

Dear Karimu donors and supporters,

We have good reasons to celebrate our fundraising and to thank ALL OF YOU for the incredible support. We finished the first quarter of 2019 with \$497,303.50. THANK YOU VERY MUCH!!!!

We have made excellent progress with our ongoing projects and with planning all our activities for the year. The purpose of this email is to share all of this with you. The summary below gives you a good overview of everything and, if you are interested in more information, you can read the details that follow.

Summary of Karimu 2019 Plans

Last year, Karimu developed a strategic plan aiming at addressing the 3 challenges that keep people in poverty. We are confident that Ayalagaya will have all the ingredients to eliminate poverty when the plan is fully executed.

Our original goal for 2019 was to complete all projects in phase one of the plan (addressing health and sanitation and setting the foundation for improving income and providing access to financial services), leaving phase 2 for 2020 and 2021 for phase 3.

While I am thrilled with our fundraising progress, we are still far from reaching the amount needed to cover all phase 1 projects, and we might be forced to delay some of them into 2020. Our shortfall is \$295,978.10, mostly caused by "good problems to have", e.g., new requirements due to our success, projects growing in size and impact, etc..

We already started the following 2019 projects:

1. New classrooms for Ayalagaya Secondary School - the urgent project to allow 29 students who passed the National Exam to enter secondary school and continue their studies.
2. Fine tuning Ayalagaya water resources - to address the recommendations by the independent engineer who audited the water project with me in January/2019.
3. Empowering Haysam and Bacho girls to stay in school - providing adequate facilities for girls to deal with their menstrual periods at the schools.
4. Making learning a little fun - small project to train students and the school staff about good habits of hygiene as well as illustrating the walls of the classrooms and bathrooms with educational material.
5. Installation of solar panels at Gajal and Haysam Primary schools.
6. Technology Learning Center - ongoing classes on basic computer knowledge via video conference with a Canadian volunteer every Sunday.
7. Making savings groups more effective - training existing and new groups to excel in all their processes: record-keeping, transparency, loan tracking, etc.
8. Scholarship for teachers - scholarships to 31 teachers covering 75% of the cost to obtain a university degree.

We plan to start the following projects before the end of the year:

1. Books and school material for all Ayalagaya schools
2. Bathrooms for students and staff and sink for hand washing at
 - Gajal Primary School
 - Dareda Kati Primary School
 - Ufani Primary School
3. Patient toilets at Dareda Kati Clinic
4. Small health center for Gajal Village

As you can see, overall Karimu is making significant progress in eliminating poverty in Ayalagaya. The projects are going well, the community is highly engaged, and our fundraising is breaking new records. In some cases, however, we have become the victims of our own success, creating problems that are great to have, but that require additional, unexpected funds.

I am thrilled with what lies ahead and feel confident that we will have a very successful 2019. In June, we are going back to Tanzania with a group of 31 volunteers. Doctors, engineers, teachers, psychologists, business owners, architects, etc. are coming to Ayalagaya at their own expense to make the life of others better. I feel privileged to be working with so many wonderful people like these volunteers and all of you, who are constantly supporting our efforts.

Thank you very much and stay tuned for future updates.

Asante sana.

Nelson
Karimu Chief Operating Officer

Our updates are now being sent by the email service provider Mailchimp to better ensure the privacy and security of your name and email. If you don't want to receive our updates, please let me know and I will remove you from my distribution list.

Details on Karimu 2019 Plans

High level view of Karimu's plans

As you know, in 1Q of 2018, Karimu developed a solid 5-year strategic plan with 40+ representatives of the Ayalagaya community. The plan aims at addressing the 3 challenges that keep people in poverty:

- Poor health & sanitation
- Meager income
- Lack of access to financial services

When the plan is fully executed, we feel confident that Ayalagaya will have all the ingredients to eliminate poverty.

The plan describes a series of projects divided in 3 phases. Karimu's original goal for 2019 was to complete all projects in phase one, which has a strong focus on health and sanitation and sets the foundation for improving income and providing access to financial services. This would have left phase 2 projects for 2020 (main covering education and health) and 2021 for phase 3 (income and more infrastructure).

The strategic plan also determines our transition into new areas of Tanzania such as the larger Arri Ward. More on that in future emails.

Overview of Fundraising

We have good reasons to celebrate our fundraising and to thank ALL OF YOU for the incredible support. You have been amazing in helping us set a new record. As of today, we have received \$497,303.50. THANK YOU VERY MUCH!!!!

While I am thrilled with our progress, we are still far from reaching the amount needed to cover all phase 1 projects, and we might be forced to delay some of them into 2020. Our shortfall is of \$295,978.10 given that the total cost of all phase 1 projects represents approximately \$793,281.60.

There are several factors contributing to the shortfall:

1. We are constantly surprised with new, but critical needs, such as the extensions to the water project to avoid landslides or erosion or the construction of additional classrooms at Ayalagaya Secondary School to allow *all* students who passed the National Exam to continue their studies, instead of only those for whom the school has space. Obviously, these are good problems to have. They illustrate the remarkable progress we are making. Nonetheless, they unexpectedly increase our needs for funds. These two projects alone increased our needs for funding by \$100,000.
2. Parts of Tanzania - including the area in which we operate - are suffering from severe drought this year, causing most farmers to lose their crops completely. Our community in Ayalagaya is being severely impacted by the drought to the point that we had to make a difficult decision to either stop our projects or change their contributions to projects this year. We decided to reduce their financial contributions from 8 to 10% in average to 2 to 3% while the drought is impacting the community and require, instead, that the community focus on other labor intensive activities (e.g., build desks for the schools), which were planned for Phases 2 and 3 of the strategic plan.
3. Our continued success is causing our ongoing projects to grow in size and cost - another excellent problem to have. :-) For example, last year 16 teachers pursued a university degree. This year Karimu is providing scholarships to 31.

Ongoing projects (Total cost for Karimu: \$138,281.60)

Seven new classrooms and 3 small offices for Ayalagaya Secondary School

- Cost: \$78,937 (Karimu: \$76,755 & Community: \$2,182 plus building desks to all Ayalagaya Schools)
- Started: April/2019
- Expected completion: November/2019



This is the urgent project I mentioned in my last update to allow 29 students who passed the National Exam to enter secondary school to continue their studies. Refreshing your memory We had such a record number of primary school students passing last year's National Exam that, unfortunately, we exhausted the capacity

of our Ayalagaya Secondary School. As the government had no means to expand the school, it decided to block 29 students from attending secondary school. Karimu committed to quickly build new classrooms for Ayalagaya Secondary under the condition that the 29 students would be allowed to start the school year initially overcrowding some classes. The government agreed and we are now rushing to build the classrooms. The construction has started earlier this month. We are building 7 new classrooms divided in 3 buildings of two, three, and two classrooms respectively.

Each building has one small teachers' office between the classrooms. We are constructing enough classrooms, so we do not have the same problem in the next few years.

Fine tuning Ayalagaya water resources

- Cost: \$21,812 (Karimu: \$20,680 & Community: \$1,132 plus labor)
- Started: February/2019
- Expected completion: May/2019

This is a critical project to address the recommendations by the independent engineer who audited the water project with me in January/2019. The project addresses the risks of landslides and erosion, the shortage of water due to low pressure at the Hhewas village in Haysam, and an increase of our water collection capabilities. The project is going very well as you can see from the (almost finished) new tank at Hhewas that will address the water shortage there.



Empowering Haysam and Bacho girls to stay in school

- Cost: \$7,714 for Haysam (Karimu: \$7,059 & Community: \$655 plus labor) and \$5,286 for Bacho (Karimu: \$4,831 & Community: \$455 plus labor)
- Starting in May/2019
- Expected completion: November/2019

Many girls in Tanzania are ashamed to go to school in the week they are having their menstrual cycle, because their pads may not provide the protection they need, and their clothes might get stained with blood. Access to proper toilets helps reduce the stigma and shame related to menstrual hygiene, encouraging girls to stay in school.

As you know, we provided adequate facilities for girls to deal with their menstrual periods at Ayalagaya Secondary School when we built the bathrooms there last year. These facilities include

- flexible water hose installed in some stalls to be used as a handheld bidet, so the girls can wash themselves,
- a washing area with sinks for them to wash their clothes, in case they get stained, and ways to hang clothes to dry,
- an incinerator to get rid of sanitary hygiene waste.

All of this is within high walls to ensure the privacy of the girls.

These facilities have increased the attendance and performance of the girls. So, we decided to retroactively build similar facilities in Haysam and Bacho Primary Schools and in all future bathroom facilities that Karimu builds (the next ones are for Gajal, Dareda Kati, and Ufani Primary Schools).

The design of the project is done, the budget has been reviewed and approved, the contributions from the community agreed upon, and construction should start in another 2 weeks.

Making learning a little fun

- Cost \$1002.50 (Karimu: \$1002.50)
- Started: January/2019
- Expected completion: June/2019

By creating a Handbook of Toilet/Hygiene Training we are educating the children at the schools about good habits of hygiene as well as providing some educational material. Fun and colorful educational paintings decorating classrooms and bathrooms are now being created at all schools that were already rebuilt to train the children and help them retain information.

Installation of solar panels at Gajal and Haysam Primary schools

- Cost: \$1,397.10 (Karimu: \$1,397.10)
- Started March/2019
- Expected completion: June/2019

In 2017, we installed solar panels at 4 of the 6 schools in Ayalagaya. The panel provides enough energy to light at least one classroom that can now be used in the evening and to recharge small devices such as mobile phones. This may sound small, but it is not. Before that, most teachers had to walk one hour to find a place where they could recharge their mobile phones. This represents 2 hours of lost productivity every couple of days! This year we plan to complete this work. We already installed solar panels at Gajal Primary School and will soon install them at Haysam Primary School. The panels at Haysam will be powerful enough to provide energy to a school computer and printer to be donated later.

Technology Learning Center

- Cost: \$2,500 per year (Karimu: \$2500)

Karimu truly believes that “all the wisdom contained in all the books in the world can be electronically delivered to remote villages with the acquisition of computer skills”.



In July 2017, Karimu created a technology learning center to provide development in technology for the 100 teachers in the Ayalagaya Ward's six schools. The interest of the teachers was so significant that we decided to keep the learning center running throughout the year by leveraging Katéri Anowara, a Canadian teacher with extensive computer knowledge. Katéri delivers ongoing classes on basic computer knowledge via video conference every Sunday to the teachers of one school with the

help of Karimu's employees on the ground. The current course on computer basics encompasses 17 classes of 3 hours each divided in 3 modules. At the end of each module, there is a review and an exam, and teachers must pass the module test to continue. Katéri is currently teaching the teachers of Haysam Primary School and will move to a new school afterwards.

Making savings groups more effective

- 2019 cost approx.: \$15,000 (Karimu: \$15,000)

More than 5 million people around the world are members of community-led savings groups: a well-established, worldwide program with many success stories such as those of women entrepreneurs whose lives have been transformed by getting access to micro-loans to start a small business. Members use the loans to buy seeds for crops, acquire cows to sell milk, open small shops, or set up other revenue-generating activities. These community-led groups, typically of 20 to 30 people, require members to pay dues and offer a secure place to save money, ways to borrow via micro-loans, and obtain funds in case of emergencies (e.g., death or illness of a family member).

Unfortunately, the pool of money in most groups is limited, due to the small savings of its members. In Ayalagaya, savings vary from USD 0.50 to USD 5.00. This dramatically diminishes the positive effects of savings groups since the loans must be kept very small (USD 2.00 to USD 50.00).

Karimu plans to address this with two related projects led by Holly Hayes - an IBM retiree from California. In 2019, we will focus on

1. encouraging the creation of new savings groups (particularly for young adults who suffer from the lack of jobs in Eastern Africa)
2. improving the effectiveness of savings groups by providing training to existing and new groups to ensure excellence in all their processes: record-keeping, transparency, loan tracking, etc.

Later, we plan to provide these groups with access to seed money in order to increase the size of the loans taken by the groups' members.

As I mentioned in my previous update, we are working with a Tanzanian who is a worldwide expert on savings groups. She has trained 7 people in Ayalagaya on how to train the groups. Karimu has hired one of them who, together with Holly, will drive the training and the creation of new savings groups. They are currently developing all necessary material and should start the training in the next few weeks.

Scholarship for teachers

- 2019 cost: \$13,015.25 (Karimu: \$9,057 & Teachers: \$3,254)

Karimu is currently providing scholarships to 31 teachers covering 75% of the cost to obtain a university degree. This project is part of Karimu's school program aiming at increasing the educational level at all schools.

Projects starting before the end of the year (estimated total cost: \$266,000)

Karimu has enough funds to start the following Phase 1 projects as soon as possible. We are currently limited by the number of employees on the ground and the capacity of engineering firms to run multiple projects in parallel.

1. Books and school material for all Ayalagaya schools - estimated cost \$50,000
2. Bathrooms for students and staff and sink for hand washing at
 - Gajal Primary School - estimated cost \$52,000
 - Dareda Kati Primary School - estimated cost \$55,000
 - Ufani Primary School - estimated cost \$49,000
3. Patient toilets at Dareda Kati Clinic - estimated cost \$25,000

4. Small health center for Gajal Village - estimated cost 35,000

Projects we would like to start soon (estimated total cost: \$389,000)

We are short of funds to cover the remaining projects of Phase 1. However, we continue to do fundraising, hoping to be able to cover at least some of them this year. If not, we will move these projects into 2020.

1. Reconstruction of Gajal Primary School - estimated cost \$120,000
2. Reconstruction of Haysam Primary School - estimated cost \$120,000
3. Reconstruction of Dareda Kati Primary School - estimated cost \$120,000
4. Improvements for Ufani Primary School - estimated cost \$8,000
5. Housing for head doctor and nurse at Dareda Kati Clinic - estimated cost \$21,000