



"Amabali Ethu - Ons Stories"



Issue 1:

September 2016

Mpendulo Savings' first Newsletter! by Jill Thompson, Director

Believe in yourself - Save and Grow

In This Issue: News from the Mpendulo Savings team

Greetings to all of Mpendulo Savings! It is with great pleasure that we officially launch our very first newsletter to you, our amazing group members.

Breaking News

We have launched several initiatives this year. We'll be telling you about them in this issue. Read on and you'll learn about:

- Group member success stories
- Mpendulo Savings Network
- Business "Super Groups"
- FUN DAY for Humansdorp and Jeffreys Bay
- Plastic Bags from recycled grocery packets business opportunity
- ECO-Bar soap business

Membership growth

Mpendulo first got its start in 2008 under the auspices of the Department of Development Studies at NMMU. That year we mobilized and trained 7 groups with 55 members. Compare that with our latest numbers of 161 groups with

2,229 members. Half of the 161 groups have 'graduated' and continue to operate without monthly mentoring from our Field Officers. Not only that, graduated group membership has grown by over 42%!



Savings Performance:

Our groups had an amazing year last year and this year promises to be even better! See below for our stats last year and so far this year

Jan - Aug 2016	Jan - Dec 2015
R 6 374 380	R 8 530 440
<u>R 2 753 180</u>	<u>R 5 135 142</u>
<u>R 9 127 560</u>	<u>R 13 665 582</u>



The Mpendulo 'Team'

As with many successful projects, staff often works long hours behind the scenes and is the invisible force that keeps things running smoothly. I'd like to take this opportunity to highlight these hard-working and dedicated Field officers (FOs) on the Mpendulo Team: **Andiswa Lubengu-Bailey**: Program Coordinator for Mpendulo and Director of BizAcc (Isibabalo) Business Services. **Lindiwe Deneas Yeye**: Senior Field officer responsible for the Kou-kamma and Jeffreys Bay groups. **Nontembeko Zide**: Field Officer for Hankey, Thornhill, Loerie and Jeffreys Bay groups. **Lynette Louis**: Field Officer for Jeffreys Bay and Humansdorp Afrikaans speaking groups. **Nceba Sana**: Field Officer for isiXhosa Humansdorp groups.

Community Based Promoters

Community Based Promoters (CBPs) are group members who 'take over' from our FOs. We'd like to introduce these valuable mentors to our members here: **Zelma Mpolongwana**: Jeffreys Bay. **Funeka Lloyd and Bulelwa Mbeki**: Hankey. **Nosakhele Kili and Tersia Brown**: Humansdorp. **Mieta Majozi**: Thornhill. **Lizel Quinton**: Kou-kamma.



Mpendulo FUN Day

On March 12th and 19th, we held two Fun Days in Jeffreys Bay and Humansdorp, respectively. The Master of Ceremonies



for the JBay event was Mpendulo Trustee Sipho Simamane and in Humansdorp,

Gugulethu Mabanga - Mpendulo savings group member - took on the role.



After opening prayers and welcoming remarks, the Fun Day agenda kicked off with some Mpendulo News regarding our final performance statistics for 2015, our intention to start the Mpendulo Savings Network next year (2017) and announcing our pilot Business Super Group in Thornhill.

This was followed by entertainment and lucky draw prizes. Mpendulo members enjoyed the competing for Mr/Mrs Mpendulo, Best Dressed, Best Table Decorations and Best Act. Big shout out to Eugene Moore and Sipho Simamane (Mpendulo Trustees) who were the judges for JBay and to Candice Camealio (previous Mpendulo admin) and Thumeka Nodipha (Moore Stephens) for Humansdorp. The winners were as follows:



Mr Mpendulo: Shaun from new Beginnings in JBay and Oom Piet from Burning Bright in Humansdorp

Mrs Mpendulo: Sana from New Horizons and Kholiswa from Hlumisa in JBay; Agcobile from Kamvelihle in Humansdorp.



Best Dressed: Hazel from iKhwezi in



JBay and Ndiya – son of Akona from Zabalaza and Sinxolo from Kamvelihle in Humansdorp.

Best Table

Decorations: New Horizons from JBay; Burning Bright from Humansdorp.



Best Act: Blessings of God from JBay and Kamvelihle from Humansdorp.



For more pictures and a few videos, check out our FaceBook page on www.facebook.com/MpenduloSavings/

Mpendulo means peace of mind by Nontembeko Zide

Mrs Ngesi is a mother of two living in Ocean View. When I asked her, "What does Mpendulo means to you?" she said "Mpendulo means relief to me and peace of mind because I am now able to do things I couldn't afford to do before. Ever since I joined Sibanye, I gained

confidence. I learned that budgeting is the best way to move forward financially." She went on to say, "to be in a group you need to trust one another because when your fellow group members give you a loan, they trust you to pay it back. That is why in our group we ask what the person is going to do with the loan and we follow up on what they say." They all signed a constitution and they stick to the rules no matter what. "It shapes us up", said Mrs Ngesi, "and it is the best thing, there is no such thing in the old stokvels."

Her kids are in private schools in JBay and her dream is to give them the best education they can get. She said her wish is for groups to see what she sees in Mpendulo - a bright future. "We always encourage people to achieve their goals; our aim is to grow one another.

Mpendulo is the solution for a woman to have a warm house, because everything is expensive out there. You can never get 10% interest on loan anywhere else", said Mrs Ngesi. "I don't have any accounts, I buy cash. I have a built-in cupboard that I bought for R7 000 and a bedroom suite that costs R17 000, and last year I bought a second hand car! We have business women in our group that started their businesses after joining Sibanye and nothing can stop them now."

Sibanye is a strongly united group, who created a special 'whatsapp' group where members chat every day. When one of their members passed away this year, Sibanye members went to the funeral and wore black t-shirts. They recalled that this strong woman always reminded them about their rules.

"That day we spoke about Mpendulo who made us what we are today because unity and trust is our name."

The journey to entrepreneurship can start with one small step

by Nceba Sana

Mam Kili lives in Kwanomzamo. She started selling beef tripe from her fridge at home to earn extra income. She would buy a set of tripe which consists of beef head, feet and the insides of the cow for R450. She would then clean the meat, put into small packets and sell to her neighbors - sometimes on credit. However, selling on credit affected her ability to buy new stock because she had to wait to collect the credit money from her customers. So when word spread in the community that Mam Kili was selling tripe and the demand for her tripe grew, she had difficulty meeting the demand. Her business was in danger of collapsing. But then she joined a savings group and found out that she could loan from her group, buy more stock and meet the demand.

Buying more stock now came with another challenge - now she needed to have bigger storage; her home fridge was just too small for storing the meat she was selling. The meat was so much that she had to ask her neighbours for help with storage in their deep freezer. She had to buy the neighbour electricity in return. Again she looked to her group for a solution to the challenge she was facing and requested a loan. With the loan she received from her group she bought a brand new, 220 litre deep freezer. The loan from the group is much lower interest than any other loan or hire-purchase scheme she could've gotten from the shops.

Out of the R450 she used to buy the meat she then makes a possible R1 500 from which she will subtract her costs and the rest is profit.

Mamkili also grows a vegetable garden and people come to her to buy vegetables. She grows cabbages,

spinach, onions and potatoes. I have even bought the chillies she grows in her garden. She says her dream now is to sell vegetables on a large scale. Buying vegetables from the farm and having a vegetable stand in front of her house.

Mpendulo Enterprise Development news

Mpendulo has forged a partnership with Isibabalo Business Services, a registered BEE business. Isibabalo has been providing management coaching, accounting, registration and tax return preparation services to other BEE businesses for more than 5 years. Many of our existing SG members are Isibabalo clients and others are now lining up for their services.

We've seen many township residents who would like to start a business, but are not able to generate enough income to give up wage employment. And the business suffers as a result, creating a vicious circle. Besides offering coaching, accounting, business registration and filing taxes assistance, Mpendulo, in partnership with Isibabalo, will act as a 'broker' between businesses and markets; developing the fledgling businesses of our members – helping them to negotiate and build their skills – until they are strong enough to manage all aspects of production to market.



Business 'Super Groups'

The Business "Super Group" idea emerged from the experience of Thornhill groups Hlumani and Siyanqoba, where members are now in a position to grow their businesses and are in need of additional capital. One member from Siyanqoba group stated her interest in such a group because it would mean she wouldn't have to belong to more than one group in order to access the capital she needs for her businesses.

The purpose of the Super Group is to have a group that is made exclusively of business owners and loans would be reserved for business use only. 'Investors' can also join, but would only be allowed to save, not lend, so as to make more capital available to the business owners in the group. Such a group will also share out twice a year instead of once so the business will have big sums of capital to invest.

THORNHILL BUSINESS SUPER GROUP - ZINGCE



Thornhill developed their constitution and launched the first pioneer Business Super Group - Zingce – in April.

Humansdorp group members have already approached Mpendulo and also launched their Super Group!

Mpendulo and Isibabalo will work closely with group members to promote their businesses to the next level.

"Eco-Bar" *The soap with a difference*

by Kamvelihle Savings Group

Mpendulo is piloting a soap business model with Kamvelihle youth savings group in partnership with JBay Bio-Diesel.

The soap is made from glycerol – a byproduct of converting used cooking oil into bio-diesel. JBay Bio-Diesel has joined us in this venture and is supplying the glycerol at wholesale prices to Kamvelihle in addition to training them in the skills they will need to produce and market the soap.

The pilot provides a platform for learning how to run an enterprise at the same time promoting the concept of green business. So far, Kamvelihle attended a 'learn-by-doing' training at JBay Diesel and completed one production cycle. Since the soap they made needs to cure for 2 weeks before it can be sold, the youth group bought JBay Bio-Diesel's existing stock so they could test and prepare their marketing.

The marketing team also presented their 'sales pitch' to African Perfection B&B, Super Tubes Guest House, the Super Tubes Foundation and a member of the Kouga Business Forum. They received valuable feedback from those present and will be able to improve on their marketing plan as a result. Kamvelihle will be producing their second batch during September and selling to the contacts they've made so far.

WATCH THIS SPACE.....

.....to follow the progress of this dynamic group of young people! Call the number below if you'd like to buy some soap!

Kamvelihle Soap (*Isibabalo Business Services*) **073 021 8735**



Mpendulo Network

The Mpendulo Network idea came about after experiencing how some groups' governance can go downhill over time. This can happen for many reasons, but instead of creating new rules and restrictions, we want to take a positive route.

We see the network as a platform where members talk about how to safeguard the Mpendulo way of doing savings. For example, all groups would be required to undergo a health check every year to qualify for membership in the Network. Depending on the score, a group could qualify for basic, silver or gold level.

We intend on investigating whether we can include certain 'perks' for each level to motivate groups to qualify. Examples of perks could be T-shirts, Certificate of Excellence, vouchers at local businesses, access to free or discounted services, etc.

Group members have been adding their own ideas to the Network concept. Many see it as an excellent opportunity to network with each other on many topics – especially on business opportunities.

We will be launching the idea at a series of meetings in September where members will be part of moving the Network forward into action. These are going to be exciting times, so don't miss out! Each group is encouraged to send at least 2 members to the meetings. See below for meeting dates and times.

We will get back to you when the venues have been confirmed.

Network Meeting Dates / Times

LOERIE: 12th September @ 18h00

JEFFREYS BAY: 13th September @ 18h30

KWANOMZAMO: 14th September @ 17h30

HUMANSDORP AFRIKAANS: 15th September @ 18h00

HANKEY: 18th September @ 15h00

THORNHILL: 19th September @ 18h30

For more information call:

072 844 9043



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