

## **IDPA visits to 2 Bank Groups:**

**1-3 de Octubre (3 groups-10 families)**

**2-Las Flores De Pucayacu (12 families)**

Supported by IDPA since 1997

Training in leadership and tree planting nurseries.

Corn-Yucca-Plantain

New president of bank: Zenaida de Flores: Members are up to date with payments.

"Trying to make bank bigger"- "Every member put in 20 soles to put more money in our bank(12000 soles) on our own for more projects to raise livestock.

-President's decisions on what to invest in, have been fruitful.

Members are on their "Fifth Round"-receive 300 soles and pay interest 2X per month.

First Round=2000 soles

Second Round=900 soles

12000 soles is growing with interest

Membership requested IDPA to get: "Outside money so as not to risk 12000 soles."

In addition to diversify planting (corn and peanuts) small businesses like processing pork, meat sales, are also funded.

Bank "works like big family"-has good administration

Re. Social Services: In every round set aside 20 soles in savings. "That's how the bank grows" - Profit from tree nurseries and now the grafting of plants has allowed banks to diversify.

Insurance-(Social Insurance) i.e. Health Insurance: 1 sol/family = more than 30soles/mo.

Now up to 50 soles/mo.-Health insurance is always rotating- 12000 soles stays separate

**Octubre Group(Bank) had 12 members- now 10 member.**

Each family has 800 soles in bank (\$400CDN.)- All are farmers

"Would like more access to credit"

Each family gets 10 soles to grow rice- Group meets every week when the interest is paid.

IDPA monitors account.

-Also lend to non-members-pay 4 percent =2 percent bi-weekly.

-Charges 8 percent interest with 2 guarantors, 2-co-signers must be members.

**Torres Group (Bank)**

lends to non-members but relies on "trust", i.e. works with non-members before committing to loan.

Roberto Lay:

-Regarding structure of funds (bank credit loans, etc.)

IDPA handles 2 funds.

1). IDPA works from a base of 300.000 soles.

2). Members of Bank (Community groups) own the money.

-Each bank functions autonomously, which explains why there are various models.

-IDPA will welcome all proposals which sets IDPA apart from other NGO's.

-Lower lending rate than other NGO's

- "More profit for Campesinos"

-Two accounting books are monitored by IDPA

1.) States amount a member pays. 2.) States amount a member gets.

-Each family has money in bank on which they collect 4 percent interest. IDPA is paid 3.5 percent and .5 percent is pocketed.

-In July 2000 start new credit line.

Poor Campesinos (peasants) can move forward with IDPA and technical assistance.

"Normally a bank will not lend to peasants"

"This particular bank is an excellent model because these members have prospered , and so has IDPA.

"Funds will focus on improvement of production quality, so that we may compete to do fair trade in an "unfair market"

Secretary of Flores Bank: IDPA has shown the community to value natural resources and protect our environment. Communities have strong solidarity. What is missing is the support of government. They do not provide credit nor technical assistance.

Roberto Lay: "IDPA hopes that new government will help with funding and education."