micro-Finance Bank?

- a. ....
- b. ....
- c. ....
- d. ....
- e. ....
- f. ....

2. Mentioned conditions for Securing Loan

- a. ....
- b. ....
- c. ....
- d. ....
- e. ....

3. (a) Do Micro-Enterprise projects of rural benefit from Loan?

- (a) Yes
- (b) No

- (b) If yes, how do they benefit?

.....  
.....

THANK YOU

# APPENDIX 2



Kampala  
International University

P. O. BOX 20000  
KAMPALA-UGANDA  
TEL:-041-266813  
17/5/2008

## OFFICE OF THE DIRECTOR SCHOOL OF POST-GRADUATE STUDIES

REGIONAL ADMINISTRATIVE SECRETARY  
P. O. BOX 299 BUKORA  
KAGERA - TANZANIA

RE: INTRODUCTION LETTER FOR... MASUDI BITEYAMANGA

REG.NO. MBA/13867/61/DF

The above named is our student in the School pursuing a masters Degree in Business Administration (MBA),

He/She wishes to carry out a research in your Organization on: RURAL COMMUNITY

PARTICIPATION IN MICRO-ECONOMIC PROJECTS. CASE STUDY IS IN NGARA

DISTRICT, i.e. FROM 24th JULY - 18th AUGUST, 2008

The research is a requirement for the Award of a Masters Degree in Business Administration.

Any assistance accorded to him/her regarding her research will be highly appreciated.

Yours faithfully,

  
Prof. Oyolabi O. Samuel  
DIRECTOR SPGS

APPENDIX 3

JAMHURI YA MUUNGANO WA TANZANIA

OFISI YA WAZIRI MKUU  
TAWALA ZA MIKOA NA SERIKALI ZA MITAA

Anwani ya Simu ADMIN  
Nambari ya Simu: 028-2223618  
Fax Na: 028-2223728



Ofisi ya Mkuu wa (W)  
S.L.P. 20,  
NGARA

Unapojibu tafadhali taja:

Kumb.Na: NG/E.1/42/123

Tarehe: 12/08/2008

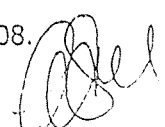
Afisa Mtendaji,  
Kata ya Nyamiaga, Kibimba, Keza,  
Rulenge na Bukiro,  
NGARA.

YAH: KIBALI CHA KUFANYA UTAFTI JUU YA USHIRIKISHWAJI  
WA JAMII KATIKA MASUALA YA UJASILIAMALI  
BWANA MASUDI BITEYAMANGA

Rejea mada hapo juu. Mwanachuo atajwaye hapo juu amepewa kibali cha kufanya utafiti juu ya ushirikishwaji wa jamii katika masuala ya ujasiliamali katika kata yako.

Unaelekezwa kumpa ushirikiano-na msaada atakaohitaji wakati akifanya utafiti huo.

Kibali hiki kinaisha tarehe 28/8/2008.

  
A.K. Bantu  
Kaimu KATIBU TAWALA (W)  
NGARA

Nakala: Afisa Tarafa,  
Nyamiaga na Rulenge,  
NGARA.