

Africa Federation Eradication of Poverty Report – Presented at the World Federation Executive Council Meeting - February 2007

At the 2003 triennial conference held in Dubai, a members' resolution proposed by Africa Federation was passed to dedicate the presidential term of 2003 - 2006 to the eradication of poverty and to focus on the economic uplift-ment of our community in Africa, concentrating in the main on Education, Housing and Economic Uplift-ment.

Accordingly, in March 2004, at the Executive Council meeting in Brampton, an action plan for education and housing was formulated on the understanding that both Africa Federation and the World Federation will work as a joint team without the imposition of hierarchy.

Being that the program could not be concluded, it was adopted at the triennial conference in Dubai I September 2006, that the resolution tenure be extended into the term 2006 – 2009.

EDUCATION

It is considered as the most important aspect of the Economic Uplift-ment, not only to ensure that the youth who will form the future of the community, are availed opportunity to secure higher education.

With a requirement to disburse student loans of between US\$ 500,000 to US\$ 650,000 every year for higher education, there was need to establish a source which would sustain this demand perpetually.

Having identified that investing in real estate was the most viable option, the process commenced of identifying the same.

One Property has been secured in Daresalaam for the cost of US\$ 2, 400,000.00. To conclude this purchase, we have pooled funds from the kitty (raised specifically towards this program) and with the assistance of the world federation secured a bridge funding.

The kitty had US\$ 1.3 Million and therefore the bridge funding secured was for US\$ 1.1 Million.

This property will effective February 2007, bring a return of US\$ 24,000.00 per month (12 Apartments) translating to US\$ 288,000.00 per year.

We have also identified and are in the process of final negotiations for a second property. This property is worth US\$ 1,800,000.00 and is currently fetching US\$ 18,400.00 per month translating to US\$ US\$220,000.00 per year.

This will return a total of US\$ 500,000.00 per year thereby establishing a perpetual source to fund 75% of the education portfolio.

Africa Federation Eradication of Poverty Report – Presented at the World Federation Executive Council Meeting - February 2007

It is envisaged that the balance will be sourced jointly from the rest of the rental income and the yearly repayments which students have commenced making from September 2006.

The following donors have made notable donations towards the program and deserve mention.

Mustafa Jaffer Sabodo	Daresalaam	\$200,000.00
Kamapla Jamaat		\$174,000.00
Bande Khuda	UK	\$150,000.00
Hussein Alibhai	Karachi	\$100,000.00
Credo Investments	Dubai	\$100,000.00
Late Fida Hussein Rawji Family	Karachi	\$46,407.00
New York Jamaat		\$28,000.00
Anver Dharamshi	Daresalaam	\$25,000.00
Anver Manekia	Daresalaam	\$25,000.00
Haiderali Alibhai	Karachi	\$25,000.00
N Karim and Family	USA	\$23,250.00
Asghar Bharwani	Daresalaam	\$20,000.00
Fida Hussein Rashid	Daresalaam	\$20,000.00
Freedom Electronics	Daresalaam	\$20,000.00

It is important at this juncture to recognize the efforts of Alhaj Anver Bhai Manekia from Daresalaam, who has been travelling across the world soliciting for the funds for this program.

At the same time the efforts of Alhaj Asghar Bhai Bharwani and Alhaj Sajjad Rashid needs mention. These two gentlemen have been instrumental in mobilising the support towards this scheme.

Now the scheme stands at a cross roads. In order for it to be successfully rolled out, there is an urgent need to raise funds to the extent of US\$ 2,900,000.00.

Having identified the properties which are not bringing in the desired returns, these have been put up for sale. From this disposal, it is envisaged that we shall raise US\$ 1,900,000.00.

Therefore there will be a dire need to raise immediately US\$ 1,000,000.00 for the program to be rolled out from the year 2007.

Africa Federation Eradication of Poverty Report – Presented at the World Federation Executive Council Meeting - February 2007

HOUSING

As was reported in the report submitted in September, the Africa Federation is committed to initiating housing projects in the next two years which would be availed to members of our community on tenant purchase scheme.

This is targeted at the Middle Income Bracket of our community who can replace the current rental payments and make monthly payments with a view to finally own the property.

SURVEY

There are various types of people requiring housing and falling under the following categories:

1. Most unfortunate families who cannot afford to pay anything towards housing, and, who are being looked after by concerned Jamaats (Welfare cases).
2. Those families, who cannot pay full market rent, so are being subsidized by Jamaats and/or relatives.
3. Those families who can pay full market rent but do not have enough funds to pay deposit for the ownership, but can pay partial down payment.
4. Those who can pay deposit ranging from 30 to 50 percent and then pay enough amount of monthly instalment to eventually pay for the cost of apartment. (As they are/ presently paying rent without hope of owning the houses they live in).

It is estimated that one 3-bed room apartment of about 1,700 sq. feet (excluding land) will cost between \$30,000 - \$40,000.

WAY FORWARD

Realizing that this is a humongous task, the following program has been proposed and adopted at the last three executive council meetings.

The local Jamaats to contribute land which they already own and are suitable for this scheme. The market value of land will form part and parcel of the cost of the apartments to be built and will be recovered by instalments from buyers and paid over to the Jamaat. In this regards Daresalaam and Mombasa have already identified land and have their projects on the drawing board.

1.	Contribution from local Jamaat in the form of land	
2.	Deposit from buyers at 30 percent	\$ 750,000.00
3.	Donations	\$ 3,000,000.00
4.	Loans	\$ 750,000.00
	Total	\$4,500,000.00

Africa Federation Eradication of Poverty Report – Presented at the World Federation Executive Council Meeting - February 2007

In order to get the program going, we require to deposit with a financial institution the amount of US\$ 3,000,000.00.

This will enable the program to be rolled out with the required energy and we will start seeing home owners develop in the near future.

The Housing Board of the Africa Federation has arranged a five year interest free loan of US \$ 250,000.00 as seed money from Late Fidahussein Rawji Trust of Pakistan. How long we can count its availability (if we do not utilize it soon) is a question mark.

While we have facilitated isolated cases in Nairobi and Daresalaam and a few from Mombasa in the pipeline, there is need to have the complete program initiated so as to enable members from these towns to move up the ladder and secure shelter which are on ownership basis.

We look forward to making this term, the term where in we can report the programs having commenced soon enough and progress to a near conclusion.

ECONOMIC UPLIFT-MENT

Having planned for the Youths coming through by availing Higher education opportunities, and the Middle Income Members by rolling our the Housing Scheme, we now need to attend to the Lower Income Bracket Members.

We have members who are currently on a month to month assistance from the respective Jamaats and the Africa Federation.

Our current Budget towards this monthly assistance is in the region approximately US\$ 300,000.- per year.

Subsequent to the Brampton meeting in 2004, Africa Federation, sought and obtained the approval to establish the economic upliftment board, from the Africa Federation Conference.

The intention was to respond to the resolution passed at the Executive Council Meeting slating the Eradication of Poverty as a priority for the ensuing term.

However little has been done on this front as the Education and then Housing took precedence over this aspect.

Now that we have commenced rolling out the two programs, it is envisaged that this area becomes the next target of attention under this resolution.

Africa Federation Eradication of Poverty Report – Presented at the World Federation Executive Council Meeting - February 2007

We have launched the program through a few Pilot Programs in Mombasa and Daresalaam.

The plan is to alleviate members from receiving monthly assistance and make them self productive by providing funding for them to commence some business operation thereby lifting themselves out of the welfare bracket and being economically better off.

CONCLUSION

From the above report, it can be witnessed that the programs which have been identified to ERADICATE POVERTY in AFRICA, look pretty rosy.

However there is a lot of work involved if we are to have any chance of successfully surmounting the programs that have been planned.

The community worldwide has to respond to this resolution with immense resolve and come on board and assist Africa overcome these noble yet arduous tasks.