

Success Stories in Microfinance by Kathryn Gow

SUCCESS! SUCCESS! SUCCESS! 100% REPAYMENT

As Mrs Le Lan conducted the evaluation and retraining over about 5 days, she would say to me what things had to be improved and what the deviations were and I was almost on the edge of my chair after 2 days of feedback and asked: "yes but what is the repayment rate?" There was some concern expressed about one woman who had run off with her second loan, and then they told me that 100% of the other women had repaid their loans. **Whooppee!** Now that has to be a first of its kind anywhere. Congratulations to the Women's Union in Ba Ria and Phuoc Hung and also to Mrs Le Lan who did the initial training for the program.



Setting up the technology was not an easy feat for yours truly but last year with the donations of Telstra in HCMC and Rotary Camberwell, I effected a miracle. The first photo is the equipment that I purchased for the Ba Ria Women's Union Office which has now been used very effectively and 12 months ago when I received the first monthly report as an e-mail attachment I knew it had all been worth the effort. I had to organise and pay for the equipment, training, phone lines etc. This was all funded by Rotary and QUT other than the actual PC.

So in June this year I attempted to do the same for the Phuoc Hung Office with no funding left, I used my old laptop and had them change the electrical wiring and installed a voltage controller etc, etc. This was all supplied for and paid for by myself along with the new printer. I had one of the QUT staff bring my external CD Rom with him (John McDonnell), but we were missing the electrical plug and they are not to be found in Vietnam. So now I must post it over and hope it reaches the right people. So that is at the beginning stage and we have to go through the training etc to get them up to speed. It is always a labour intensive commitment and people who go over just once never see the ongoing and intensive involvement that is required to keep the work of the AVVRG going.



Come Rain or Shine, on with the Phuoc Hung Microfinance Program

The road to Phuoc Hung has not improved; indeed it is decidedly worse, with large trucks and graders going across this weak bridge and ploughing up the dirt road as you can see. My motorbike driver breathed a sigh of relief when I hopped off the bike on the way back and walked through the knee-high mud. First of all, we had a planning meeting in the Phuoc Hung Women's union office, then with Mrs Le Lan from Hanoi we went on part of the Evaluation expedition. You see some of the women entering one of the houses, and a borrower on her second cycle (about \$AUD 131) being interviewed by a Women's Union staff member. Then onto another house and another interview, with another borrower who had her first loan (about \$AUD 65).



Then we moved later that day or the next, I can't remember to a meeting hall where they conducted a Loan Disbursement meeting and handed out \$AUD 2500 worth of second cycle loans. They have to keep recycling this loan money in order to be in line with the plan that we had agreed upon some 18



Months ago. I was more worried about the staff member being hit on the head and robbed if someone found out she was carrying all the money in her bag. They thought this a hilarious idea. I didn't as it happens all the time in other countries with this type of program. In one of the photos you see a staff member handing over the loan money to the borrower who later showed us her shop very proudly; "You want to see what I spend the money on? You come and see my shop!" she was quick to respond when I insisted that the WU know exactly how the money was going to be expended. So I did and here you see her smiling proudly outside her small goods business shop which is far more frail looking than the photo depicts. That's the trouble with Kodak, it makes a mud wall look like plaster and a mud floor look like concrete.



Then onto another shop, which is not as flash the first one and Le Lan supports this enterprise by buying some fruit. A staff member in these programs may never accept gifts from the poor, but they can buy from them. And if you think the next photo looks just like a pile of junk, it is and she is making good money from this recycling plant she has at the front of her house – another clever borrower.

Kathryn Gow
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INDIVIDUALS CAN MAKE A DIFFERENCE