

Funding Patterns for Non-Governmental Organizations' Services Delivery: A Case of Moshi Municipality in Tanzania

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Abstract: - Access to funds by Non-Governmental Organizations (NGOs) continues to be a major problem for many NGOs in Tanzania. The study from which this paper is based examined the sources of funds for NGOs, analyzed trends of fund for NGOs and challenges and opportunities related to funding for NGOs. Cross-sectional study design was adopted whereby 348 respondents were interviewed. Descriptive statistical data analysis was done with the aid of IBM SPSS Version 20 and Microsoft Office Excel 2007. Qualitative data were analyzed using thematic content analysis with constant comparison techniques. The study found that international donations, grants and in-kind donations were the most common sources of funds for NGOs. Funding trends were deteriorating in all NGOs amidst several opportunities for NGOs to access fund. Irregular patterns and delays of fund disbursement affected NGOs services delivery. The study recommends to NGOs to diversify their source of fund by focusing on internal sources of funds and to diversify their service delivery activities though incorporating income generating activities. The local government authorities should create an enabling legal and policy framework environment to enable NGOs to venture into both businesses focused service delivery alongside traditional focus on charity service provision models.

Keywords: - Funding pattern, Non-governmental organizations, access to funds

Introduction

Funding for Non-Governmental Organizations (NGOs) is recognized as one of the critical challenges hindering NGOs delivery of services across the globe (Jailobaeva, 2014; Kang'ete and Manomano, 2014; Njoroge, 2012; Batti, 2014). With limited access to funding sources, NGOs experienced funds scarcity, dependency and high uncertainty hence relying on the generosity of donors through grants and donations. In recent years donor support has decreased due to changes in their priorities and strategies that have forced funding sources to be insufficient to meet the needs and rising costs. In Africa, NGOs because of the projects undertaken require substantial amounts of funds and due to high poverty levels of the people they serve, they face difficulties in securing enough funds. Besides, there is a lot of competition for donor funds, corruption and in many cases for them

to secure funds it depends on how well it competes with others; and on how good it is at exploring other ways to expand its sources of funds (Batti, 2014).

The uncertain continuity of funds, forces NGOs to live a project to project existence. This makes them not to design and expand their activities. NGOs need to do their best to diversify their sources of funding in the bid to become more operational (Njoroge, 2012). It is also true that the interest in NGOs has grown (Howell, 2002; Roy, 2002; Gakuu and Kirimi, 2011; Kimani, 2014). In general, they are praised for having certain comparative advantages over governments and the for-profit sector in services delivery. These include; closeness to the poor and disadvantaged, cost-effectiveness, non-bureaucratic, flexibility, innovation, less costly and advocacy work among others (Marschall, 2003;

Martinussen and Pedersen, 2005; Todaro and Smith, 2006).

Despite their acclaimed success and several interventions done by governments on socio-economic, legislative and cultural reforms, the funding for NGOs is still problematic (Dhakai, 2002; Themudo, 2004; Jailobaeva, 2014). Scholars (for example ODI, 2003; Lu, 2007; Nelson, 2007; Hendrickse, 2008; Haore, 2009; Lembani, 2013; Boboya, 2014; Gakuu and Kirimi, 2014; Muriithi, 2014) provide clear evidence on socio-economic and legislative efforts on funding by the Tanzanian governments and other development agencies. The ability of NGOs to attract funds is strongly conditioned by the nature of the services they provide, sources of funds for them are not well known and documented and the process of acquiring it is very challenging. However, funding for NGOs is very important in delivering services appropriately and efficiently (Pitija, 2010; Independent Commission against Corruption, 2012 and Nakano, 2014). It is in this regards that the Tanzanian government and other development stakeholders such as donors need to create an atmosphere favorable for NGO funding.

Studies on sources of funds for NGOs have produced mixed results; for example some studies (Ali, 2012; Omeri, 2015) found that NGOs source funds from user charges from NGO services, renting NGO owned estates, selling services (Gathee, 2012; Gakuu and Kirimi, 2014; Jailobaeva, 2014) and network effects (Owens and Fafchamps, 2008). Other studies found that user charges and networks at worst barely cover administrative costs hence indicating donations and grants as potential sources of funds (Jailobaeva, 2011; Batti, 2014). Drawing from literature it is difficult to generalise such empirical findings (Pearce, 2000; Lembani, 2013). For example, some of the reasons stated by Jailobaeva (2014) differ in terms of modes of NGOs' operations, NGOs' ideologies, size of funding for NGOs, structure, country of origin and ownership of NGOs. Other reasons include the nature of sources of funds, the difficulties and the

challenges each NGO has in accessing funds (Valentinov, 2008).

These scholars suggest that NGO funding should be underscored on the nature of NGOs' activities and the countries from which they originate. Therefore, there is a need to conduct more location specific study on NGOs funding hence the essence of this study. Therefore, this study explored the NGOs' funding patterns in Moshi Municipality. It specifically examined sources of funds for NGOs, analyzed the trend of funding and opportunities and challenges facing funding for NGOs in the study area.

Methodology

The study was conducted in Moshi Municipality in Kilimanjaro region which is located in the North Eastern part of Tanzania Mainland. The municipality had 48 NGOs (Ministry of Community Development, Gender, Women and children, 2016) operating in many different areas: social development; working with vulnerable groups of the society, working for the protection of the environment and working on health related issues (TACOSODE, 2011). The area was selected because it is among the Municipalities in Tanzania which have many NGOs focusing on economic improvement of the poor and vulnerable people, hence a good case to explore NGO funding and patterns. Moreover, some successful NGOs in accessing funds in Moshi are associated with locals' socio-economic interactive in nature (Olomi, 2003). Moshi Municipality is among the fast growing municipality because of the socio-economic activities carried out such as tourism and farming. These have made the municipality to be popular in intercultural experiences in the country and beyond borders hence a good case to explore NGO funding. However, scanty information exists with regard to the NGOs access to fund and their funding patterns. A combination of purposive and systematic sampling techniques was applied to get a representative sample of NGOs on the basis of their areas of intervention. At least one from each category was selected with duration of operation not

below 5 years (See Table 1). A total of 300 used in the analysis. completed the structured questionnaire which was

Table 1: NGOs selected for the Study in Moshi Municipality

S/N	NGO Category	Available	Selected
1	Multi – sector NGOs (health, education, women, youth, disabled, orphans)	24	8
2	NGOs dealing with empowerment and capacity building	16	4
3	NGOs dealing with environmental issues	4	1
4	NGOs defending human rights especially vulnerable persons in a community	2	1
5	NGOs dealing with agriculture and entrepreneurship	2	1
TOTAL		48	15

Study design and data collection

The study adopted a cross-sectional study design whereby data were collected only once. The design was adopted due to the essence of the nature of the study objectives and its advantages over other designs, especially when time and other resources are among the constraints for the study. Other design such as longitudinal study designs demand researchers to conduct several observations of the same subjects over a period of time, sometimes lasting for many years.

The NGO staff comprised those at the management and the service provision level. Eight (8) focus group discussions basing on each NGO intervention from selected NGOs were conducted with six to 10 participants for each FGD. Participants to FGDs were selected on the basis of their experience and understanding on NGOs’ services delivery programmers which generated qualitative data. Also, the study involved 30 key informants who were selected purposively based on their positions and expertise on NGO issues. In this case, twenty one (21) Ward Executive Officers from 21 wards, 8 hamlets (mtaa) leaders and 1 from the district community development office were selected to participate in the study. Information obtained from the latter group generated qualitative data for complementing and triangulating the findings established from quantitative data. The study employed a mixed method approach in data collection whereby both quantitative and qualitative

Data were collected using structured questionnaire and FGDs and key informant’s guidelines and checklist respectively.

Data analysis

Both descriptive and inferential statistical data analyses were performed. NGO funding was analyzed by examining the sources, trends and challenges associated with accessing funds. Sources of funds were measured by developing an access to funds index to establish whether private sector, membership fees, grants, gifts, local individual voluntary donations, international individual donations, in-kind donations, government, fundraising and income generating activities are sources of funds from donations or not, an index of the NGOs access to fund was developed and used generate the NGOs access and pattern of funding.

The scores for each funding source were calculated to identify the first, second and third top most source of funds. Trend of access to funds was measured by developing a total amount of funds expected and received from each source within each NGO category across 5 years. Challenges associated with accessing funds were measured by asking respondents to mention the challenges and how they could be dealt with. Descriptive statistics including frequencies, percentages and cross tabulation with chi square were employed for quantitative analysis using IBM SPSS Version 20 and Microsoft Office Excel 2007. Qualitative data were analyzed by using thematic content analysis with constant comparisons technique.

Results and Discussions

Respondents' profiles

The findings on the socio-demographic background are presented in Table 2 and show that out of 48 NGO staff 56.3% and 43.7% were females and males respectively aged 18 to 75 years and mean age was 37.3 years. It was also found that 50% were

married and the rest were widows, widowers and singles. Almost all respondents (97.9%) had secondary school to postgraduate level of education. The socio-demographic characteristics of the sample were deemed appropriate to provide information required for the study as it constituted the individuals who are recipients of services and NGOs who are providers of services.

Table 2: Distribution of Socio-demographic Characteristics of the Respondents (n = 348)

NGO Respondent (n = 48)			Individual beneficiaries (n = 300)		
Variable	Frequency	Percent (%)	Variable	Frequency	Percent (%)
Age			Age		
18 - 25 years	2	7.3	18 - 25 years	26	8.7
26 - 30 years	5	29.1	26 - 30 years	76	25.3
31 - 35 years	4	10.5	31 - 35 years	56	18.7
36 - 40 years	7	16.7	36 - 40 years	48	16.7
41 - 45 years	6	12.6	41 - 45 years	34	11.4
46 - 50 years	6	12.6	46 - 50 years	22	7.4
51 + years	5	11.2	51 + years	38	12.6
Sex			Sex		
Male	27	56.3	Male	96	32.0
Female	21	43.7	Female	204	68.0
Marital status			Marital status		
Married	24	50.0	Married	187	62.3
Divorced/Separated	4	8.3	Divorced/Separated	14	4.7
Widowed	6	12.5	Widowed	30	10.0
Single	12	25.0	Single	55	18.3
Living together	2	4.2	Living together	14	4.6
Education level			Education level		
No formal education	1	2.1	No formal education	5	5
Primary education	0	0	Primary education	113	113
Secondary education	5	10.4	Secondary education	140	140
Diploma	19	39.6	Diploma	19	19
Degree	18	37.5	Degree	18	18
Postgraduate Degree	5	10.4	Postgraduate Degree	5	5
			Economic activity		
			Farmer/crop producer	30	10.0
			Livestock keeper	12	4.0
			Farming & livestock keeping	40	13.3
			Pet trader	134	44.7
			Wage laborer	44	14.7
			Self employed	34	11.3
			Formal/civil servant	2	0.7
			Housewife	4	1.3

Sources of funds for Non-Governmental Organizations

The paper aimed to identify sources of funds for Non-Governmental Organizations. The results

presented in Table 3 showed that NGOs receive funds from a number of sources: private sectors,

membership fees, government contributions and income-generating activities (sales of goods and services). Others include: grants, individual

voluntary contributions, fundraising events, in-kind donations, gifts and individual international donations.

Frequencies and percentages distribution on sources of funds for NGOs (n = 225)*

Source of funds	Frequency	Percent (%)
Grants	36	75.0
In-kind donations	31	64.6
Fundraising events	30	62.5
Local individuals voluntary contributions	29	60.4
Income-generating activities (sales of goods and services)	24	50.0
Gifts	23	47.9
Individual International donations	16	33.3
Private sectors	16	33.3
Government contributions	12	25.0
Membership fees	8	16.7

*Multiple responses

Grants

The findings presented in Table 3 show that grants were ranked the first source of funds for NGOs. It was also indicated that NGOs exhibited high concentration of big grants on few NGOs and that they were awarded through a competitive process which only few could afford. These results show the importance of diversified sources of funds to complement funding problems resulted by the monopoly of few sources in the surveyed area. Focus group discussion further emphasized the need for grants as they provide higher returns to those NGOs that have managed to access. These results are possibly influenced by high screening costs, administrative issues and donors' choice to concentrate funds on few NGOs they learn to trust. These findings show similar observation with those of Atkinson et al. (2012) who found that about 50% of donations were concentrated in the four biggest NGOs in the UK. Also, Barr and Owens (2003) found that three large Ugandan NGOs receive half of the total funds of the entire local NGOs in Uganda, and that only 30 NGOs accounted for 90% of total grants. The results by Barr and Owens oppose those by PITIJA (2010) which asserted that grants in the Central and Southern Europe provide funds for almost all NGOs.

In-kind donations

The results showed that in-kind donations are ranked the second source of funds for NGOs (Table 3). These findings emphasize the importance of in-kind donations in the process of accessing funds for NGOs. Key informant interviews emphasized that in-kind donations come in form of goods and services hence cannot always be transferred or transformed into specific resources necessary for a particular operation. They further emphasized that many of these goods end up failing to clear customs during imports. Moreover, they emphasized that in-kind donations are inappropriate for NGOs for example some goods donated mostly are for one time use such as drinks and refreshments which results in over use. Other in-kind donations coming in form of services are generally appreciated but found not to be much satisfying as one interviewee reported:

“Unless my NGO has stable and abundant sources of funds, the in-kind donations it get are unlikely to support high-quality services” (An official of an NGO working on education services, 24th May 2016).

That quotation demonstrates the concern of NGOs that they do not have stable funding sources which imply that for NGOs to get in-kind donations they should have ability to persuade donors since donating depends on the ability of an NGO to mobilize funds. The study findings emphasize on

the importance of in-kind donations for NGOs' access to funds. Similar observations was made by Kendall (2003) who noted that NGOs in Portugal tend to receive most of their funding from in-kind donations and find it among potential sources of their funds. Moreover, these results are not in line with those of Verduzco (2003) in Mexico who indicated that to a lesser extent NGOs receive funds from in-kind donations. Literature on in-kind donations shows that they are a voluntary and unpredictable source (Malunga and Banda, 2004).

Fundraising events

The results further indicate that fundraising is ranked as the third source of funds for NGOs (Table 3). These findings imply that NGOs organize fundraising events for the sake of accessing funds from donors hence underscoring the importance of fundraising on NGO access to funds. Key informant interviews emphasized that NGOs get funds through fundraising events but this requires expertise and focused management abilities and trust from donors. For example, Mittal and Kamakura (2001) support the argument by showing that clients repurchase as a result of their satisfaction with the quality of the service provided. This implies that NGOs that demonstrate loyalty and commitment on the funds they receive are more likely to get a subsequent donation from a given donor. Like in NGOs, this would drive subsequent loyalty by NGOs to donors in services provision. Other studies (for example Sergeant and Jay, 2004; Sergeant and Woodliffe, 2006; Sergeant, 2013) positively correlate donors' satisfaction with NGOs' loyalty that it is likely to offer a second or subsequent donation than those who identified themselves as not satisfied.

Local individual voluntary contributions

The findings in Table3 reveal that local individual voluntary contributions are the source of funds for NGOs. The results imply that NGOs receive funds from local individual voluntary contributions. These findings underscore the importance of local individual voluntary contributions in the process of accessing funds for NGOs. During focus group

discussions and key informant interviews it was emphasized that local individual voluntary contributions are good sources of funds as they come up with fewer restrictions attached. Interviewees further emphasized that funders are community members who also struggle for their survival hence become not reliable. Studies by Bray (2008) and Batti (2014) found that NGOs consider focusing on individual supporters' fund as they are worthwhile since they come with few strings attached. From Batti (2014) it implies that individual voluntary contributions are more interested in what they see on NGOs. Performing well of NGOs convinces locals to fund more and more. These results imply NGOs need to demonstrate high integrity, performance, accountability and openness in order to convince locals to support their work hence be another good source of funds to NGOs.

Income generating activities

The results in Table 3 show that income generating activities is the source of funds for NGOs. The results imply that NGOs should set up their social businesses by identifying a need and match it with the capabilities and talents they have hence be able to generate own funds. This as an interesting area which NGOs can explore and generate funds. These findings emphasize the importance of venturing into socio-economic activities by NGOs for more income generation. For example key informant interviews showed that NGOs get funds from social entrepreneurship, but that they could not cover NGOs' related costs such administration as reported by one interviewee:

“Another important way my NGO found in order to get some extra funds is the sale of ICT equipment's, fabrics, renting chairs and tents for social gatherings and functions. From this, it generate its own funds, although, very small” (An official of an NGO working on income generating activities, 17th May 2016).

Venturing into business by NGOs is partly an option for NGOs which helps them to access more funds. Even if they get few funds from this strategy,

it seems to be a good approach for many NGOs to adopt. The above findings are supported by previous research. For example, Yunus (2008) found that social business involves solving a social problem by using business methods which include creation and sale of products and services.

Gifts

The study findings showed that gift donations is also the source of funds for NGOs (as presented in Table 3). These findings imply that NGOs receive gifts a source of their funds. The results indicated the importance of individuals, groups, companies and other entities to provide gifts for supporting NGO operations. Key informant interviews emphasized that gifts included materials like clothes, shoes, child sponsorship, food and shelter. They further emphasized that local sources seem to be weak due to the tendency of not considering the work of NGOs and shipping costs for gifts from abroad hence difficult to donate. A study by Halley (2014) corresponds with these findings by indicating that gifts is among other sources of funds for NGOs by pointing out varieties of gifts that NGOs receive which include: one-off gifts, personal donations and legacies, community collections, or special events.

Individual international donations

The findings presented in Table 3 show that individual international donations are ranked the first source of funds for NGOs. These findings indicated that individual international donations are most important sources of funds for most NGOs. Key informant interviews revealed that individual international donations are reliable although they are more limited with their preferences and priorities than those of NGOs. For example interviewees repeatedly reported that:

“... despite other sources of funds my NGO has, it couldn't provide services to the beneficiaries, and it runs administrative work without support from individual international donations” (Staff of an NGO working on women and youth development at Moshi 2nd June 2016).

Another interviewee reported that: “My NGO had some disappointing cases, where it had to stop from operations and the beneficiaries from receiving services because international donor funding ended before the end of the project was accomplished. Its supporters, unfortunately, changed their funding priorities and preferences” (Staff of an NGO working on HIV/AIDS, 25th May 2016).

The sources of funds that were analyzed by this study include individual international donations which have been realized by NGOs as among of the sources of their funds. These findings imply that NGOs in the south can hardly survive without donations from individual international donors. A similar observation was made by Owens and Burger (2007) who found that the main determinant of NGO survival is access to international funds, and, that without it NGOs will struggle to survive. Themudo (2004) in the contrary found that 99% of the NGOs get funds from their institutional sources and 1% from external individual sources.

Private sectors

The results showed that private sectors were another source of funds for NGOs (as shown in Table 3). The results imply that the private sectors in some point in time fund the operations of NGOs. During key informant interviews it was emphasized that the private sectors provide charity support to NGOs in nearest community or NGOs found within their sectors. These findings underscore the importance of private sectors in access to funds for NGOs. During key informant interviews, it was noted that there is a high tax levy to private sectors as one NGO staff noted:

“The government levy taxes on my NGO supporter unfairly for example I hear private sectors which also provide charity support to my NGO lamenting on the tax issues. I think they need to be considered due to their support if at all the government need to achieve the best to its people” (An official of an NGO working on orphanage care and support, 06th June 2016).

These results imply that the tax deduction is important not only because it makes donations cheaper for private sectors but also because it gives private sectors a greater assurance of benefits to fund NGOs. Therefore, the tax deduction constitutes a powerful resource by itself in the search for funds for NGOs from private sectors. Supporting these findings, the International NGO Training and Research Centre (2000) indicated that private sectors fund NGOs. Moreover, the author indicated that the dynamics of relationship between the private sectors and NGOs on funding has been very little researched.

Government contributions

The findings presented in Table 3 showed the government contributions as the source of funds for NGOs. This implies that government funding to NGOs is necessary as they try to provide services for their beneficiaries hence seeming to be important. Despite the importance of the government to NGOs, key informant interviews and focus group discussions emphasized that government support is very little and weak. It was further emphasized that government contribute in terms of gifts which does not have quick and direct funds impact. The results imply that there is a need for NGO-government contracting law which could serve as a basis for the government to contract NGOs for socio-economic services. With this, however, it could motivate and improve philanthropic work, which is still very low in Tanzania. Similar observations were made by studies (Lu, 2010; Jailobaeva, 2014; Omeri, 2015) who found less NGO funding from the government. For example, Lu (2010) indicated that government funding is not institutionalized and funds raised by the state-backed funds mostly go to projects not easily distinguishable from government activities and are usually implemented by the government. Also, Jailobaeva (2014) found that the government either is not interested or does not know how to support NGOs or does not have information about them. To the contrary, Besel et al., (2011) perceived

the government and other private foundations as essential agents for NGO funds.

Membership fees

The study findings further showed that membership fees were the source of funds for NGOs as presented in Table 3. Focus group discussions emphasized that some beneficiaries pay fees regularly depending on the policies of their NGOs hence being a source of funds and leaving other sources to be additional. The findings imply that very few NGOs charge fees from their beneficiaries. It was also shown that for NGOs that charge fees, only few beneficiaries manage to pay. Key informant interviews emphasized on the same as one interviewee noted:

“My NGO charge a small amount of money due to the incapability of its members to afford higher fees; however very few can afford. For example, I cannot afford to pay the little fees my NGO charges” (A beneficiary from an NGO providing fireless cookers and solar power, 25th May 2016).

The findings imply that not all beneficiaries can pay membership fees; they need charity support. This is forcing NGOs to provide services basing more on support for life than for need, hence creating unfavorable situation for NGOs' operations due to contingencies resulting from incapability of their members to pay the prescribed fees. This is probably associated with status of beneficiaries' socio-economic conditions which forces them to demand NGO services. According to Jailobaeva (2014), it was noted that membership fees is affected by the number of members that NGOs have, their mission and targets and that these influence the rate and contribution of membership fees.

The trend of Funds for NGOs over the Past five years (2011 – 2015)

The paper aimed to analyze the trend of funds for Non-Governmental Organizations for the past five years from 2011 to 2015. Findings in Figure 1 and 2 show the trend of funds for the past five years. It was indicated that the funding trend for NGOs has

decreased upon looking at the amount of funds expected from the actual amount of funds received.

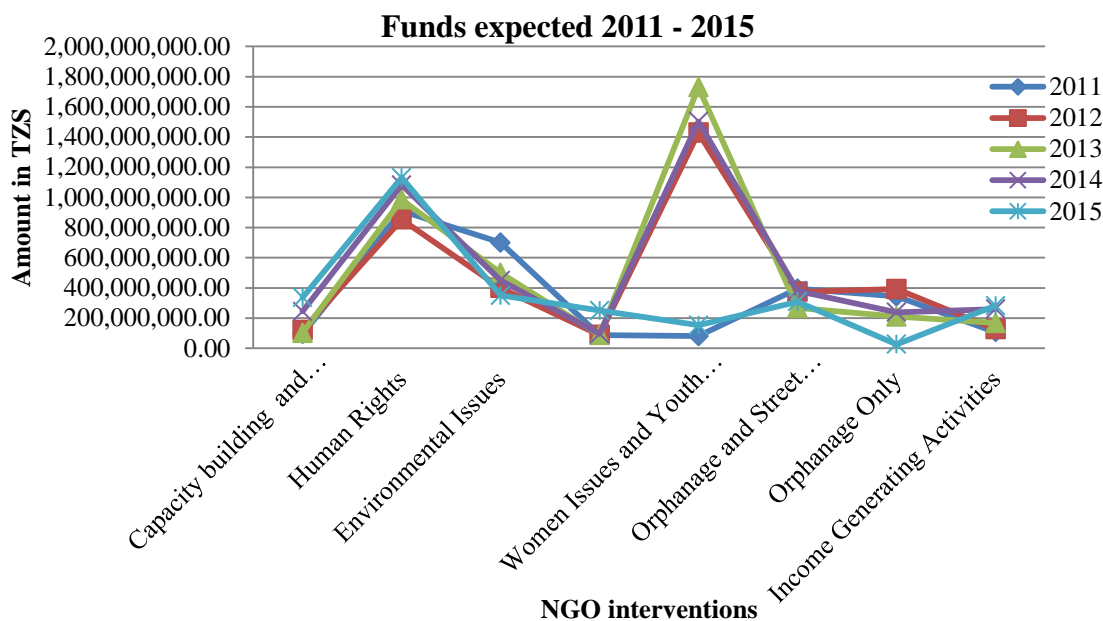


Figure 1: Trend of funds for each NGO intervention on the amount of funds expected for the past five years

NGOs were not able to get the expected funds all years except that working on women and youth. These findings imply that there is a donor attention to NGOs working with women and youth in the

study area. The boom and fall of funds from these sources have different phases depending on each source.

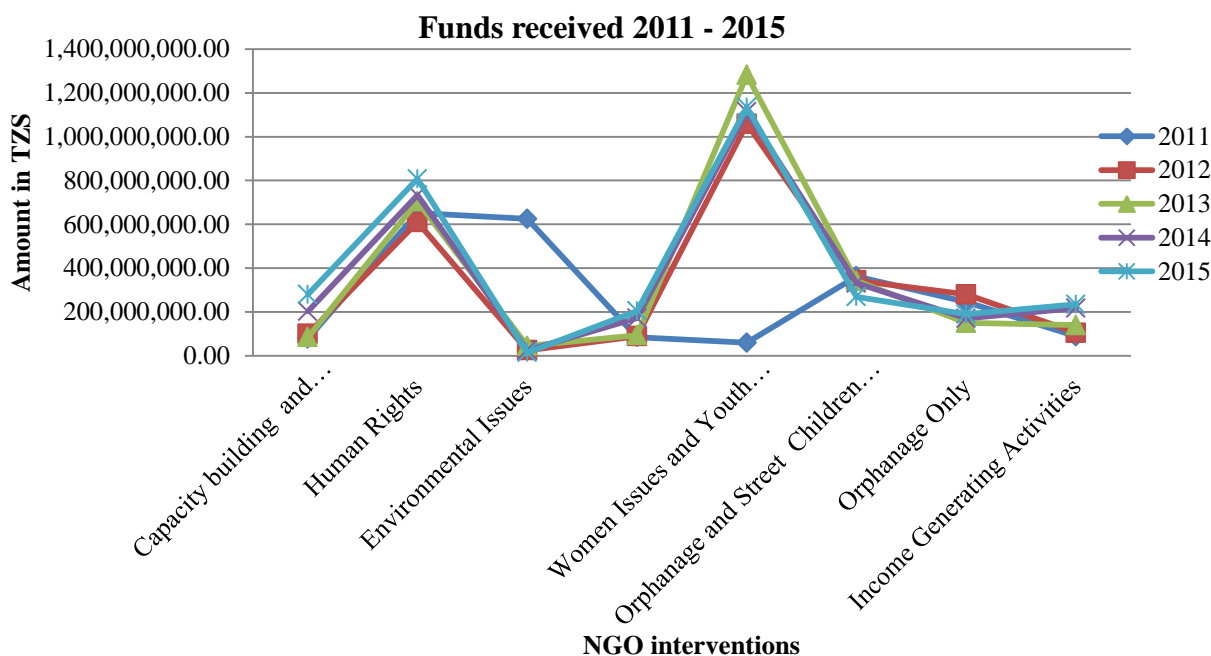


Figure 2: Trend of funds for each NGO intervention on the amount of funds received for the past five years

During focus group discussions, participants asserted that, due to the unpredictability of funds,

there was a time when beneficiaries were delayed from services as one interviewee reported:

“..... I thank God dearly, I don't even know how my NGO managed to reach its beneficiaries, the funding situation is worse, truly it is a miracle” (Staff of an NGO working on women and youth development at Moshi 2nd June 2016).

That quotation demonstrates a demand for reliable sources of funds for NGOs if they have to deliver expected results. As it is, the little funds NGOs access cannot help them deliver adequate services. The findings imply that many NGOs in the developing countries survive in the hardest.

The paper also aimed to examine the association between the sources of funds and trend of funds for the past five years. The study findings presented in Table 2.4 indicate that grants, in-kind donations, private sectors, income generating activities and individual international donations were statistically

significant associated with the trend of funds for NGOs ($p < 0.05$). These findings suggest that NGOs which access their funds from external donation sources are more likely to have higher funds accessed than those with local donation sources. This is related to the nature of these sources of funds of which most external sources are said to have higher pay offs than local ones. These findings do not correspond with those of Atkinson et al. (2012) who indicated that the top 200 NGOs in the UK in the period (1978 – 2004) had funds increase from £116 million to £683 million. The management and administration issues and donors' conditions attached to funding for southern NGOs can also be the reasons for this. The results in Table 2.4 present the findings on differences between sources of funds and trend of funds for NGOs for the past five years.

Table 4: Cross-tabulation on sources and trend of funds among NGOs

Source of funds		Trend of funds			Total	Sig.
		Improved	Remained the same	Deteriorated		
Private Sector	Yes	0	0	16	16	0.03
	No	7	4	21		
Membership Fees	Yes	1	0	7	8	0.06
	No	6	4	30		
Government contributions	Yes	0	0	12	12	0.09
	No	7	4	25		
Income generating activities	Yes	1	1	22	24	0.05
	No	6	3	15		
Grants	Yes	1	3	32	36	0.00
	No	6	1	5		
Individual voluntary contributions	Yes	3	4	22	29	0.17
	No	4	0	15		
Fundraising events	Yes	5	2	23	30	0.07
	No	2	2	14		
In-kind donations	Yes	1	4	26	31	0.01
	No	6	0	11		
Gifts	Yes	1	3	19	23	0.10
	No	6	1	18		
Individual international donations	Yes	7	4	27	38	0.01
	No	0	0	10		

Note: Valid cases = 48, Variable significant at 0.05

Opportunities in Accessing Funds for NGOs

The results presented in Table 5 show that NGOs have several opportunities in the process of

accessing funds. Some of the opportunities NGOs had included ability to offer services, donors' trust (see more details in Table 5).

Table 5: Opportunities for NGOs in accessing their funds (n = 47)

Opportunity	Frequency	Percent (%)
NGOs' ability to offer services	20	41.7
Trust from potential donors	12	25.0
Belonging in a group of developing nations	7	14.6
Online funding platform	4	8.3
Availability of appropriate infrastructure	3	6.3
International Volunteers	1	2.1
No opportunities at all	0	.0

Key informants and focus group discussants noted that, with the available opportunities, NGOs can strengthen their internal capacity, extend the number of their beneficiaries and extend their activities coverage and bring them closer to beneficiaries. The results imply that the closeness allow NGOs to understand better beneficiaries' problems much earlier and resolve them before the situation gets out of hand. Funds enable NGOs to

Table 6: Challenges facing NGOs in accessing funds (n = 43)

Challenge	Frequency	Percent (%)
Donors' support delay	6	12.5
Very few local donors	14	29.2
Few outside donors	9	18.8
No challenge at all	8	16.6
Poor in writing convincing proposals	9	6.3
Hard to meet donors' priorities	2	4.2
Poor information on available funds	1	2.1

During key informant interviews, it was emphasized that local donors do not have a heart of giving; many NGOs cannot even meet their own basic needs; too many demands to cover every needs of beneficiaries; difficulties in writing proposals and donors' dictations. For example concerning challenges, one interviewee had this to say:

“The major problem that faces many NGOs in Tanzania is donor dependence and mainly from international donations. This makes NGOs to rely entirely on donors' donations which are very scarce and unpredictable. We have decided to invest in social entrepreneurship to generate income; we hope it will help to generate us some funds” (An NGO expert, 12th June 2016).

The results imply that NGOs have realized that generating their own funds will help to counter act

come closer to the people they serve at local levels where they are.

Challenges related to NGO Funding

As earlier noted in the previous paragraphs, NGOs most depend on international donors' donations. The results presented in Table 6 indicated the challenges that NGOs face in accessing funds.

the donor dependency problems which have dominated for a long time. The generosity of donors has impacts, especially when donors decide to withdraw from funding NGOs hence resulting in failures to meet intended goals. Social entrepreneurship is seen as a stable funding source for NGOs, unlike donor driven sources.

Conclusions and Recommendations

The analysis of sources, trends and patterns of NGOs access to fund and its impact on services delivery in Moshi Municipality revealed that: NGOs access funds is limited to three major sources: individual international donations, grants and in-kind donations. The funding trend for NGOs is deteriorating. Sources, access to funds and the trend of funds availability to NGOs have a causal effect relationship that determines the level and quality of

service delivery by NGOs as well as its operations. NGOs have the potential to offer quality and needy services to their beneficiaries although; they are challenged by delayed support from donors. The study recommends to NGOs to diversify their source of fund improving the focus on internal sources of funds, this can be achieved by establishing programmers such as business ventures for income generation. Such initiatives can serve NGOs that are starting operations as well as those that have been in operation for a long period of time when service demands go beyond the amount of funds they access from external sources. The study also recommends the local government authorities to create an enabling legal and policy framework environment to enable NGOs to venturing into both businesses focused service delivery alongside traditional focus on charity service provision models.

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