

GLOBAL GRANT PROPOSAL. ROTARY YEAR 2020/2021. G-1522.

THE ROTARY CLUB OF EL CAJON SUNSET. EL CAJON, CA USA AND RC OF SYOKIMAU, KENYA

PROJECT DESCRIPTION

This Microcredit proposal would provide 400 or more loans in Machakos and Taita areas of Kenya through a Microcredit integrated project.

In the Machakos region, the project will offer financial literacy training before loan application. Target borrowers will be women in the coffee industry, youth owned businesses activities, small rural successful entrepreneurs who remain under-capitalized, farmers who need bridge loans to capture high yields at peak harvest or expand service to meet their growing community needs. There will be an emphasis on rain water harvesting, environment restoration, solar power and/or biogas development.

Many women from Machakos areas are miners in the Taita region. Taita project will offer financial and business training to artisanal miners before loan application. Lack of business training exposes the miners to unethical exploitation by buyers when the miners bring their gems to local and international markets. The miners—mostly migrant women—are exposed to very harsh mining conditions and they are forced to live in squalor. The mines are located inside the national park, further exposing the miners to dangerous wildlife (snakes, elephants, wolves, coyotes). There have been major conflicts between the miners and the wildlife, leading to environmental degradation. A mobile pilot shelter model will be developed at the mining site to reduce exposure to wildlife, reduce environmental destruction, and ameliorate the lives of the miners. Safety gear and related training will be offered.

The loans will impact many economically disadvantage people in extreme rural areas who are generally overlooked by traditional lending institutions. The loans and the financial and business training will target over 800 needy women, youth, and artisanal miners over a period of time. This microcredit program will save lives, improve education for girls when their mothers have generated extra income, improve food security through rain harvesting, increase solar usage and reduce impact on the environment. The loans will range between \$25 to \$300 per person for each cycle and have a weekly or monthly repayment cycle.

Paul Mue Foundation (a local Kenya Non-Governmental Organization, that works in the area) would coordinate weekly training, monitor funded business development and microcredit operation. Each trained team would be forwarded to a Microcredit Financial Institution (MFI) that would further train and screen applicants. Once trained candidates are fully approved by the MFI, they would receive approved amount loans. The MFI will manage repayment or collection process for a very small fee. The Microcredit Financial Institution would provide us with monthly or quarterly data. The Rotary Club of El Cajon/RC Syokimau would utilize that data to file reports to the Rotary Foundation for the required period. Paul Mue Foundation would report to RC Syokimau and the Rotary Club of El Cajon Sunset for on the ground monitoring. The loan cycle would continue for years to come. The target implementation year is 2020/2021. Suggested **MICROCREDIT BUDGET:** MACHAKOS Region= \$18,000 (\$15,000 MICROCREDIT AND \$3000 TRAINING). TAITA Region= \$26,450 (\$7,450 MICROCREDIT. \$19,000 TRAINING AND PILOT PROJECT FOR SHELTER AT THE MINING SITE).

TOTAL BUDGET = \$44,450