Progress Report

Maitri Trust Fund Village Development Partnership (VDP) in Ban Kok Klang (Moo.1), Kok Klang sub-district, Lamplaimat district, Buriram Province

implemented by
The CSR and International Affairs Bureau (CIB), The Population and Community Development Association (PDA)

through
PDA Lamplaimat Community Based Integrated Rural Development (CBIRD) Center

31 August 2008
Introduction

The Village Development Partnership (VDP) Project is an integrated development Project with the goal of alleviating poverty at the village level, and providing a better quality of life to rural villagers in 5 key development areas: economic, health, environment, education, and community empowerment. The Population and Community Development Association (PDA) believes that the traditional charitable approach to poverty alleviation does not provide a sustainable solution to the problem as it does not foster new skills, it does not empower the poor, and it creates greater dependency on handouts. The only road out of poverty is through business. By providing the poor with business skills and access to credit at normal interest rates, we are adopting a business approach, which tackles poverty at its root cause rather than its consequence. The villagers are involved in every step of the VDP to create a sense of ownership, which is the key to the sustainability of the Project.

Maitri Trust Fund has decided to sponsor a VDP Project, by partnering with the village of Ban Kok Klang (Moo.1), Kok Klang sub-district, Lamplaimat district, Buriram province, since 1 February 2008. As the project has now been implemented for 6 months, PDA’s CSR and International Affairs Bureau (CIB) and the Lamplaimat Community Based Integrated Rural Development (CBIRD) Center would like to present the following 6 month Progress Report (1 February – 31 July 2008) to Maitri Trust Fund.

Lamplaimat CBIRD Center

August 2551
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Project Profile

Coordinating agency: PDA Bangkok office
Implementing agency: PDA Lamplaimat CBIRD Center
Project area: Ban Kok Klang (Moo. 1)
Kok Klang sub-district
Lamplaimat district
Buriram province
Partner: Maitri Trust Fund
Project Budget: £ 50,000 (THB 3,500,000)

Contact Persons

PDA Bangkok Office
Dr. Tanatat Puttasuwan
Board of Trustee and Director of CIB

Isadore Reaud
CSR Officer

PDA Lamplaimat CBIRD Center
Prahat Tafong
Center Director

Somkhid Ataboor
Field Officer
Project history

In 1998, PDA contacted companies from the private sector, individuals, and various organizations through the Thai Business Initiative for Rural Development (TBIRD) Project to help generate employment in rural areas of Thailand and teach professional skills to villagers. This Project was developed to reduce migration from rural communities to large cities and get the private sector involved in rural development by helping to provide a better quality of life to rural Thais.

Today, PDA has refined the TBIRD Project into the VDP Project, which enables private companies to provide a sustainable solution to poverty as a Corporate Social Responsibility (CSR) program. The private sector can provide both the funding to provide access to credit at normal rates and the knowledge to teach business skills. In addition, a company can also help with marketing of products through its networks, donation of old materials and supplies, staff time to contribute to activities in the village, teach invaluable private sector know-hows such as knowledge in cost reduction and income generation, or contribute to development of education, environment, health, or community empowerment.

In order to ensure sustainability, it is vital to involve the villagers in every step of the Project, since the initial drafting of the Village Development Plan to the implementation of all VDP activities and the monitoring and evaluation of the Project. This is managed by the Village Development Council (VDC) which is comprised of the Village Youth Council (VYC), The Village Development Bank (VDB) committee, and the Council of Elders. This strong village institution ensures that even if both the Project partner and PDA were to remove themselves from the Project, the villagers would still be capable of managing all activities on their own.
**Project rationale**

The VDP Project aims to improve the quality of life in rural villages by helping the villagers become self-dependant in a sustainable manner. An organization, institution, company or individual provides financial support and acts as a Partner through PDA, while the Lamplaimat CBIRD Center helps coordinate the Project with the villagers who own the Project and manage the implementation of all activities.

**Project objectives**

1. To help organizations, private companies, institutions or individuals who wish to better society be involved in rural development.

2. To provide the opportunity to members of rural communities to learn and use business skills to better their livelihoods and that of their villages.

3. To help improve the quality of life in rural areas in 5 key development areas: income-generation, education, environment, health, and community empowerment.

4. To strengthen the social structure of village communities so they can become self-reliant in the future.

**Principles of the Project**

1. Promote community involvement and sense of ownership.

2. The relationship between the village and the funding agency is a partnership, not donor/recipient or helper/helped.

3. The Project adopts a business approach, not a charitable approach.

4. Transparency, equality, impartiality.

5. Innovative ideas drive the Project, not its budget.

6. To promote democracy.

7. To be legal.

8. Not to harm the environment.
Village profile

Village name: Ban Kok Klang (Moo. 1)
Location: Kok Klang sub-district
          Lamplaimat district
          Buriram province

Total population: 1,041
  o Number of households: 205
  o Men: 545
  o Women: 496
  o Children under 15 years of age: 197
  o Persons over 60 years of age: 91

Main source of income: rice farming
Secondary source of income: labor working
Average annual income: THB 10,000 /person/year

Access to water:
There is an underground water supply system.

Health:
There is a health center with 2 staff, which serves 10 villages.
Diabetes and high blood pressure are predominant problems among the elderly.
Other common health issues are respiratory, digestive, and musculoskeletal diseases.

Education:
There is one secondary school and one daycare center, which serve 4 villages.

Ongoing relation with other PDA activities:
There are 10 children from Ban Kok Klang attending Lamplaimat Pattana School.
35 villagers of Ban Kok Klang work in the factories at the PDA Lamplaimat CBIRD Center.
Phase 1 - Community preparation (prior to Project start)

1.1 Monthly meetings were held with all the staff involved in the Project to review the Project plan and discuss next steps. Meeting held a total of 6 times.

1.2 Basic information was gathered from villages of Kok Klang sub-district during the month of January 2007 to establish village profiles.

1.3 PDA Lamplaimat CBIRD Center staff attended 2 local district government meetings in January and February 2007 to present the Project concept. A meeting was held on the 13th of May 2007 with the local sub-district government, or Tambon Administration Office (TAO), and village headmen to explain the steps of the project and request for cooperation from all parties during Project implementation.

1.4 Lamplaimat CBIRD Center held a meeting at the house of the village Headman on the 23rd of October 2007 to present the Project to the villagers and explain how it would benefit them. 108 villagers attended, including youth, adults and the elderly.

1.5 As the villagers attending the meeting on the 23rd of October gave very positive feedback and showed readiness to begin the project, the election of the Village Development Committee (VDC) was organized on the same day. 24 villagers were elected into the VDC, which is composed of 3 sub-committees of 8 people (4 men and 4 women):

1) The Village Youth Council (VYC); representing villagers aged between 14 and 24 years old

2) The Village Development Bank (VDB) committee; aged 25 to 54 years old

3) The Council of Elders; aged 55 onwards

While the VDC will be managing the Project in the village, the village Headman and TAO act as advisers.

1.6 Lamplaimat CBIRD Center held a meeting with the 24 Members of the VDC and their advisors on the 28th of October 2007 to establish the position of each member in the 3 sub-committees (President, Vice-President, Secretary, Treasurer, etc.) and explain each one’s role in coordinating the Project.

1.7 On the evening of the 28th of October, a second meeting was held with the VDC to assess the quality of life in the community using the Bamboo Ladder technique.

1.8 A 2 day Community Needs Assessment (CNA) meeting was held on the 17-18 of November 2007 at Lamplaimat CBIRD Center to assess the needs of the village and draft the Village Development Plan.

1.9 On the 27th of January 2008, 8 members of the VDC were taken on a 7 day eye-opener trip to the provinces of Krabi, Phangna, Prajuapsirikhan, Bangkok and Ayuthya. The group met with other villagers who shared their experiences in activities related to VDB management, individual and group income generation, environmental conservation and Village Development Plan management.

1.10 On the 5th of February 2008, a follow-up meeting was held in the village. Those who had taken part in the eye-opener trip explained to the rest of the villagers what they had learnt. The VDC then finalized the Village Development Plan based on the new ideas generated during this meeting.
Phase 2 - Implementation of Activities

2.1. Community activities

2.1.1 Village Development Bank

1) A meeting was held with the VDB Committee to draft the VDB policies.

2) Members of the VDB Committee who had taken part in the eye-opener trip shared their experience with the rest of the group, and explained the key role the VDB will be playing in the Village Development Plan.

3) On the 13th of February 2008, training was provided in the Lamplaimat CBIRD Center to members of the VDB in accounting and book-keeping, interest rate management in loans and savings. After the training, the VDB Committee finalized the VDB policies.

4) On the 2nd of March 2008, the VDB Committee members held a village meeting to present the VDB policies to the rest of the community and hold the first opening of the VDB.

On that day, 64 villagers opened a savings account in the VDB.

5) During the Project implementation phase, the PDA Field Officer responsible for the Project visited the community 1-2 times per week to provide advice to the VDC members.

6) As of 31 August 2008:

<table>
<thead>
<tr>
<th>Bank Policies</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. VDB opening date</td>
<td>2nd of the month from 17:00 to 20:00</td>
</tr>
<tr>
<td>2. VDB office location</td>
<td>Village headman’s house</td>
</tr>
<tr>
<td>3. Cost of shares</td>
<td>THB 10 per share</td>
</tr>
<tr>
<td>4. Loan for income generation</td>
<td>up to 10 times amount of total savings, not exceeding THB 10,000</td>
</tr>
<tr>
<td>5. Emergency loans</td>
<td>Not exceeding THB 2,000</td>
</tr>
<tr>
<td>6. Interest rate on loans</td>
<td>12% per year</td>
</tr>
<tr>
<td>7. Interest rate on savings</td>
<td>2% per year</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current VDB Status</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Number of Members</td>
<td>90</td>
</tr>
<tr>
<td>2. Financial support in exchange for tree-planting</td>
<td>THB 260,000</td>
</tr>
<tr>
<td>3. Total shares value</td>
<td>THB 12,000</td>
</tr>
<tr>
<td>4. Total savings</td>
<td>THB 45,980</td>
</tr>
<tr>
<td>5. Total loans</td>
<td>THB 283,000</td>
</tr>
<tr>
<td>6. Number of members to have taken a loan</td>
<td>34</td>
</tr>
<tr>
<td>7. Revenue (Jan.-Jul. 2008)</td>
<td>No return on loans yet</td>
</tr>
</tbody>
</table>
2.1.2 Village Youth Council (VYC)

1) 2 members of the VYC took part on the eye-opener trip on 27 January 2008

2) On the 17 February 2008, the Lamplaimat CBIRD Center invited an exterior lecturer to provide training to the members of the VYC in Project Proposal writing.

3) On the 20 May 2008, the VYC took part in a tree-planting activity along with other members of the VDC and villagers of Ban Kok Klang. 10,000 trees were planted in total.

4) On the 11 August 2008, the VYC established a Garbage Bank as a sustainable solution to waste management in the community, as the village lacks the tools, knowledge and funding to solve the waste problem. In addition to helping clean the environment and changing the mindsets of the villagers, the Garbage Bank strengthens the community as it brings the villagers together and is a source of funding for VYC activities.

2.1.3 Council of Elders

The Council of Elders have been acting as advisors to the VDB Committee and VYC, and have participated in activities such as the tree-planting on the 20 May 2008 and have helped coordinate village clean-up activities for the Garbage Bank.

2.2 Income generating activities

2.2.1 Members of the VDB who have been putting money into their savings account for 6 months are eligible to take out a loan for income generation. As of the 31st of August, 34 members of the bank have taken a total of THB 283,000 in loans as detailed in the following table:

<table>
<thead>
<tr>
<th>Income-generating activity</th>
<th>Number of People</th>
<th>Amount loaned (THB)</th>
<th>Expected income to be generated from loan (THB)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fish-raising</td>
<td>1</td>
<td>10,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Buying of construction materials</td>
<td>1</td>
<td>10,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Selling beauty products to factory workers</td>
<td>1</td>
<td>6,000</td>
<td>8,000</td>
</tr>
<tr>
<td>Making fried bananas/peanuts</td>
<td>1</td>
<td>10,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Making dishwashing soap</td>
<td>1</td>
<td>5,000</td>
<td>8,000</td>
</tr>
<tr>
<td>Planting marigolds</td>
<td>1</td>
<td>9,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Vegetable plot and pig-raising</td>
<td>3</td>
<td>35,000</td>
<td>47,000</td>
</tr>
<tr>
<td>Garbage recycling</td>
<td>1</td>
<td>10,000</td>
<td>16,000</td>
</tr>
<tr>
<td>Agriculture and other activities</td>
<td>24</td>
<td>188,000</td>
<td>244,400</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>34</strong></td>
<td><strong>283,000</strong></td>
<td><strong>423,400</strong></td>
</tr>
</tbody>
</table>
2.3 **Education activities**

2.3.1 The youth in the village were given the responsibility of gathering basic information on all households to help the VDB create a database to be used in the Village Development Plan.

2.4 **Environmental Activities**

2.4.1 The tree-planting activity is an important part of the VDP Project, as it is conducted in exchange for the initial VDB funding. On the 20 May 2008, the villagers of Ban Kok Klang took part in their first tree-planting activity. 10,000 trees were planted in total in a 10 rai (approx 16,000 m$^2$) tree-planting site.

2.4.2 “Cash for Work” is an activity organized in the village which aims to bring all the members of the community together and take part in an activity for public good. Not only does this strengthen the bonds among the villagers, but each of the participants generates income for the VDB as incentive in exchange for their effort.

On 22 January 2008, 89 members of the community took part in the village clean-up as part of the Ban Kok Klang Cash for Work Project. The high number of villagers which helped clean the village shows their solidarity as a community and their commitment to helping the village become a better place.

2.5 **Other Activities**

2.5.1 During the month of July 2008, the VDC installed lampposts in 7 spots in the center of the village, and renovated the road leading to the village in cooperation with the local government. Because of the absence of public lighting in the village, members of the community could not gather or meet after the sun had set. The lighting was requested to create a sense of security in the village to prevent burglary during the night.
Next steps of the Village Development plan (September - December 2008)

1. Community Activities and strengthening the VDB

1.1 Follow-up on VDB activities and open the VDB for transactions once a month.

1.2 Follow-up and operate the Garbage Bank once a month

1.3 Follow-up and review the VDB accounting

1.4 Hold a meeting with all 24 VDC members once

1.5 Train the VDB committee in “working as a team”

1.6 Organize 4 groups for income generation in the village

2. Develop the economic potential of the village

2.1 Provide training in banking management

2.2 Organize a 2nd tree planting activity of 10,000 trees to generate more funds for the VDB

2.3 Provide support in integrated agricultural activities for income generation

3. Develop the quality of the life, health en environment in the community

3.1 Provide training to the youth and members of the VDB in the Barefoot MBA curriculum

3.2 Diversify income generating activities for the youth and elderly

3.3 organize site visits for more income generating ideas

3.4 Organize health promotion activities for the elderly

3.5 Promote activities which benefit the entire community

3.6 Organize training in “sustainable village development planning”

3.7 Organize Cash for Work activities

3.8 Replacing trees from the 1st tree-planting which may not have survived and planting another 10,000 trees
Annex

Pictures of activities
Picture 1: 23 October 2007

Election of the VDC at Ban Kok Klang village Headman’s house

Picture 2: 20 May 2008

One of the Children from Ban Kok Klang taking part in the tree-planting
Youth training in project proposal writing

Villagers on the eye-opener trip were taken to Ratchaburi, Krabi, Phangna, Prajuabsirikhan, Bangkok and Ayuthya provinces.
Villagers have drawn a map of their village at its current state to identify the needs as part of the CNA process.

Villagers have drawn a map of their village at they view it in the future, based on the established Village Development Plan.