Case study on Saving in Farmer Association
"Poun Leou Kasikor Farmer Association"

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Poun Leou Kasikor Association is located in Lvea village, Beoung Beng commune, Malai district, Banteay Meanchey province. It is about 88 kilometers long from Banteay Menchey provincial town. We can go there by the way to Malai district. There are 257 families living in Lvea village. People live there like growing Maize, Soya-bean, Cassava, and Rice and another people who have not enough agricultural land they go to work as laborers in Thailand at the border of Khmer-Thai.

Poun Leou Kasikor association is established since 2004 by the project efforts with 22 members (16 members were women). Before, the association was created the members had not enough capital for their businesses such as crops growing, selling, and other business activities. Farmers always borrowed loan from Money lenders in the village or another villages that took them very high interest, or if not thought they borrowed from ACLEDA bank or MFI located very far from their houses and difficult to pay, because they had to pay both capital and interest every month that they could not earn to pay regularly.

Poun Leou Kasikor association is a group of self help group aimed (i) to save monthly and give loan in order to reduce loan from Money lenders, (ii) working together as group, (iii) helping each other in case of making any businesses, (iv) enhancing agricultural sector in their village, (v) strengthening farmer relationship with local authorities, NGOs, and other humanity fund etc. The association has been managing and facilitating by Chairman, Secretary, and Treasurer who are Farmer Association Management Committee. Firstly, when the association established, the project contributed some 600,000 Cambodian Riel (CR) and Farmer Association members contributed 660,000 CR. The association set by-laws and regulation by themselves through participatory process. The regulation and by-laws stated that member save 2000 CR and paid interest rate 3% per month regularly. The members always attend in the monthly meeting to report the activities that they may face difficulties and challenges.

While the association just started the project noted that the cash in the association can provide the members to borrow only 200,000 or 300,000 CR per member and they could not borrow on time because the money could not divide all members. From month to month the total cash in the association is increasing more and more that cause of the cash from saving and interest that members paid. Nowadays, the members can borrow more and more, so the loan from money lenders or other banks are lower and lower, one member could borrow loan from their association until 1,000,000 CR (some members no need the loan so that the amount is more for the one who needs it).

In December 2008, the project staff members attended in the meeting for close balance of the farmer association, the total of the balance is increased up to 14,781,000 CR. The balance in the association is more and more, so the high risk in keeping money is increased too. The project staff and all of the members thought and planned to buy one safe box to secure money which is cost

some 600,000 CR. We estimated that the balance in two more years will be increased until 20,000,000 CR. All members in the association were very happy with the increasing of balance in the association and they all promised to continue in the saving forever. They suggested to Srer Khmer to continue to help them for strengthening their association to get sustainable in the future.

The association will become village bank in the short-time. The members in the association will no need loan from the money lenders as other banks more. The other villagers in the village will get the loan from the association in any one time exactly. So the other villagers should try to save and create new saving groups more and more. In order to strengthen the farmer association, the project needs to pay more attention in terms of capacity building especially to the management committee.

The list of income and payment in the association will show at below (Cash showe in Cambodia currency)

Total saving of FA	Srer Khmer contributed	Interest	Total Capital of Farmer Association
6,466,000	600,000	7,715,000	14,781,000