

Ally Mdeme – seizing double opportunities with OYE

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Country: Tanzania

Sector: OYE Agriculture



CHALLENGE

Entering employment, or becoming self-employed is one of the key envisaged outcomes of the Opportunities for Youth Employment (OYE) programme. Formal employment opportunities are scarce, often pay poorly and job security is not guaranteed. The youth risk entering 'vulnerable employment'; - a job without formal work arrangements, and become prone to indecent working conditions, inadequate social security and lack of 'voice' through ineffective representation by trade unions and similar organizations.

OYE aims to enable youth to enter meaningful employment, whether it is self-employment - or employment in a company - where the job engagement is secure, the pay is standard and the youth have a chance to accumulate wealth with minimal risks.

CLIENT

Ally Mdeme is a 25-year old man, born in Tanga, Tanzania's coastal province. He dropped out from secondary school, but he was still determined to make something out of his life. He joined the OYE project in Tanga during year One and was trained by the local Livestock Training Center – LITA in various aspects of dairy farming, including feeding, milking and marketing milk. Ally is not married but supports his family.

Ally secured a job as a Station Master at a local milk collection centre in Mabokweni Tanga. He has also established his own dairy farm.



METHOD / SNV INTERVENTION

Ally benefitted from various skills trainings, including Basic Life Skills, Business Development Skills, Technical Skills, and Enterprise coaching. OYE provided these trainings in partnership with 4H, a Local Service Provider. Complementary on-the-job training was provided at the Milk Collection Centre, through a mentorship arranged through OYE, where he eventually found part-time employment.

OUTCOME

As a result of the enterprise development training, Ally developed a 5-year business plan to establish his own dairy farm. The business is in the process of being registered.

Secondly, to raise start-up money, Ally borrowed 2 million Tanzanian shillings - approximately US\$1,000 - from a friend and used his personal savings to purchase an in-calf heifer, construct a cow-shed and buy equipment.

Thirdly, Ally did a thorough cost-benefit analysis and developed a record-keeping system. He also employed a youth for the day-to-day care and milking of his dairy animals, while he works at the Milk Collection Center.

Ally has invested in building his professional skills through on-the-job training, which has led to him securing employment. In his job as Station Master, he is responsible for receiving milk on a daily basis from the 5 stations (Mabokweni, Gombero, Shamba, Mtindwani, Wilaya ya Mkinda). He also supervises the milk quality control staff and transporters, and connects to the Tanga Fresh dairy processing company who pick up the milk.

National and local radio and TV interviewed him multiple times during the FINCA – SNV Partnership launch, during the Tanga Dairy Fair. Ally was also among youth delegates who participated in the Young Africa Works Summit, organized by The MasterCard Foundation in October 2015.

IMPACT

In order to get insight into the impact of OYE's training and enterprise development coaching on Ally, the initial results of his current (self-) employment were analysed.

Employment: Currently Ally is under probation and earns Tsh150,000 per month. He expects to receive a contract once his probation ends in October.

Self-employment: Baraka, the dairy cow, produces 13 – 14 litres per day which he sells for 700 shillings per litre to Tanga Fresh and makes Tsh273,000 monthly. He spends Tsh120,000 per month on feeds and labour. Ally remains with Tsh153,000 profit – which brings his current total monthly income from dairy employment and self-employment to over US\$150. This is a huge step forward for Ally, and a stepping stone to further grow his income. More importantly, he is proud about the fact that he is now in charge of his economic life, and has prospects of developing himself further.

TESTIMONIALS

"Through the OYE project, I have become a dairy farmer and a milk quality expert. My life has turned around", Ally said in an interview with Tanzanian media during an event at the SNV office late 2014.

SUSTAINABILITY

As far as the sustainability of the enterprise, the future looks positive;

- Ally began with a business plan and factored in the cost of hired labour. He is able to generate a profit of Tsh153,000 per month which will only increase as his herd grows. The shed he constructed has enough space for at least an additional 4 dairy cows and the labour costs will remain constant with the extra cows.
- The job at Mabokweni is not (yet) secure; but once he receives a contract he can be guaranteed a steady monthly income of Tsh150,000. In addition, he is acquiring useful technical skills on quality control of milk which he can apply on his own farm.
- SNV has partnered with Tanga Fresh, the buyer of Mabokweni's milk on the skills development of its junior staff, among them Ally.
- Ally will continue along the OYE trajectory with regular coaching.

The risks that could pose a threat to the sustainability of Ally's project are:

- Access to quality animal feeds to prevent fluctuations in the milk production during the dry season. He could plant a pasture.

LESSONS LEARNED

The **on-the-job** training as provided through the OYE Mentorship approach enables the company to enrich the employability of the youth with practical skills and serve as a concrete stepping stone towards securing formal employment.