



Chipunga Development Committee
c/o the Chairman Mr. Daniel Mthuti
P.O. Box 611 / Mzuzu

December 18, 2014

German Management Committee answers to your letter dated October 30, 2014

Dear CDC members

We discussed your recent letter at our regular team round session. Good to hear that things are proceeding well and CDC itself is respected by the community and people of the area. May I give you some information and feedback about points raised in your letter:

1/ Tertiary Education: We followed your recommendation to aid more students (this activity is 100% outside of CDC budget). Currently **5 students** (Kelvin Msiska, Lovewell Mkandawile, Stuart Thindwa, Mphatso Banda, and Esau Z. Banda) **are supported by a grant**. 4 of the students are on the 25% self-contribute system and for 1 student we followed your proposal to cover 100%.

Signed MOUs plus cost addendum were sent to CDC already and we do expect a **formal signing** of all MOU in **the presence of the students** during one of your meetings. At this formal signing CDC shall fix each of the undertakings you expect in return from the students.

With establishing a vocational scheme CDC gets a new, powerful tool against the community! **The aim of GRACE is to sponsor as many students as possible, but there is a terminal point due to budget limitations. Therefore you and we have to evaluate on how to bet our aid:**

Please discuss feasible ideas on how to continue the scheme. We will do a brainstorming as well. **Nevertheless, two things must be considered if you/we forward future applications:**

- the applicant must be seen personally, interviewed and scrutinized by CDC in any case
- the application must be composed of a cover note (written by the applicant her-/himself; stating on what, why, and where), a cost overview (total cost, cost per semester and/or term), and a quotation or letter from the college or university. One must perceive how well-informed and engaged the applicant is.

2/ Laptop Loan: We agree to the CDC strategy suggested. **A total of 6 laptops** (MKW 150'000 each) shall be purchased by Bernhard Schwarz (note: full sum must not exceed MKW 1 Million).

The 5 primary school teachers will be borrowers. A borrower signs a MOU to fix the pay back conditions of the interest-free loan. The loan must be returned inside 15 months. Together with the fertilizer self-contribution (50% payback), the monetary value of 5 laptops (100% payback) will be part of the 2014/2015 annual budget. Ahead of dispensing laptops I will fix the MOUs.

An extra laptop shall go into possession of CDC. This laptop will be kept by the "weltwaerts" team and is intended to train a group of selected CDC members on the use of the machine. Goal is to improve accountancy work, tracking of costs and communication from CDC to GRACE.

3/ Medication System: There was a similar system in the history of our collaboration. Guess at that time we were providing panadol and aspirin only. However, if the system is possible if drugs are not sold, we can pay 100%. **CDC shall come up with a proposal on how such a system can be handled.** Surely you can ask the medical person who is coming to the under-5-clinic regularly about assistance. If you come back to us with an idea, please do not forget to provide us with the estimated annual costs of the scheme.

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Managing committee: Dr. Jens Diedrich (president), Barbara Schwarz (vice president), Margarete Baeza (treasurer), Christoph Schwarz (secretary)



4/ Budget: Unfortunately your wish-list on your future budget was not deposited with figures! Please give us an accurate cost overview concerning all individual cost centres. We will cover reimbursement assigned to the established cost centres as usual! Fertilizer and seed-maize are bought, laptops have been agreed and everything will contribute to your budget (backflows). Please consider the backflow of cash (self-contribution) as well. For the other wishes and ideas mentioned in your plan we need really more detailed figures and explanations.

School block and Headmaster House Renovation: We were wondering why no proper cost and contribution proposal for both projects have been send to us so far. We need more details on exact costs we shall cover and about the contribution and preliminary work (which is key) the community will deliver.

Money from budget 2013/2014 and self-contribution backflow: It seems that you have roughly about MKW 300'000 left over. Certainly, you have the liberty to use this money to e.g. balance additional costs for the porridge system, salaries of cooks and wages of pre-school teachers, old and new scholarships for secondary school learners.

Scholarship for primary school leavers: The scholarship where 100% was paid was exceptional because of the very poor educational situation. However, as the standard has improved a scholarship of 75% coverage of the cost shall be the working standard. Of course there might be always unusual situations where a 100% coverage is needed for any reason. If such an exemption appears it must be well explained and justified by CDC to us. We are open to receive such CDC proposals at any time.

5/ CDC Report / Monthly Minutes: Unfortunately we have not seen such a document so far. The agreement mentioned in our letter of September 21 reads: "expense allowance will be paid out on the condition that the meeting minutes of every calender month are forwarded to us topical". So please find a way to forward your CDC minutes to us.

Best wishes on behalf of the whole German Managing Committee,


Dr. Jens Diedrich
President GRACE charity