



Mulimuli

Inspiration for Change

An entrepreneurial approach to capacity building
in urban communities in developing countries

A project by

TEDDY'S HOME
"feeling home away from home"



Annual Report 2020

Annual Report 2020

27th February 2021

Severin Spring
Treasurer & Board Member
The Spring Project (TSP)
Riedweg 6
CH-5707 Seengen
Switzerland

Contents

Projects & Activities 2020.....	1
Farming.....	1
Vegetable/crop farming	1
Chicken farming.....	2
Fish farming / BongoFISH	3
Composting & Black Soldier Fly farming	3
Training.....	3
Hostel	4
Events/workshops & community outreach.....	5
OneMic session.....	5
Environmental awareness & teaching.....	5
Impact.....	6
Team & personal development.....	6
Community development.....	6
Finance	7
Outlook 2021.....	8
Projects & activities 2021	8
Hostel.....	8
Farming.....	8
Training.....	9
Financial needs 2021 & 2022	9

Projects & Activities 2020

Farming

Vegetable/crop farming



Figure 1: Impressions of the farming plots of Mulimuli in 2020

Building on the experiences in 2019 the small-scale vegetable/crop farming on the plot (on ca. 150m²) continued across 2020. As in 2019 the biggest challenge was still the scarcity of water. Despite improvements of the water supply by the end of 2019, the supply became more and more irregular again starting in August 2020. To cope with the never-ending issue of water scarcity, the team is currently talking to a nearby chicken farmer who has built a well. This could be a possible reliable water source for the future.

With the growing dog-family on the plot (currently 2 grown ones and 6 that are younger than 1 year old), monkeys have been less of a problem in 2020 than in 2019.

After the start of the pandemic, activities on the farming plot became less frequent. This is mainly also because of the temporary closure of the hostel.

Production in 2020 reached above 100kg (+300% yoy), which was significantly lower than the set goal of 300kg and can be attributed to the lower activity after the start of the pandemic. As in 2019, the produce was split among the farmers and the hostel. The vegetables produced were: Pumpkin leaves, amaranth leaves, okra, sweet potato leaves, coriander and spinach.

Chicken farming

Chickens started laying eggs in April (planned was March). Total number of harvested eggs was 1274. This accounts to a turnover of 222 CHF. Feed costs (commercial layer chicken feed) was 167 CHF. The resulting gross profit is 54 CHF at a gross margin of 24%. This is above our prior expectation of <20% gross margin (using commercial feeds). However, factoring in depreciation cost of the chicken stable and additional operational costs such as water, electricity and medication it becomes obvious that a layer chicken farm is tough business and most likely only profitable at smaller scale if the feed is produced on farm.

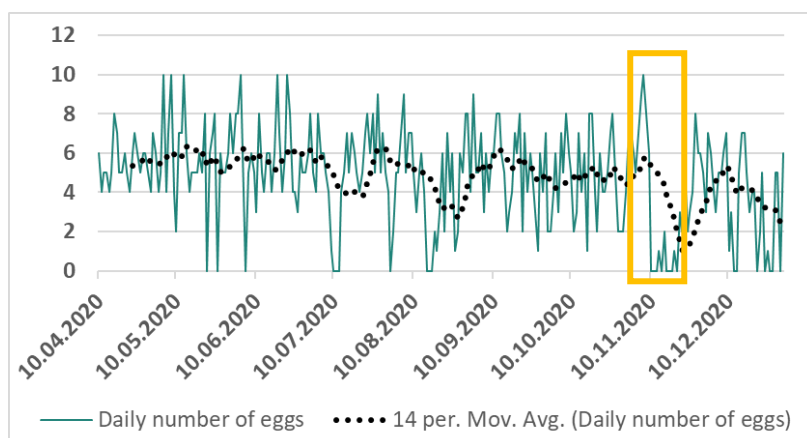


Figure 2: Daily number of produced chicken eggs incl. 2 week moving average. Orange rectangle shows the impact of the 2020 election which hampered supply chains and impacted chicken feed availability. After this period 4 chickens died due to the feed shortage which explains the decreasing egg yield at the end of the year.

Table 1: Achieved KPIs of the chicken facility in 2020

Total # eggs	1274
Average # eggs per day	4.8
Average # chickens	20
Eggs per chicken per year	87

Sales price per egg	CHF 0.17
Total sales	CHF 222
Feed cost	CHF 167
Gross profit	CHF 54
Gross margin	24%

At the temporary closure of the hostel the Mulimuli members agreed that who wants to, can take their chickens home to support them during the coming months. 4 members each took their 5-10 chickens home. One member sold all chickens immediately, the others focused on egg production but did not record numbers as initially agreed (this was expected).



Figure 3: The Mulimuli chicken farm consisting of two 35m² stables and a protected 100m² outside area (December 2019)

The feed production was not implemented as planned (c.f. Mulimuli annual report 2019). This mostly due to the lack of funds and shifting priorities due to the pandemic.

Fish farming / BongoFISH

Focus of [BongoFISH](#) in 2020 was the establishment of the Tanganyika Aquahub (TTA) in Kipili together with the [Lake Shore Lodge](#). The goal is to build up a fish farming training center and a commercial fish farm (2 million fingerlings and 50 tons of fresh tilapia per year).

The team raised in total over 100k USD in 2020 to start the first phase of the project. Currently the first ponds are being built.

The hatchery operation in Dar es Salaam on the Mulimuli plot continued and the company supplied farmers and entrepreneurs in the region with high-quality tilapia fingerlings. However, the goal to produce over 1 million fingerlings and around 1 ton of table-sized tilapia in 2020 in the pilot facility in Dar (c.f. Mulimuli annual report 2019) was not met. This mainly due to shifting priorities (pandemic) and the decision to not invest any further into the BongoFISH pilot facility in Dar for the time being, but rather focus on the efforts on TTA. Actual production of the BongoFISH pilot facility was below 20'000 fingerlings and around 100kg of table-sized tilapia in 2020 (from 11'000 fingerlings and around 30kg table-sized tilapia in 2019).

In the end of 2020, we also finally established the planned fishpond in the Mulimuli garden. First harvest is expected in November 2021.

Composting & Black Soldier Fly farming

Black soldier fly production and composting was continued on a similar scale in 2020 as in 2019. As guests and therefore food scraps were rare, BSF production was minimal at only a few hundred grams in 2020.

Training

Due to the pandemic, it was decided to not participate in any training programs in 2020. An alternative idea was to look for suitable online courses. However, the main issue with online courses is the lack of reliable internet connection in Makongo Juu (resp. in TZ overall).



Figure 4: Impressions of BongoFISH 2020. Picture on the top shows the establishment of the first ponds in Kipili (Oct. 2020).

Hostel

Teddy's Home Hostel – “a Home away from Home” – is the heart of Mulimuli. It serves as a platform for intercultural exchange and provides (in normal times) a steady income to those Mulimuli team members who are employed at the hostel and this ultimately makes the whole project feasible.

The mission of Teddy's Home Hostel is to make your stay in Dar es Salaam as comfortable and exciting as possible and to show travelers the real Dar. By combining the local culture with the tourist's cultures, the hostel creates an environment where everybody feels welcome and at home. The hostel offers 2 dorm rooms with 4 single beds (2 bunk beds each) with a shared bathroom as well as 2 rooms with a double bed and a private bathroom each.



Figure 5: Impressions of Teddy's Home Hostel (2019-2020)

As of January 2021 the hostel is (still) one of the best rated accommodations in Dar es Salaam on [booking.com](https://www.booking.com) with a rating of 9.1 out of 10 (down from 9.4 in 2019). On [tripadvisor.com](https://www.tripadvisor.com) the hostel ranks 12 among 186 (from 10 out of 174 in 2019) under the category “Specialty Lodging in Dar es Salaam” with a rating of 5 out of 5.

Due to the pandemic the hostel temporarily closed mid-March and opened again end of October (16.03.-24.10.2020). The overall number of individual bookings (dorm: per bed, double room: per room) have gone down from 93 in FY 2019 to 29 in FY 2020. Total nights spent accounted to 148, down from 200 in 2019. Only looking at the months where the hostel was fully open (January, February, November, December) overall nights spent have increased from 68 in 2019 to 132 in 2020 which corresponds to a +94% year on year increase for the operational months. Revenue for FY 2020

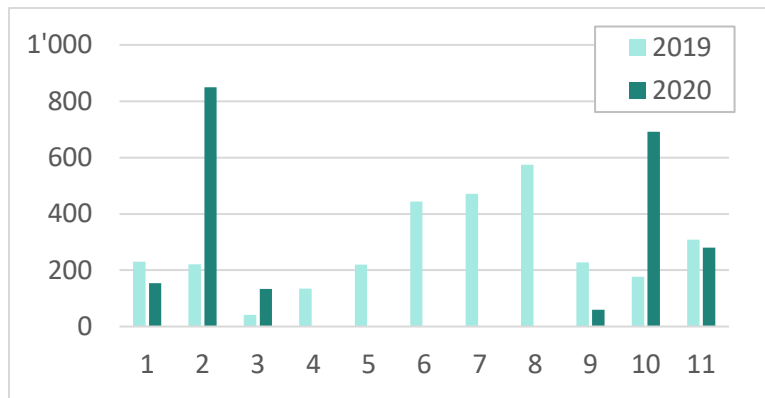


Figure 6: Monthly revenue of Teddy's Home Hostel in 2019 and 2020.
In 2020 the hostel was closed from 16.03.-24.10.2020.

accounted to around 25% of breakeven revenue (revenue FY 2020: 5M TZS = 2'200 USD). 100% of the revenue came from guests staying at the hostel, 0% from trips/tours/events/safaris.

In comparison FY 2019 revenue stood at 9M TZS across 12 months of operation whereas the 2020 revenue of 5M TZS accrued during a total of 145 days during which the hostel was opened.

The average stay per guest increased from 2 days in 2019 to 4.7 days in 2020. 44% of the bookings were made through booking.com and 53% were direct bookings (e.g. through recommendations).

The planned action items for 2020 (c.f. Mulimuli annual report 2019) including i) update hostel infrastructure (e.g. outside sanitary facilities), ii) establish a thorough offering portfolio (tour offerings, food & drinks etc.) and iii) implementing a marketing budget split were not implemented.

Events/workshops & community outreach

OneMic session

The wonderful OneMic jam session in 2019 was not repeated in 2020 due to the pandemic.



Figure 7: Impressions from the OneMic Jam Session in 2019

Environmental awareness & teaching

After closure of the hostel in March, the Mulimuli team participated in a few beach clean-up events organized by "Save the Coast Tanzania", a locally founded group that clears beaches in Dar es Salaam from garbage.



Figure 8: Beach clean-up team (March 2020)

Impact

Team & personal development

Mulimuli is now a registered community group under Tanzanian law. The goal is to foster positive development and change in the community with a focus on youth around Teddy's Home Hostel in Makongo Juu, Dar es Salaam.

The core of the Mulimuli team consists of 7 young Tanzanians:

- Teddy (33): Founder of Teddy's Home Hostel, background in secretary studies, several years of experience in small-scale business administration, very passionate in business development as well as community development, social business enthusiast, partly involved in all Mulimuli activities – she is the main voice of Mulimuli and keeps things together.
- Kenny (28): Manager of Teddy's Home Hostel and Lushoto Pazuri, background in environmental science (BSc), passionate about environmental conservation and waste management, very creative and enthusiastic craftsman, especially involved in the hostel.
- Selina (31): Former facility manager and cook of Teddy's Home Hostel, passionate about cooking and agriculture in general, involved in vegetables/crop and chicken farming.
- Joseph (30): Joseph is mainly involved in crop/vegetable farming and passionate about agriculture. He currently learns reading and writing. His dream is to drive trucks one day.
- Olipa (26): Manager of BongoFISH, background in aquaculture (diploma) and several years of experience in fish farming, apart from aquaculture also passionate about tailoring, mainly involved in all farming activities in 2020.
- John (30): Farm worker and security guard at BongoFISH, owns several cows and goats in Ngorongoro area, passionate about livestock keeping and agriculture in general, involved in fish and crop/vegetable farming.
- Gallis (25): Photographer and arts enthusiast, took most pictures in this report

Additionally, the Tanzanian team is supported by two Europeans: Elizabeth Gohla (24, Austrian, mainly helping with communication and marketing of the hostel, she has been involved since 2017 and visits the project every year) and Severin Spring (29, Swiss, Co-Founder of BongoFISH & The Spring Project, aquaculture and social business enthusiast).

The diverse backgrounds of all the Mulimuli team members and their various passions allow the project to flourish in different directions. Moreover, this also allows the individuals to learn from each other and fosters teamwork.

Community development

Due to the pandemic, activities involving gatherings (workshops etc.) were not carried out as planned after March 2020. The impact on the community around Mulimuli was therefore still very limited in 2020.

Finance

Table 2 shows the consolidated expenses of the Mulimuli project in 2020 compared with the planned expenses (planned expenses were updated March 2020, once the decision was made to close the hostel temporarily due to the pandemic).

Table 2: Consolidated expense statement of Mulimuli in 2020. Planned costs were updated in March 2020 due to the pandemic and the decision to close the hostel temporarily.

Cost Center	Planned Cost	Actual Cost	Multiple (actual/planned)
administration	CHF 150	CHF 63	0.42
electricity	CHF 450	CHF 576	1.28
livestock & farming	CHF 2'539	CHF 357	0.14
fish farming	CHF 1'379	CHF 1'028	0.75
miscellaneous	CHF -	CHF 63	-
rent	CHF 7'826	CHF 5'217	0.67
salary	CHF -	CHF 145	-
training	CHF 1'079	CHF 26	0.02
water	CHF 450	CHF 387	0.86
Total Expenses 2020	CHF 13'873	CHF 7'862	0.57

Total expenses accounted to 7'862 CHF (Table 2). The large spread between planned and actual expenses can mostly be attributed to shifting priorities due to the pandemic which led to the closure of the hostel for a much longer time than initially anticipated (16.03.-24.10.2020). As most of the Mulimuli team members had to shift their priorities as their usual income is depending on the hostel revenue, this also highly impacted the Mulimuli project. Time and efforts spent on Mulimuli has been much smaller than in the years before. It was decided to shift most planned activities until 2021 and 2022 (chicken farming expansion, feed production facility, training workshops for the community). The main activity that could continue as planned was the operation of the fish farming facility. The Mulimuli contribution to the rent was much lower than expected because of the kind consideration of the landlord to decrease the rent for several months while the hostel was closed.

The remaining balance of Mulimuli as of January 2021 is 4'217 CHF (Table 3). The cash balance accrued from the unspent cash of contributions from FONS MARGARITA in 2019 (15'000 CHF) and 2020 (10'000 CHF).

Table 3: Cash balance of Mulimuli as of January 2021

Cash balance end of 2019	CHF 2'079
Cash balance end of 2020	CHF 2'138
Current Cash Balance Jan 2021	CHF 4'217

It is planned to use the remaining cash for the rent in 2021. This should enable the hostel to potentially reach near breakeven levels in 2021 (if revenues can be achieved similar to the revenues during the open months in 2020).

Outlook 2021

Projects & activities 2021

Hostel

The main goal of 2021 will be to move the hostel business to a breakeven level.

As mentioned in the 2019 annual report of Mulimuli: The tourism industry in Tanzania has been growing over 300% in the past decade (2008-2018) and stood at ~5 billion USD per year before the pandemic. Although Dar es Salaam is mostly not a main tourist destination it is a very important transit city with the biggest airport of the country with a capacity to handle up to six million passengers per year (new terminal opened in 2019). The city links most of the tourists with the rest of the country; most notably: The Northern corridor with the Serengeti and all other famous national parks and Zanzibar in the East which can be reached by ferry in a bit over one hour from the Dar es Salaam harbor.

Despite the pandemic, 2020 showed that the revenue trajectory has been on a good path for the hostel during the open months. However, the impact of the pandemic on the tourism sector in Tanzania is still very unclear. On the one hand, the sector is likely to see increasing consolidation & closure of a lot of hostels, lodges etc., which could bring more market share to Teddy's Home Hostel. On the other hand, we also estimate that the overall number of tourists that visit the country will take much longer to rebound than only one or two years.

Due to the unsecure nature of the tourism sector the team of Teddy's Home Hostel decided to minimize operational expenses and opportunity costs of the team of the hostel in the next year. The hostel will be continued as a side business with only one paid employee (facility manager).

Main action items for 2021 are:

- Increase customer base on an organic basis on built-up channels (social media, booking sites)
- Continue efforts to work together with tourism agencies and other hostels
- Maintain hostel facility in good shape

Farming

Vegetable/crops: Focus in 2021 will be to continue the production of veggies and crops in the garden. The Mulimuli members mostly involved in the vegetable/crop farming are Olipa and John.

Chicken farming: Once cash flow of the hostel allows it, the goal is to steadily increase the layer chicken population to 500 and achieve a steady production of eggs (c.f. Mulimuli annual report 2019). The Mulimuli members mostly involved in the chicken farming activities are Teddy and Kenny.

Fish farming / BongoFISH: Main focus of fish farming activities will lie on the establishment of The Tanganyika Aquahub in Kipili. TTA is a public-private partnership of BongoFISH together with Lake Shore Lodge, Zurich University of Applied Sciences (ZHAW), Tanzania Fisheries Research Institute (TAFIRI), SUSTAIN Switzerland GmbH and The Spring Project. The goal is to foster sustainable development of the fish farming sector in the African Great Lakes Region. In 2021 the initial facility will be established. It will consist of ~7'000m² of pond area and a solar PV powered feed mill & hatchery. The target production is 50 tons of table-sized tilapia, 2 million fingerlings and 100 tons of fish feed per year. Furthermore, a training center will be established to provide hands-on training courses in sustainable fish farming practices to interested stakeholders such as farmers, entrepreneurs, students and university staff.

The responsibility of BongoFISH in TTA will mainly be the support and training of smallholder fish farmers around TTA. Furthermore, the BongoFISH team (mainly Olipa and Severin) will support the TTA team in initial setup and operation of the fish farm. For more information about TTA, please contact The Spring Project directly.

The operation of the pilot tilapia hatchery in Dar es Salaam will be continued on a similar scale as in 2020. The goal is to keep a steady production of fingerlings of around 30'000-50'000 pieces per year and provide consultancy and training opportunities for the supplied entrepreneurs and farmers. Currently BongoFISH is searching for a further team member to supervise the hatchery in Dar es Salaam while Olipa is supporting the establishment of TTA in Kipili.

Training

With the growing portfolio of The Spring Project the team of Mulimuli has access to more and more (free of charge) internship & training opportunities. Apart from Mulimuli and BongoFISH, TSP is involved in several projects/startups across the fish farming value chain in East Africa:

- The Tanganyika Aquahub, Tanzania: Pond fish farm & training center in Kipili at Lake Tanganyika. Scope is a production of 50 tons of table-sized fish, 2 million fingerlings and 100 tons of feed per year. The farm is currently (Jan 2021) being established. Joint project of TZ and CH institutions.
- Tanganyika Samaki, Tanzania: Net cage fish farm in Kigoma at Lake Tanganyika, Scope is an initial production of 500 tons of table-sized fish and 10 million fingerlings. Currently in final talks with a TZ private investor, estimate to start construction of the farm in 2021.
- Ressect, Kenya: Organic waste treatment with black soldier fly (BSF) larvae. Scope is an initial processing capacity of 1'000 tons of organic waste per year and annual production of 22 tons of larvae meal (for the fish feed industry) and 90 tons of fertilizer. Three young Kenyan entrepreneurs are the main project owners.

If circumstances allow it, individual Mulimuli members can visit the above projects/firms and do an internship to get hands-on experience in fish farming and BSF organic waste treatment.

Financial needs 2021 & 2022

Table 4 shows the financial needs of Mulimuli (Teddy's Home Hostel & BongoFISH) in 2021 and 2022. including investments into the hostel, chicken farming as well as fish farming. Salaries are excluded.

Table 4: Financial needs of Mulimuli (Teddy's Home Hostel & BongoFISH) in 2021 & 2022

Hostel	House rent (70%) - 2021	CHF	3'360
	Sanitary facilities - 2022	CHF	2'200
	TOTAL Hostel - 2021 & 2022	CHF	5'560
Farming	House rent (30%) - 2021	CHF	1'440
	Chicken farm extension (500 chickens) - 2022	CHF	3'440
	Small-scale feed production unit - 2022	CHF	3'920
	BongoFISH budget - 2021	CHF	5'280
	TOTAL Farming - 2021 & 2022	CHF	14'080
GRANT TOTAL			CHF 19'640

The BongoFISH budget 2021 (5'280 CHF) and the house-rent 2021 (3'360 CHF and 1'440 CHF) are already secured with the remaining cash balance, ongoing cash flows and private investments of BongoFISH. Outstanding financing accounts to 2'200 CHF for the hostel (sanitary facility like outside toilet etc.) and 7'360 CHF for farming investments (chicken farm extension and small-scale feed production).