

Budget proposal
Animal/cow bank and Rice bank project,
Extension 10th around 2011

Submitted to Hardeman. BV, Netherlands

1. PROJECT DESCRIPTION:

This budget proposal is prepared to implement extension project for 10th around of the animal bank and rice bank, the project support by Hardeman.BV.

The Overall project objectives is to improve the living conditions of the poor farmers who are living in the selected villages, who are vulnerable from shortage of food, indebtedness, lack of capital to start business and lack access to financial service and low level of income generating capacity. The project aims to assist those poor farmers to access to income sources through the implementation of animal/cow bank and rice bank activities so that they can engage their ability to generate income toward sustainable livelihoods. The rice bank and animal bank project will have positively contribute to help the poor the opportunity to be able saving of the income and increase quality of life of the beneficiaries in the community, hence, improve socio-economic conditions and reduce poverty.

2. Planned activities and Outputs:

The activity planned to be done are as follow;

- CAAFW project staff in collaboration with village chief will organize meetings in each of the selected village to discuss and promote about the animal/cow bank and rice bank, discuss about project objective and the policies of the animal and rice bank. The meeting also selects the Village Rice Bank Committee (VRBC).
- CAAFW project staff in collaboration with village chief and VRBC identification of target group and target beneficiaries based on selection criteria
- Organize training (Management techniques of the animal bank and rice bank, bookkeeping, techniques on animal raising and care, training on the policies of cow bank and rice bank) for the VRBC and beneficiaries.
- Prepare the initial investment (money to buy rice paddy to establish the rice bank, money to buy materials to build rice storages, provide loan money to families to buy animal) between the period from November 2011-February 2012.
- CAAFW project staff monitoring of activities on monthly basis to the animal bank, 2-3 times of monitoring of the rice banks in each village per year.
- CAAFW project staff will prepare monthly quarterly reports on the progress of the animal and rice bank submitted to an Executive Director
- Technical assistance is provided during the monitoring visit and at request made by VRBC or beneficiaries.

Output:

1. 4 rice banks in 4 villages in Thmar Pouk, Svey Chek and Preash Net Preash districts, Banteay Meanchey province were organized and established. And at least 200 very poor farmers' households (Poor category 1) in 4 villages have enough food for consumption throughout the year.
2. 50 families/members (Poor category 2) who are living in the 4 villages where the rice bank have been implemented, organized and well functioning to manage cow/animal raising activities and techniques and with increased income ownership and self-reliance.

3. Methodologies rice bank and animal bank:

Rice bank:

The implementation policies of the rice bank is remain the same methods as in around 8th and 9th. Those methods are that CAAFW plan withdrawal the initial rice capital after four years and for the rice storage and all the rice interest are belonging to the village bank. Base on experiences, after four year the rice interest has totally increase up to 120% of the capital, so it mean that amount of rice interest has more than the initiate amount investment. With the amount of these rice paddies, the village can still continue implements the rice bank toward sustainable rice in the village.

This plan is aiming to mobilize potential resources to keep CAAFW more secure from facing financial risks in the long term development and be able growth of activities as well as institutional development. So the plan of withdrawal initial rice capital in the year fifth can be used into two options as below;

1. In case CAAFW is secured of its running cost; the rice will have to be used for the expanding activities to established rice bank in new villages.
2. In case CAAFW will facing financial constraints then we want to use rice to building bridge by paving way toward long term goal (sustainable development and institution).

In our commitment, operational cost of CAAFW for the long term will be mainly covered through the micro-credit and the option 2 as mentioned, is not priority and only happen if just in case it is necessary to do so. At time of rice withdrawal and either CAAFW will be consulted with HBV beforehand. And till 2011, no any rice paddies are withdrawal from the bank by CAAFW yet.

Animal Bank:

The model of the animal bank implementation is remaining the same model as previous rounds. The current price of purchasing animal is very costly and in order to be able to buy a normal animal (Khmer blood cow), CAAFW will provide loan capital (maximum \$400/family/animal) to the selected group to buy the animal. They can choose by themselves either they want to by cow or ox or buffalo. Animal belong to individual households member but responsible to repay the installments capital plus monetary interest to CAAFW. The capital repayment will be divided by three installments (\$133 per installment/year), each installment per year. But in case any individual family cannot be able to repay on time during the three year, CAAFW will consider giving time to delay to year fourth or fifth to be able for them based on the abilities to pay. The interest charge still keeps 1.5 percent per month. The interest income is used for operational running cost of CAAFW as a whole.

The interest and capital instalments collection are not strictly principle like MFI institution, it is implement based on ability of the members, if members cannot pay due to bad income, having more problem in family, than they can get delay or receive loan drop-off.

4. Target village and target group:

The project will be implemented in the new villages selected in Thmar Pouk and Svay Chek and Preash Net Preash districts. In the selection of target villages, the CAAFW project staff spent times, travel to many villages in Thmar Pouk, Svay Chek and Preash Net Preash to assess and select the suitable villages, where similar situation of the previous villages and where the poor need/willing to get animal for raising but no money to buy.

As results of selection, 6 new villages were selected for the implementation of the animal and rice bank of the 10th around. Those villages are;

No	Name of village	Commune	District	Population	
				# of HH	# of Ind
1	Kandal	Kok Romiet	Thmar Pouk	247	977
2	Thmey	Kok Romiet	Thmar Pouk	350	1,224
3	Yeang	Pkam	Svay Chek	95	494
4	Ampil Prong	Trea	Svay Chek	269	1,122
5	Tabek	Bosbov	Preash Net Preash	150	779
6	Kok Thom	Bosbov	Preash Net Preash	203	986
Total	6 villages	4 communes	3 districts	1,314	5,582

Knowing that the amount of villages selected were much more than expected and than the previous around. But through the project staffs that are assessed in the villages, they recommend that the people really need help and they want to start project in all these villages, more or less support that people can access and improve thing. These needs could also reflect to the pre-ID that more than 30% of the poor in Banteay Meanchey remain high and need support.

The project target group focuses on poor farmers who are living in the four targeting villages and who are hardly to sustain their daily life and always shortage of food during the year. Project beneficiaries are including women, men and children in their households. As in Thmar Pouk, Svay Chek and Preash Net Preash have been done the pre-identification of the poor so the direct target beneficiaries of the project will focus on poor level 1 (the very poor/destitute) and poor level 2 (poor) . As we know that some of the poor and very poor cannot access to pre-ID due to they are away/absent in the village as they have find labor work far away from village (in the border or in Thailand) during the pre-ID selection process. For the rest of the poor that does not have the Pre-ID poor card entitlement still can benefit from this project. The poor level 1 will be benefit from the rice bank and poor level 2 will benefit from animal bank.

The expected direct beneficiaries for this project will be at least from 250 to 300 households living in the targeting villages of which at least 50 households will benefit from the animal/cow bank loan fund and 200 households will benefit from the rice bank.

For the target group poor level 1 who involved in the rice bank, after one to two years involved in rice bank and secure of food and having opportunities to save some income later on they can also joint the animal bank. The capital can be provided through revolving or initial capital from the member in year.

5. Implementation Plan and Monitoring:

The project will be implemented 12 months, as October 2011- Sep 2012. Two to three project staffs will direct responsible to implement this project. The CAAFW' Executive Director will follow-up activities on a monthly, six-monthly and annually basis and identify problems, provide technical support to the project staffs and action to be taken by the project staff. CAAFW administrative staff will support the project and be responsible for office work and financial management for this project. The old project staff, manager and deputy director mainly involved in the credit operation preparation and implementation but also frequently support on the implementation of the animal and rice bank. The project will promote close cooperation between CAAFW, village authorities, VDCs and Commune Council to support the poor farmer and helping them to meet their basis needs.

An accountant of CAAFW is responsible to on the financial management including booking of all income and expenditure, prepare financial reports, prepare for annual external and internal audit.

Project staffs will prepare a quarterly activities and progress reports and submit it to the Executive Director. Monitoring check lists will be used by the Executive Director as well as monthly recommendations of actions and feed-back to the project staffs will be given by the management. The Executive director will be reporting to CAAFW BOD about the progress of the project every six-monthly. Reports on irregular situation around the aspects of animal bank and rice bank activities (example, cow loss or stolen etc) can be done at any time depend on issues that are occurring.

Reporting on the progress of activities and financial reports for the donor HBV will be done annually or in compliance with the HBV requirements.

6. BUDGET BREAKDOWN:

Description item	Estimated budget USD	Total
1. Direct cost to buy 50 cow/animal for 6 villages	50 animal/cow x US\$400 per animal	20,000.00
2. Direct cost to buy rice paddy investment for the 4 villages to enable established village rice banks	40 tons of rice paddies x US\$ 2500 per tons	10,000.00
3. Direct cost to build 6 rice storages, one for each village. Estimated \$1,500/building of which 90% request from donation and 10% contribution of villagers.	\$ 1500 x 6 x 90%	8,100.00
4. Operational and administration cost (16%)	estimated	7,600.00
Total		45,700.00

Upon approval of the fund, the money should be transferred through the bank account as below;

Bank information:

Account with institution Field 57A:	ACLEDA Bank Plc., Head Office, Phnom Penh, Cambodia SWIFT CODE: ACLBKHPP CHIPS UID: 415637
Beneficiary Customer Field 59:	Name: CAAFW-IRDP Account No: 0200-20-412848-1-8

Proposal submitted by:

Authorized Signatory: Suor Iyong, Position: Chairman BOD

Organization: Cambodian Organization for Assistance to Family and Widow (CAAFW)

Signature: _____
Date: 7 October 2011

