

Zurich, Dec 18, 2018

Intermediate Report More Than A Drop Foundation – Extension / Improvement of the Hospitality Vocational Training Center, Moshi (Tanzania) - FF number: FF 0454-14

Dear Members of the Board of Trustees,

It is a pleasure to submit you the intermediate report of the above project which was accepted on April 24, 2018, the grant being CHF39'000

Introduction

Since 2015, More Than A Drop (MTAD) operates successfully a Hospitality Vocational Training Center in Moshi, Tanzania, for severely deprived adolescent girls, coming either from the slums or from very remote places. The goal of the project is to provide a good, solid training and life- as well as soft-skills to the students in order to prepare them in the best possible way for the labor market and their life. The students are all drop-outs, none of them completed the basic education and without the training program the girls would be forced into a marriage which usually ends with the father abandoning the family which leads to very unfavorable situation for the children and their mother. The vicious starts again, due to lack of money the children will not complete their education.

In the past three years, more than 90% of our graduates found a stable job, with a good income and have an option. They can decide when and who to marry, are economically self-reliant. One of the key factors of the effectiveness of the school is the pedagogical concept which is based on the Swiss Dual-System, meaning Theory and Practice. The school runs and operates an instructional B&B and instructional Restaurant. All generated revenues go to the project. In order to guarantee respectively further increase the economic self-reliance of the school and to improve the teaching effectiveness several investments in the infrastructure are necessary

Current Status of the project

We started with the implementation right after rain season, early June. Below the status of the project, per sub-project:

Sub-project	Status/Comments	Achievement
Installation of solar power in B&B, extension B&B and dormitory and purchase of generator.	The water heaters were ordered May and arrived in June. However, the installation got delayed several times because the supplier had another big installation to finish. They finally were installed in September. Two of the three heaters worked very fine from the beginning. However, the third installation did not go as well as planned and it took several interventions and iterations to find the cause of the problem (air in the tubes). Finally, end of November the cause could be found and the problem solved. The water heaters do their job. We will, however, wait another full month and test them thoroughly before paying the last installment.	98%
Construction of additional classrooms	The classrooms are being used since July.	100%
Construction of a sheltered laundry area	The construction of the new laundry will start in January so that it is ready for the rain season (starting April, usually).	0%
Purchase of new, additional school kitchen equipment for instructional restaurant.	Most important equipment such as scales, pans, knives, fridges, were bought, the extraction hood and the new practicing tables are operational, the hygiene measures in the kitchen (enclosure) implemented end of August. What is missing is the washing machine; the quality of the product is not convincing and we are now looking to import one from either Kenya or South Africa.	80%
Purchase of furniture and equipment for external classroom.	Most of the furniture and equipment was acquired. Because of the quality we decided to buy not the entire lot but to wait and see how the items' quality is after several months of operations (especially the tables/chairs). We plan to buy the rest in Q1/19.	70%
Purchase of furniture for additional classrooms and teaching devices (tablets/ computers, etc	Tablets are fully operational and of excellent use. The computers need yet to be bought, planned for January. We also will try to set up a digital library.	80%
Furniture and equipment for students' kitchen	Same as above, we ordered some but not all tables and benches to check the quality.	80%

	Remainder will be ordered in Q1. Most of the other items were bought.	
Purchase of general furniture for the B&B and dormitory	The more urgent and important items (mosquito nets, lamps, blankets, chairs, tables, etc.) are being used since July. Some other items such as the beds, mattresses, bed side lamps, etc.) have yet to be ordered.	50%

Outlook:

We expect to finalize the project in July 2019. At this point, there are no critical issue that would jeopardize the completion of the project. Based on the experience with the quality of the equipment and material we prefer to go a bit slower and to make sure we get the best value for the funds.

General Comments

The entire school project is now at cruising-speed; we continue to get excellent feedback from our hotel partners (with regard to the students’ quality and their performance), the national body of the vocational training centers, VETA, is very pleased with our teaching concept, the new students (mid-term now) are probably the best we ever had and the guests are usually very happy which is reflected in the very high review scores we get. There are, however, also a few challenging realities. One is that the political situation changed considerably. It is still a very stable country, but the tourist industry is suffering a lot from the high rates for the national parks as well as other taxes. This led to a decline of tourists. Additionally, our request for tax exemption – filed in January 2016 (!) – got orally rejected, despite being a not-for-profit Foundation/NGO. This means that we are considered to be a business and will have to pay taxes, from corporate to VAT, bed levy, etc. We will try all legal measures and actions to get the tax exemption but at this point in time, the self-financing ration will be reduced since we cannot increase the prices accordingly. The decision and impact is not mission-critical or the school. The worst case might be that we won’t achieve the targeted self-finance ratio after 5 years of operations but only 70-80%.

Thank you for your continued support. I remain at your disposal for any question.

Warm regards

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