

Updates on Microfinance Project in Binh Dai district *as of August 2021*

The microfinance project in Binh Dai district, Ben Tre province was funded from MCNV and various donors since 2009. Up to now, this project has made impacts to the poor women. Besides, the system of Women's Union staff also benefited from capacity building activities from this project. They can run the credit management activities such as client appraisal, loan monitoring and family business consulting for poor women who needs knowledge and capital to invest in their home business. The poor women have been being trained on basic financial skills so that they can manage their own saving, family budget as well as manage their own investment money.

Up to August 2021, there are 1745 regular clients with the outstanding amount of micro loans more than 9 billion VND from this project. They belong to 149 credit groups in 11 communes of Binh Dai district. All of the clients used their loans for production and trading purposes or to build their own clean water/latrine infrastructure to better improve their family health.

The project management unit includes 4 part-time Women's Union staff and 3 full-time staff run the project well from district level. There are 11 credit officers in 11 communes and they are also Women's Union Chairwomen at commune level. They regularly attend credit group meetings and visit clients' house to check the use of loans. By doing this, the project regulations are maintained and it helps to keep this project run smoothly and effectively.

Thoi Lai commune joined this project since 2016 with the funding from Hulza foundation. As of August 2021, there are 152 clients from Thoi Lai with more than 800 million VND outstanding loans. There are 13 credit groups which meet monthly. In the first six months of 2021, the project disbursed 581 million VND for 44 women in Thoi Lai commune. 22 members were given no-interest loans to buy voluntary health insurance for themselves and their family members.

The groups and clients in Thoi Lai commune follow well the project regulations and they work effectively. The financial education is integrated in monthly meetings. In 2020 and 2021, due to the COVID-19 spreading and lock-downs in Vietnam, the expansion of this project to new members is not as planned. Most of women feel hesitate to invest because of the market instability. This situation is common in Vietnam for small producers and we hope it will improve as the COVID-19 is curbed in the future. There are some effective models for family economic development in Thoi Lai below.

The fourth wave of COVID-19 since July 2021 create great challenges for poor farmers because of market blockage and demand reduction. Many of them must reduce costs for living as much as possible and as the same time, they try to maintain their sale to keep their business running. Some clients faced with difficulty to pay back their monthly installments but they discuss with project staff to find proper solutions on the basic of supporting the poor.

1. Raising duck model

Mrs. Huỳnh Thị Cẩm was born in 1968. She lives with her husband, her mother-in-law, couple of her son and his wife and two grandchildren. There are 3 main labors in her family but Mrs. Cam is the main one to earn living for the whole family. The other members only have seasonal jobs and income.

By the end of 2020, her family met with economic situation because they lost their seasonal job due to COVID-19. Mrs. Cam's retailing clothes was also stagnated. To help her family, Thoi Lai Women's Union advised her on a new family business that suitable for her condition and also have good market potentials. Mrs. Cam and her daughter in law got 2 loans of 20 million VND to invest in duck raising model in 18 months term. Mrs. Cam built cage and start raising 1000 duck for the first batch. She sold the first batch after 3 months with a small profit due to unexperienced in raising. Luckily, her second and third batch were successful that made a profit of about 100 million VND totally (about 5 times of initial loans).

Mrs. Cam still in credit groups and pay back her monthly installment on time. She believes that project money brought back lucky for her in this extremely difficult condition of COVID-19. She will be with this project for longer time to share her experience, skills and also her enthusiasm to help other poor women in Thoi Lai commune.



Mrs. Huỳnh Thị Cẩm and her ducks

2. Vegetable growing model

Ms. Lâm Thị Bạch Tuyết was born in 1975, and she is a client of Microfinance project in Thoi Lai commune, Binh Dai district, Ben Tre province.

Ms. Tuyet makes use of small land along canals to grow more vegetables to sell for extra income. Every day, she works on her garden of 2500m² along canals with various types of vegetables and bring to local market to retail.

She also grew rice but this crop is not profitable nowadays because the cost for inputs is increasing while the rice price is low for small producers. She decided to change. When she moved to vegetable, she got a loan of 10 million VND from project to invest to her garden. She can earn about 100.000-150.000VND per day from her garden.



Ms. Lâm Thị Bạch Tuyết on her garden

She shared with the project staff: “I saw the profitability and potential of vegetable over the rice production. The income from vegetable is many times higher than rice with the same investment”.