

# Tools for Self Reliance

research and recommendations on charities that work in the least developed countries

## Sectors:

Markets, infrastructure & technol'gy; Education

## Size:

£691,000 income ex tools; £1.8m inc. tools

## Latest Stats:

Programme ratio: **88%**

Admin. expenses ratio: **8%**

Fundraising efficiency: **4p**

## Output '07:

~6,820 tool recipients;  
>27,000 family beneficiaries;  
direct local economic development and sustainability

## Reasons for recommendation

- **Tools for Self Reliance** (TFSR, [www.tfsr.org](http://www.tfsr.org)) refurbishes durable-quality hand tools for delivery to African artisans. This enables the local people **to make better quality products and tools and increase their earnings**.
- Local partners operate training workshops to enable men and women **to develop businesses and earn a living** using the delivered tools.
- Tools supplied to blacksmiths enable them to make new tools locally. Apprentices learn practical skills and increase their income potential. Many trainees subsequently train others in a **multiplier effect**.
- TFSR operates with astonishing support from over 700 UK volunteers who collect and refurbish the tools for shipment to Africa.
- TFSR **targets low development countries**: Uganda is 154<sup>th</sup>, Zambia is 165<sup>th</sup>, Tanzania is 159<sup>th</sup>, Ghana is 135<sup>th</sup>, Malawi is 164<sup>th</sup> and Sierra Leone is a lowly 177<sup>th</sup> out of 177 on the UN HDR 2007 Index.
- As a mature charity of 27 years, Tools for Self Reliance has a long history of activities and celebrates having 128 volunteers with over 10 years of service.
- Tool recipients and training workshop participants report **generating increased income**. 50% now having sufficient to be able to send their children to school.

### Main issues that Tools for Self Reliance fights

- Lack of access to tools and equipment, and business and skills training
- Inadequate resources

### Tools for Self Reliance's main country focus

- Uganda
- Tanzania
- Ghana
- Zambia
- Sierra Leone
- Malawi

### Tools for Self Reliance's solution

- Empowering artisans to develop themselves through the provision of tools and training

## Contact

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## Background

Tools for Self Reliance was started in 1979 by a group of activists disillusioned by their experiences of development projects in Africa and the failure of aid to trickle down to the grassroots. It was registered in 1980.

Tanzania, Sierra Leone and Malawi have an average PPP GDP per capita of under \$1,000 per year, and Zambia and Uganda's equivalent figure is less than \$1,500. The rural poor exist on substantially less.

| Official Development Aid (ODA) per capita in the countries TFSR operates in, UN Human Development Report 2007 |          |         |          |              |        |         |
|---|----------|---------|----------|--------------|--------|---------|
| Uganda  | Tanzania | Ghana   | Zimbabwe | Sierra Leone | Zambia | Malawi  |
| \$41.60   | \$39.30  | \$50.60 | \$28.30  | \$62.10      | \$81.0 | \$44.70 |

Tools for Self-Reliance has sister organisations around the UK, that collect and refurbish tools. WorkAid is a smaller organisation that delivers tools to Kenya, Uganda and Zambia, and regularly cooperates with TFSR. Tools with a Mission, a church-based organisation, sends similar tools plus typewriters, computers, bicycles and text books to African and Eastern European countries but has high administrative costs. The Canadian NGO, International Charity for Africa, provides tools, business training and micro-finance mainly to Nigeria.

## Summary of activities and strategy

Tools for Self Reliance provides artisans in developing countries with the tools and training to be able to develop themselves and their communities. This results in the eponymous self reliance rather than dependency. Tool kits are distributed for a small fee (about 1% of value). This helps ensure recipients take full ownership of the tools. TFSR does not employ staff abroad. The charity provides grants for local partners in-country to provide skills training for tool repair and refurbishment, as well as for marketing, business and enterprise development. One or two trainees go back to their artisan group and train the others. In addition, the partners may provide credit to craft workers themselves or redirect artisans to appropriate local microfinance organisations. TFSR staff and trustees regularly visit the country sites to provide feedback on the projects and demand for tools, as well as what results are being achieved. Occasionally, volunteers visit the field partners to run some of the training workshops. On one recent visit to Ghana, training was for sewing machine refurbishment so that repairs can be made in-country, ensuring that machines are kept functioning.

The over 700 country-wide volunteers and 9 charity staff collect and refurbish industrial-quality tools to put in standard tool kits of 500 or more items. TFSR only fills tool requests from its country partners. Tools collected of a type the charity does not send to Africa (gardening tools, typewriters, computers, bicycles, domestic power tools) are passed on to other charities or are sold in the UK to generate income.

| Types of tools requested by partners  |                         |   |
|---------------------------------------|-------------------------|---|
| Blacksmith tools, particularly anvils | Carpentry tools         | Engineering and metalworking tools                              |
| Auto mechanic's tools                 | Electrical repair tools | Arc welders and industrial power tools                          |
| Bicycle repair tools                  | Shoe repair tools       | Singer hand and treadle sewing machines, some electric machines |

To increase its impact in Africa, TFSR wants to increase the number of countries it serves. After surveying demand and need based on the HDR Index, congruity with existing operations, and the target country's stability, TFSR is starting work with new partners in Zambia. The new Malawi programme has been delayed but is about to begin through relations with TFSR's Scottish refurbishment groups and a Scottish agency. A tool loan centre has been set up in Zimbabwe; projects there will begin when conditions stabilise. The previous Sierra Leone shipments were ended due to communication problems with the local partner. New partners were scouted during a 2007 visit. Partners need to have existing training programmes and good communications skills and technology to be chosen. TFSR is developing relations with partners targeting neglected sectors of society to increase its impact, such as women, youth, people with disabilities, and those with HIV/AIDS.

## Input

Chief Executive Officer, Jan Kidd, spent her early career teaching, including in Malaysia and Kenya, before taking a Masters degree in Environmental Resources. This led to conservation and natural heritage promotion work in Swaziland, where she helped set up a community development organisation. She has been at TFSR for 12 years. Founding patrons were the Tanzanian President, Julius Nyerere, and Reverend Trevor Huddleston, and current patrons are Archbishop Desmond Tutu, Archbishop John Sentamu and Dr. Susan

George, a political scientist and 'scholar-activist'. Archbishop Tutu in particular actively supports and promotes the organisation, and is an important advocate of its work.

Charities must account for the cost of donated items in their accounts. TFSR's policy is to price donated tools at the average new purchase price. This reflects the high quality refurbishment of the second-hand tools, as well as a substantial underestimate of the value of the volunteers' time in carrying out the refurbishment. It is interesting, however, to extract the estimated cost of the tools from both sides of the equation, from income and expenses. Figures with and without the tools, which amounted to £495,000 in 2007, are shown below.

| Selected Financials   |                             |                               |                  |                    |                  |                  |                       |
|---|-----------------------------|-------------------------------|------------------|--------------------|------------------|------------------|-----------------------|
| Year end 31 <sup>st</sup> December (£000s)<br>NB. Change of year end in '05 | Actual<br>16 mths<br>Dec 05 | Ex tools<br>16 mths<br>Dec 05 | Actual<br>Dec 06 | Ex tools<br>Dec 06 | Actual<br>Dec 07 | Ex tools<br>2007 | Ex<br>tools<br>2008E* |
| <b>Income</b>   |                             |                               |                  |                    |                  |                  |                       |
| Restricted income   | 139                         | 139                           | 184              | 184                | 312              | 312              | 350                   |
| Unrestricted income   | 1,375                       | 353                           | 1,162            | 356                | 860              | 365              | 400                   |
| Investment income   | 6                           | 6                             | 8                | 8                  | 13               | 13               | 10                    |
| <b>Total income</b>   | <b>1,520</b>                | <b>498</b>                    | <b>1,354</b>     | <b>547</b>         | <b>1,186</b>     | <b>691</b>       | <b>760</b>            |
| <b>Expenses</b>   |                             |                               |                  |                    |                  |                  |                       |
| Project expenses  | 1,381                       | 359                           | 1,223            | 363                | 1,021            | 502              | 625                   |
| Costs of fundraising  | 45                          | 45                            | 38               | 38                 | 26               | 26               | 35                    |
| Administration (governance + support)                                       | 34                          | 34                            | 29               | 29                 | 21               | 45               | 55                    |
| <b>Total expenses</b>   | <b>1,461</b>                | <b>438</b>                    | <b>1,290</b>     | <b>429</b>         | <b>1,067</b>     | <b>572</b>       | <b>715</b>            |
| Balance of project restricted funds   | 64                          |                               | 121              |                    | 235              |                  | 210                   |
| Approximate headquarters site valuation                                     | 200                         |                               | 200              |                    | 200              |                  | 200                   |
| Reserves  | 331                         |                               | 338              |                    | 343              |                  | 275                   |
| Number of employees/volunteers  | 9                           |                               | 9/>700           |                    | 9                |                  | 9                     |
| * Development Ratings estimates   |                             |                               |                  |                    |                  |                  |                       |

With or without the value of the tools, the charity's ratios have been highly respectable in recent years. Income growth has been healthy; we are being fairly conservative for 2008. Fewer tools were sent in 2007 but will rise again in 2008. The months of cost coverage, calculated without the tools and without including the conservative valuation of the headquarters site and land, remains strong.

| Selected Financials  |                             |                               |                  |                    |                    |                    |                         |
|--|-----------------------------|-------------------------------|------------------|--------------------|--------------------|--------------------|-------------------------|
| Year end 31 <sup>st</sup> December (£000s)                       | Actual<br>16 mths<br>Dec 05 | Ex tools<br>16 mths<br>Dec 05 | Actual<br>Dec 06 | Ex tools<br>Dec 06 | Actual<br>Dec 07   | Ex tools<br>Dec 07 | Ex tools<br>Dec<br>08E* |
| <b>Key ratios</b>  |                             |                               |                  |                    |                    |                    |                         |
| Proportion of restricted income                                  | 9%                          | 28%                           | 14%              | 34%                | 26%                | 45%                | 46%                     |
| Proportion of income used on projects (project exp/total income) | 91%                         | 72%                           | 90%              | 66%                | 86%                | 73%                | 82%                     |
| Programme ratio (project expenses/total expenses)                | 95%                         | 82%                           | 95%              | 85%                | 96%                | 88%                | 87%                     |
| Administrative expenses ratio (admin exp/total exp)              | 2%                          | 8%                            | 2%               | 7%                 | 2%                 | 8%                 | 8%                      |
| Fundraising efficiency (cost to raise £1)                        | 3p                          | 9p                            | 3p               | 7p                 | 2p                 | 4p                 | 5p                      |
| Reserve development  | 9%                          |                               | 36%              |                    | 4%                 |                    | -19%                    |
| Number of months of costs coverage                               | 3                           | 11                            | 3                | 13                 | 5                  | 12                 | 7                       |
| *Development Ratings estimates                                   |                             |                               | Best practice    |                    | Attractive feature |                    |                         |

- The 2007 funding breakdown is as follows: grants and donations 92%, rent from craft shops on site 6%, and sales of tools and scrap 2%. 116 separate trusts, foundations and individuals are listed in the accounts as some of those who have donated. This reflects a high level of individual support. Rent and tool sales cover the charity's overheads excluding staff costs.
- As the charity's physical activities take place in the UK, the country destination breakdown is based on the number of containers of tools shipped to each country within the financial year and is as follows for 2007: Uganda 2; Tanzania 3; and Ghana 2. The 7 shipments in 2007 supplied 682 tool kits comprising 45,631 tools. (The number of tools reported as being sent in 2006, over 500,000, was incorrect in the report & accounts, seemingly out by a factor of 10.)

- Having over 700 volunteers in 65 country-wide groups that collect and refurbish the tools is quite astonishing. 5 volunteers have provided their services regularly for over 25 years, a further 31 for 20+ years, an additional 32 for 15 years or more, and another 60 for over 10 years. This amounts to at least 1,825 years of volunteer service. The refurbishment group based at the headquarters near Southampton contributed some 40,000 volunteer hours in the past year, which is an average of over 260 volunteer hours per person. This level of commitment and dedication is phenomenal.

## Funding outlook

The 10 shipments sent in 2006 were considered by the charity to be too much for one project officer to manage. A second officer is currently employed on a contract basis and TFSR's wish list includes funds to make this a permanent role. It also wants to increase the number of projects it supplies with tools, rather than increase the number of shipments per year. This would mean that larger containers can be sent, 40 foot rather than 20 foot – one 40 footer is being sent in 2008. This requires additional funding, as do operations to improve and spread marketing and business development training programmes for and between the partners. A partner network is beginning to be developed, allowing partners to learn from each other.

## Output

Charity staff, trustees and volunteers visit the field regularly to report on the progress of the people receiving the tools kits and training. Anecdotal surveys produce many examples of the results of TFSR's work. An illustration is the Mabaale Metalwork Group in Uganda which has seen a 500% increase in income since it received tools in 2001. Three members of the group have established workshops in local towns, and the others have invested in their business through buying a generator for reliable power. A Ugandan man who received shoe repair tools in 2003 has been able to buy a plot of land to expand his business. He now pays for his children to go to secondary school. A small Ugandan joinery group that received carpentry tools in 2006 has started operating as a carpentry training centre in addition to its commercial activities. Training workshop participants are reported to have built houses, bought vehicles, and half are investing in their children's schooling. Three Tanzanian artisans have improved their personal status and have been elected as representatives in the local government. The Blacksmith Artisan Network project in Tanzania has helped local artisans improve the range and quality of their products and increase sales. This allows them to pay school fees and make improvements to their homes and workplaces. The blacksmiths have taken on apprentices. They have formed an association to promote their products, to achieve better terms for purchasing supplies, and to lobby the government for support for blacksmithing as the driving force behind development and industrialisation. In Ghana, support for blacksmiths in the north and east, an area of rural agricultural communities, enables farming tools to be produced and repaired locally more cheaply. This benefits women as the main agricultural workers in the area.

In 2008, direct training will be provided to 2,253 people, 1,039 of them female. These people will train members of their artisan groups in what they have learnt to multiply the benefit.

| Output   | 2007          |
|--|---------------|
| Total number of tools sent   | 45,631        |
| Number of tool kits sent   | 682           |
| Number of direct beneficiaries (~10/tool kit)                            | <b>6,820</b>  |
| Number of indirect beneficiaries (~4 dependents each)                    | 27,280        |
| Cost (ex tools) per direct beneficiary (including delivery and training) | <b>£83.92</b> |
| Cost (ex tools) per total direct and indirect beneficiaries              | <b>£16.78</b> |

The project basis of the work allows for clearly defined aims and objectives to be set which can be monitored and evaluated. Although it receives good anecdotal feedback on achievements through its visits and partners, TFSR is formalising its monitoring and evaluation of projects into a more analytical feedback system for programme improvement. Currently, baseline data is being harmonised across partners.

## Impact

- **Supporting self-reliance:** Tools supply and skills training means artisans are able to make a range of products to support themselves and their families. Beneficiaries are encouraged to re-invest in their

businesses. When donated tools eventually come to the end of their useful lives, the trained and supplied blacksmiths can make new tools. These are of good quality and are locally made, reducing travel and purchase costs. This is particularly relevant for agricultural tools. New productive employment opportunities also reduce dependence on subsistence agriculture.

- **Spreading entrepreneurship:** The skills and enterprise training helps artisans to make the best use of their tools to develop income-generating businesses. Some, like the blacksmiths' group example, go on to train others through apprenticeships. This promotes the spread of practical and business skills. 80%/year increases in income have been achieved, but more modest increases are more common.
- **Empowering women:** At least 45% of trainees are women. In addition to receiving agricultural tools, they may receive sewing machines and starter material kits. Women can improve their economic capacity, independence and support of dependants after tool use, marketing and business training.
- **Allowing regeneration and recovery:** Lack of tools and skills can lead to cyclical deterioration of opportunities as well as of physical infrastructure. Both of these can be addressed through TFSR's approach. In-country tool production and refurbishment centres, such as that recently established in Uganda, further encourage self-sufficiency.

*"It is my pleasure to inform you that the entire population is a direct beneficiary of your kind gesture of tools. We are very grateful indeed for receiving them. All the damaged roofs of houses and vandalised furniture during the 10 years of brutal and tragic civil war has been repaired or replaced. A total of three dozen persons have been trained in the basic carpentry skills and they have now become tutors in their own carpentry centres in their various villages"* **Letter received in 2006 from Balie Mackotie, Musget Carpentry Organisation, Sierra Leone after tools delivery in 2003.**

- **Focus on the poorest:** The percentage of people living on less than \$2 a day is over 83% in Tanzania, Zimbabwe and Zambia. The figure for Sierra Leone 75% and for Malawi 63%.
- **Increasing educational opportunities:** Surplus income is being used to educate children in the families of around 50% of workshop training participants in Uganda.
- **Social support for volunteers:** An incidental effect is the impact on UK volunteers, many of whom are elderly, male or learning disabled. The regional groups provide them with a social network.

## Key risks

- Sudden changes in customs duties may occur when multi-lateral development organisations are involved at the macro level for overall country development. These effectively move the goal posts for the local partner for releasing shipments. This tends to cause delays rather than any major issue.
- Some of the smaller partners find it difficult to fund the release of shipments. Artisans are not prepared to pay for tools until they receive them and customs will not release shipments until duties have been paid. A revolving fund has been introduced in Uganda to forward funds for duties before they are reimbursed when the artisans pay their fees. This is not an issue for larger NGO partners.
- Activities have been frozen in Zimbabwe, so the political risks of operating there do not currently apply.
- As in Sierra Leone, a breakdown in communications may undermine relations with the local partner. In this case, shipments will continue with some combination of the new contacts that have been made. These new partners have been reviewed to ensure strong communication skills and commitment.

## Summary

Tools for Self Reliance provides both the literal and metaphorical tools for individuals to support themselves. This is achieved through the physical donation of equipment and the equipping, through partners, of craftsmen and women with the necessary skills for sustainable self-development and financial self-support.

Our recommendation rests on our belief that Tools for Self Reliance will continue to be able to mobilise its massive UK volunteer force for effective support of African artisans in existing and future countries.

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