

# Women's Development Banks Federation

## Newsletter page 01

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### **Sri Lankan Women of low income community in this country turned a New Page in their Activity for Development.**

On the 9<sup>th</sup> of November 2003 more than ten thousand women from the rural and urban areas of eight districts came together at the Sugathadasa Indoor Stadium to show their unity and participate in the 2<sup>nd</sup> national (convention) rally of the Sri Lanka women's Development Bank Federation.



**Members participating the 2<sup>nd</sup> Anniversary**

In the recent past months the members were expectantly preparing and gearing up for this rally because it was for them an occasion to get to know their sister members from around the country and also as importantly to see for themselves the strength of their unity. Therefore they ensured beforehand putting together everything such as food, drink, convergence, and vehicles, leaving nothing to chance which would have prevented their total participation.

Further more, the members irrespective of the distance they had to travel ensured that they were at the venue and they settled down in the auditorium to start the rally sharp at nine a.m. This disciplined behavior emphasized their commitment and dedication to the proper operation of their organization. The special invitees on this occasion were taken aback by their punctual and disciplined behavior.

The Minister of Agriculture Livestock and Samurdhi Hon S.B.Dissanayake in the course of his address said. "The poor mothers of this country having heard and learnt of the Women's Development Bank Federation have voluntarily opted to adapt and conform to this new way of life. In like manner we see that these Women's Development Bank Federation consisting of the poor women themselves discovered their problems and formulated ways and means to develop themselves through their own efforts. It is clear to us that you have the required good discipline, organizational capability and the strength to achieve success."



**Minister of Agriculture Lives took and Samurdhi the Hon. S.B.Disanayake.**

Continuing his address Honorable Minister further said. "There is a wide gap between the government and the non government organization in community development programs. I order to reduce this gap what is needed is the genuine participatory linking between the two, which your organization can provide for this purpose. This rally will be a refreshing step and a new page in developmental history."

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The report of progress presented at the rally clearly showed agreement with the Hon. Minister's remark regarding the gap between the government and the non government organizations in development and poverty alleviation programs, and the report emphasized the need to close this gap. The Women's Development Banks Federation with sponsorship from SELAVIP has built up the housing development fund. The aim of this programme is to solve the problems of house toilet and domestic water supply. Though the organization of the essentialities, the toilets for the home projects is activity operated by the women's Development Bank Federation local area branch unit. Then branch committee consults and involves the Grama Sevaka Niladhari (The government local level officer) the Public Health Inspectors, the area Technical officers and other local authorities and in the operation whose advice and approval was needed in carrying out these works. The local health authorities in these areas have pointed out to us that the government programs of work regarding toilet construction was not successful. The lesson we have learnt from our experience is that such projects to be successful, had to be originated by the target community and had to be planned, decided on and entirely executed by the target persons, themselves without outside interference. But this did not exclude necessary expert advice.



**“I have drinking water”**



**“I have a toilet”**



**“Our housing problem solved”**

During this rally the above experience was emphasized again by his Worship the **Mayor of Colombo Hon. Prasanna Gunewardene** who in the course of his speech declared; “The Women's Development Banks Federation is an instrument of great strength to the Colombo Municipal Council because of such organization, it is convenient and relatively easy to implement successfully, our community development programs.” His Worship further went on to say that in the Colombo city, streams and canals were being polluted with garbage thrown by those who are living on the banks of those canals and streams. “We have solicited and obtained the collaboration of the Women's Development Bank Federation”, he said “ along with the Janarukula to organize these communities to cooperate with us to work to keep these water ways clean through genuine people's programs.” In this regard the Municipality proposes to provide the necessary capital and other support required in implementing this program.

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### Housing Problem



### Water Problem

**Mrs. Murin Fernando the President of the Women's Development Bank Federation** addressing the gathering said; "It is not only in Colombo but in most urban areas people live on the banks, of streams, drains and gullies and areas adjacent to the rail track. Our members are domiciled in many of these settlements. They are organized and animated to develop the habit of saving and thrift and develop a disciplined credit operation. With this experience behind them, it was not difficult for the federation to form groups who were guided to realize that to improve their living standards a basic need that to improve their living standards a basic requirement was a clean environment surrounding their homes, streams, drains and other water ways inclusive of the railway lines found way to overcome the major endemic problem of indebtedness among our rural community members who are from farmer families.

This is a good example of our work Most of the poor farmers have mortgaged and taken loans with their plots of land as collateral. Failure to repay the borrowed money was mostly due to unduly high interest rates. Our members with encouragement and intervention from the Federation decided and went into positive planned action and systematically redeemed most of these lands which had been in bond. While working in the urban communities we realized that the poor families had to earn to support their families in an unstable economic system due to the lack of legal systems to cover their small scale operations of trading and production. As such they were not credit worthy and had no access to traditional Banks or legalized credit institutions and were forced to obtain their capital from money lenders who charged an exorbitant interest. Having studied this problem and considered a possible alternative and the Women's Development Banks Federation planned out a strategy and is implementing a financial program for small scale traders and producers in the urban areas of Colombo, Gampaha and Kurunegala. This program is named the 'Daily Credit Program's and is found to be a viable solution to their credit problems and a timely escape from unscrupulous money lenders. Responding to the Hon. Minister of Agriculture's remark she agreed with him concerning the gap between the government and non government initiatives and programs specially for farmers "Nonetheless," she said "We must find a way to bridge such gaps.



**Mrs. Murin Fernando the President of the WDBF**



**Income generating project**

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**A Hawker**



**Self employment of Selling firewoods**

Women's Development Banks Federation has experiences to fall back on, as regards to gathering and mobilizing communities and building strong organization. We also have financial deposits amounting to many millions of rupees. As an organization which has developed itself to what it is today we venture to propose that in order to alleviate poverty particularly in the urban settlements where there is the largest numbers of the poorest families, to set up a fund to promote effectively poverty alleviation. It is best if this fund be administered by a Partnership Board comprising of representatives of the Central Government and the local government and the target people represented by their Non Government organization representatives. For such a venture the Women's Development Bank Federation ready to function as pioneers".

In conclusion she reiterated;" The Federation is firmly committed to work to alleviate poverty in both the rural and urban sectors by organizing the poor to unite for this purpose. We will provide the needed strength and drive required. In taking this Movement forward we are ready to face up to any challenges that may come up "She pledged " The Women's Development Bank Federation will provide the leadership for all the poor women of Sri Lanka to unite to alleviate their poverty and develop themselves."

**Among the many that we have to thank for our progress up to this 2<sup>nd</sup> National Congress the following are only a selected few.**

1. His worship the Mayor, Honorable .members and Officers of The Colombo Municipal Council.
2. Hon. Mayor and Officers of the Kurunegala Municipal Council.
3. Hon. Deputy Mayor and officers of the Kandy Municipal Council.
4. Hon.Susil Preme Jayantha –MP
5. Major General Sarath Munasinghe – Chairman – NHDA
6. Mr. Susil Siriwardena – Former Janasaviya Commissioner.
7. Mr. Lionel Samarasinghe – Hon. President Sri Lanka National Cooperation Federation
8. Mr. Jockin Arputham – President of Slum Dwellers Federation –India
9. Fr.Jorge Anzorena, SJ-SELAVIP
10. Ms.Somsook Boonyabancha – Asia Coalition for Housing Rights.

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### Progress Report of Women's Development Bank Federation (WDBF)

At this moment celebrating the 2<sup>nd</sup> Anniversary of the Women's Development Banks Federation, please permit us to explain to you our progress as the poor women in Sri Lanka.

We had the problem of finding out even RS. 50/= or Rs. 100/= to meet the emergency financial requirement. It was a big problem for us. It was women in poor families who suffered a lot because of this incapacity. We came across the Janarukula, when we were under this predicament. We join with the Janarukula to mobilize ourselves into small Women's Groups.



**Group Meeting**

Women's Group are solidarity groups of 5 to 10 poor women living in close proximity. These groups meet once a week at a specific day at one of the member's house. All members should attend this meeting and bring Rs. 5/= as their weekly compulsory saving.

We use this weekly compulsory saving to provide small loans to the mostly needy members to meet their emergencies. In addition to this compulsory savings, we could develop other savings programs also. Members cultivated their habit of settling their loans duly. In case if member could not settle her loan in time, Others have to help her.

Group mechanism could build solidarity among members. All members became real friends in need. Groups became an open forum for us to discuss our problems, our weaknesses, our opportunities and also our strengths as solidarity groups. This process helped us to build well-disciplined and well punctual groups. The groups that were built in 1991 meet sharp at time even today.

Groups of 5 of Women had the capacity only to meet the very small loans. We wanted to create a better mechanism to meet our bigger loan requirement. Janarukula helped us to bring number of groups to gather and federate them into one large solidarity group is called a primary branch. Its area of operation consists of one or two Grama Seva Divisions (Smallest administrative unit in Sri Lanka). All group members became the members of the Primary Branch Once a month Primary Branch should hold a General Meeting. Group Leaders also should meet once a month. The management committee of the Primary Branch consists of the members elected from among the group leaders.

The Primary Branches mobilized saving of members in to various categories of savings accounts. They also have non-members savings accounts. Savings are used to provide credit to members. The initial loan given to a member is RS. 500/=. It has now graduated to a maximum loan of RS. 75,000.00. All loans are backed only by the group security. No other collateral or security is required for a loan from a Primary Branch.

This program now operates in 08 Districts in Sri Lanka through Primary Branches. More than 20,000 Householders have obtained membership in this program through 3200 groups.

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| Serial No | Field        | No. of Primary Branches |
|-----------|--------------|-------------------------|
| 01        | Rural        | 41                      |
| 02        | Semi-Urban   | 20                      |
| 03        | Urban        | 07                      |
| 04        | Flat         | 01                      |
| 05        | Estate       | 02                      |
|           | <b>Total</b> | <b>71</b>               |

How this membership is distributed is shown in the following table.

As at June 30, 2003, the cumulative value of savings that have been mobilized by these Primary Branches was Rs.20.153 M,. How these savings have been mobilized from 1994 to 2003 is explained below:

|    | Year | Value of saving (SLR. M) |
|----|------|--------------------------|
| 01 | 1994 | 0.254                    |
| 02 | 1995 | 0.661                    |
| 03 | 1996 | 1.465                    |
| 04 | 1997 | 2.761                    |
| 05 | 1998 | 5.292                    |
| 06 | 1999 | 7.062                    |
| 07 | 2000 | 9.383                    |
| 08 | 2001 | 13.323                   |
| 09 | 2002 | 17.520                   |
| 10 | 2003 | 20.153                   |

Using this deposit base these Primary Branches have provided loans to the value of Rupees 105.169M.

| Year | Loans granted (SLR. M) | Recoveries (SLR. M) |
|------|------------------------|---------------------|
| 1994 | 1.371                  | 0.986               |
| 1995 | 3.798                  | 2.942               |
| 1996 | 3.984                  | 3.020               |
| 1997 | 6.299                  | 4.713               |
| 1998 | 9.344                  | 6.938               |
| 1999 | 22.316                 | 17.617              |
| 2000 | 40.332                 | 31.491              |
| 2001 | 62.378                 | 48.851              |
| 2002 | 96.079                 | 70.483              |
| 2003 | 105.169                | 81.630              |

Although the program was implemented at primary branch level we continuously met at district level to exchange our views and learn lessons from the experiences of the others. This helped us to strengthen our groups and Primary Branches. Based on these experiences our next phase we promoted district societies and registered them under the co-operative law. If any district had 5 or more bank branches a district co-operative society was promoted for that district. According 3 district societies were registered for Gampaha, Kurunegala and N'Eliya Districts,



**The Inaugural District General Meeting of Nuwara Eliya District Branch—1998**

The experiences gained through the district societies paved the way for promotion of Women's Development Bank Federation (WDBF) on February 10<sup>th</sup>, 1998. Though the support received from **Mr.Meeuwissen, Senior Human Settlement adviser, of the United Nations centre for human settlements (habitats) and MR.Peter Swan under the Community Development Program of Asia Head Quarters of the Women's Development Bank Federation** was opened at Gampaha on April 09<sup>th</sup> 1998.

With the promotion of the Women's Development Bank Federation, the extension of district development programs to other districts was activated. This necessitated the policy and program development for the Women's Development Bank Federation. As a result the first National Workshop was held on December 13,1998 at Yakkala. At this Workshop several proposals were emerged as a road map for progress of the Women's Development Bank Federation.

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One of the important outcomes of these proposals was the first National Congress held on June 06, 1999 as the Royal College Nawarangahala. About 2500 members participated for this National Congress. The following are some of the large number of distinguished visitors attended this National Congress.

After the national Congress, the Women's Development Bank Federation could join hands with the Slum Dwellers International. This helped the WDBF to build up a dialogue and exchange experiences in the field of Community Development within the Asian Region. It also could build a partnership with the National Development Trust Fund.



**In Phillipines**



**Participating in Housing exhibition and workshop in Nepal**

The national Council of the (WDBF) consists of the representatives from districts. National congress meets once in three months to decide on policies and take strategic decisions.

Women's Development Bank Federation commenced as a rural level micro financing program. It was valid answer for the rural indebtedness. It helped to get the mortgaged paddy land released and allow the farmer to keep her land to herself without any encumbrance. Women's Development Bank Federation provided her financial need without asking for any collateral or security. Equipped with the experience it gained from the rural financing program, (WDBF) is now reaching the urban poor also.

Accordingly the groups and Primary Bank Branches promoted within Colombo, Kurunegala, Kandy Municipal Council areas and Gampaha Urban Council area are satisfactorily progressing. With these urban programs, the scope of the Women's Development Bank Federation expanded considerably. From exclusive micro credit activities it, had to step into a Comprehensive Community Development Program covering the following programs of work.

1. Savings and Credit Program
2. Housing Development Fund
3. Surakshi Social Security Program
4. Training and Extension Program
5. Children Societies Program

### THRIFT AND CREDIT PROGRAMMS

#### Deposits

The Primary branches operate the following saving schemes.

- Shares
- Compulsory Savings
- Children's Saving
- Non-member Savings
- Special Savings

“Randiyaniya” deposits schemes is a special savings scheme. This is open only for young women over 16 years. Randiyaniya deposit holders are entitled for the following loan schemes.

- Educational Loans
- Income Generation Loans
- Loans to purchase, Jewellery.

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WDBF of total loans granted under thrift and credit program for income generating activities has exceeded Rs. 38 Million, Number of families so far benefited under this income generating programs is about 1200. Forty Six percent of these loans have been given as agricultural credits to the farmer members in Walapane, Hanguranketha, Nikaweratiya, Dambulla and Anuradhapura areas.

In order to make the Agricultural Credit Program are effective/ Farmers Associations were promoted as affiliates to the Women's Development Bank Federation. The leaders of these Farmer Associations are the husbands of WDBF members. The main objective of these Farmer Associations is to improve the agricultural productivity and enhance the income of farmers. They carry on the following activities.

- Exchange experience and information with the officers of the areas. Agricultural Department Officers conduct training programs.
- Organized buying of agricultural inputs.
- Arrange marketing for agricultural products.

Dambulla Farmers Association has proved the effectiveness of this program by obtaining a satisfactory income from their Onion cultivation. Nikaweratiya Farmers Association is adopting cost savings measures under the technical assistance received from the Agriculture Department. Hanguranketha Farmers Association is taking action to inspect the fertility of soil before commencing their Yala cultivation activities.

WDBF could obtain a low interest loan Rs. 5.5 million for cultivation loans from NDTF.



**First National Workshop**



**Members participating the first Anniversary - 1999**



**Mr.A.Jockin and Mr.Thomas keer participating the first Anniversary—1999**



**Mr.Susil Siriwardena, former Janasaviya Commissioner,addressing the first Anniversary - 1999**



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### HOUSING DEVELOPMENT FUND

Housing Development Fund was commenced targeting urban communities ,accordingly land ownership problems of the communities where the WDBF operates within Kurunegala and Colombo Municipal areas have been discussed. Ammankovil Mawatha (Elugala) and Wilgoda within Kurunegala Municipal Council areas and 318 Watta in Colombo Municipal Council area are the settlements that have been taken for these discussions WDBF and Janarukula in Partnership with the National Housing Development Authority (NHDA) AND Kurunegala Municipal Council could perform this activity up to the land survey for the purpose of Land allotment.

### TOILET PROJECT

Most of the houses of WDBF members do not have toilets. Therefore the necessity has arisen to promote this most important sanitary requirement as a loan scheme is different from other loan schemes because these borrowers were allowed to determine the loan repayment installments according to their abilities.

Program was implemented by Primary Branch in partnership with Grama Seva Office (Village level Government Office), Public health Inspector and the Technical Officers of the Local Authority.

How this loan scheme has been provided is explained in the following table.

| Serial No. | Area         | No. of Toilets | Loan Amount Rs.     |
|------------|--------------|----------------|---------------------|
| 01         | Kurunegala   | 112            | 1,382,296.00        |
| 02         | Nuwara Eliya | 67             | 831,300.00          |
| 03         | Anuradhapura | 37             | 862,028.00          |
| 04         | Gampaha      | 24             | 409,280.00          |
| 05         | Dambulla     | 06             | 60,000.00           |
| 06         | Colombo      | 03             | 30,000.00           |
|            |              | <b>249</b>     | <b>3,074,904.00</b> |

### TRAINING PROGRAM

These programs could be conducted with the support of primary Branches, District Societies and Centers. The support received from Canada Development Fund, National Development Trust Fund, Slum Dwellers International and Asian coalition for housing rights to make these programs successes also have to specially mention here.

### EXTENSION PROGRAM

Extension and Replication of the WDBF work takes place through its members. Groups and Primary Branches were promoted due to the enthusiasm created when experiences are exchanged. When we reach the urban programs the methodology used for extension has to be changed. For this purpose we had to seek the support of the Municipal Councils. To implement the extension program at District No. 01 area of Colombo Municipal Council we received the support of the Medical Officer, Assistant Education Officers and Health Advisors of the District No. 01 Office.

We were entrusted the task of upgrading the socio-economic status of the community in Heen Ela are under District No. 01 of the Daily basis. This position was reviewed at group discussions and decided to commence a day banking program. This program is now in operating in Suhada Mawatha settlement in Gampaha urban areas and Gattuwana settlement in Kurunegala Municipal Council area.

| Years | No: of Primary Branches |
|-------|-------------------------|
| 1993  | 04                      |
| 1994  | 04                      |
| 1995  | 04                      |
| 1996  | 05                      |
| 1997  | 08                      |
| 1998  | 04                      |
| 1999  | 22                      |
| 2000  | 40                      |
| 2001  | 42                      |
| 2002  | 55                      |
| 2003  | 71                      |

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### DAILY SAVINGS AND LOAN PROGRAMS

In urban areas where the Housing development Fund activities are operated the poor members are engaged in income generating activities for which they need funds on ;

| Serial No. | Training Program   | No. of |            |              |                  |                        |                |
|------------|--|--------|------------|--------------|------------------|------------------------|----------------|
|            |  |        | Kurunegala | Nuwara Eliya | Gampaha/ Colombo | Anuradhapura/ Puttalam | Kandy/ Mathale |
| 01         | Management and Administration Training for management Committees of Primary Branches | 26     | 233        | 103          | 95               | 38                     | -              |
| 02         | Leadership Training  | 31     | 160        | 102          | 159              | 35                     | -              |
| 03         | Accounting Training  | 38     | 211        | 118          | 94               | 34                     | 20             |
| 04         | Awareness training about policies and programs of WDBF for members                   | 17     | 460        | 72           | 129              | 72                     | 18             |
| 05         | District Leaders Training  | 15     | 48         | 39           | 28               | 12                     | -              |
| 06         | Awareness training on Surakshi Program   | 41     | 516        | 364          | 316              | 137                    | 62             |
| 07         | Human Rights Program   | 22     | 75         | 85           | 69               | 30                     | -              |
| 08         | Program targeting Income Generation  | 20     | 104        | 116          | 63               | -                      | -              |
| 09         | Agricultural Program for members of farmers Associations                             | 12     | 63         | 79           | -                | 19                     | 20             |
| 10         | Training for children Society Members  | 41     | 51         | 42           | 22               | 10                     | -              |
| 11         | Exchange of experience in foreign countries  | 06     | 04         | 4            | 03               | 01                     | -              |

### SURAKSHI RAKSHANA PROGR

As the focus of our program was thrift and Credit, even in case of a distress we had no relief program other than extending credit. However a welfare program was operating at Primary Branch level. It was only a death donation scheme. To fill this gap on January 01 2001, an Insurance Program under the name of "Surakshi" was launched targeting the entire membership.

Members Contribute to Surakshi

| Year         | Amount              |
|--------------|---------------------|
| 2001         | 231,958.29          |
| 2002         | 414,175.00          |
| 2003         | 532,675.00          |
| <b>Total</b> | <b>1,178,808.00</b> |

This a program to provide relief for deaths, natural disasters, childbirth and higher education etc.

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### SURAKSHI BENEFITS

| Year         | Hospital Charges  | Surgeries       | Death Donations   | Marriages        | Child Birth      | National Disasters | Total             |
|--------------|-------------------|-----------------|-------------------|------------------|------------------|--------------------|-------------------|
| 2001         | 24,580.00         | -               | 113,900.00        | 2,700.00         | 5,550.00         | 2,000.00           | 148,730.00        |
| 2002         | 40,280.00         | -               | 190,720.00        | 23,500.00        | 8,890.00         | 1,200.00           | 264,620.00        |
| 2003.06.30   | 36,165.00         | 7,000.00        | 142,500.00        | 33,600.00        | 6,410.00         | 6,410.00           | 246,450.00        |
| <b>Total</b> | <b>101,025.00</b> | <b>7,000.00</b> | <b>447,150.00</b> | <b>59,800.00</b> | <b>20,850.00</b> | <b>20,850.00</b>   | <b>659,800.00</b> |

Colombo Municipal Council areas by the Colombo Municipal Council Partnership Promotion Program coming under the Chairmanship of the Honorable Mayor.

Program withing Kurunegala Municipal Council was implemented with support of the Hon. Mayor Kurunegala MC. For the implementation of the extension program within Kandy Municipal Council are we receive the guidance of the Deputy Mayor.



Urban and rural members sharing their experiences

### CHILDREN SOCIETIES PROGRAM

Children Societies are the Association of the Children under the age of 15 of the members of the WDBF. The objective of these societies is to promote cultural education, moral and social awareness among the members. To achieve this objective, workshops, seminar, literacy competition, education tours are organized and implemented.



Activity of children's program

# Visuals on Second Anniversary

1. Members entering the meeting hall.
2. Singing the Opening Song.
3. Invitees.
4. Members.
5. Mr. Jockin Arputham, President of Slum Dwellers Federation - INDIA
6. Hon. Susil Prema Jayantha, Members of Parliament.
7. Hon. Mahinda Rajapaksha Leader of Opposition.
8. Hon. Ajith Mannapperuma Mayor Gampaha Municipal Council.
9. Leader of Kurunegala District Branch
10. Singing.
11. Hon. Deputy Mayor of Kandy , Awarding the Leadership Certificates.
12. Commemorative Award to our guest from South Africa (13-Nepal, 14-India)

