

Cambodia 2008 Report



*Golden
Futures*

Golden Futures is a UK based charity, working to support young people living in NGO care develop the skills they need to survive, and thrive, when they leave their centres. The way of life in an orphanage, even a well-resourced one that can feed and house its charges well, does not prepare the children for life in the real world. Fortunately, due to its steadfast commitment to furthering the children's education, New Future for Children (NFC), in Phnom Penh, Cambodia, is in a better position than most. It's partly for this reason, and partly due to the strong ties the charity already has with the orphanage, that NFC was chosen for the first Golden Futures loans projects.

Over the summer of 2008, I went out to NFC to work on the loans projects. My basic task was to prepare the orphanage for the first round of borrowing from the Golden Futures long-term loans project, manage that, and also promote, and hopefully start, the short-term loans project. I would have six weeks in Cambodia. Easy, right?



NFC in the rain.

Well, at the beginning, things did not go quite as smoothly as planned. The children were wary of the loans project, and woefully under informed about the opportunities available to them for their futures. They are all very poor, and have little money to pay to get around the city. This makes it nearly impossible for them to visit different universities and vocational training schools, and so planning for their futures is difficult. It's hard to imagine not having enough money to be able to travel across your home city, but this is the daily reality faced by the children, and thousands of other Cambodians.

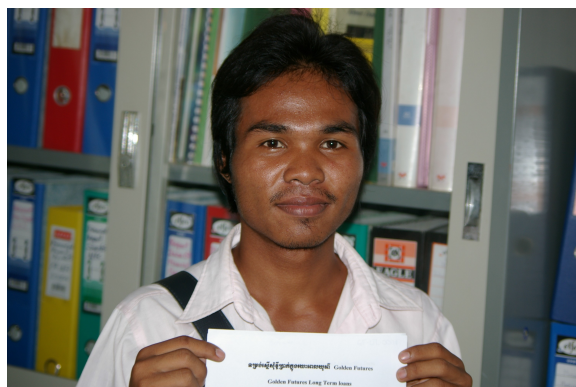
To help sort this out, I had to get the potential borrowers the information they need. Firstly, I met with each of the children who would be starting the final two years of high school, and talked to them about their plans, their aspirations, and also honestly presented the pros and cons of the loan project for them. Secondly, I began gathering information from all the major universities in the city and with the help of one of the older children compiled it into a booklet that was distributed

to all the older children. I also arranged and funded several university visits, where interested children took the opportunity to visit campuses, and ask questions of the staff. As some of the children are considering a career in medicine, studying for which is even longer, harder and more expensive than in the UK, I arranged work experience placements for them at a local clinic staffed by international doctors, to allow them to see if the job really is for them.

As I was working on this, the newly started short-term loans project was thriving. This follows a traditional micro finance model, so small amounts are borrowed and then repaid soon after. Both the loans were taken by an enterprising pair of girls, both cookery students. They had a plan to cater for volunteers, cooking delicious western food and earning enough profit to better equip their kitchen. The Golden Futures short-term loan fund allowed them to borrow the money needed to purchase the expensive western ingredients for the meals, which cost more than an average Cambodian's months wages, a total of \$56. That evening, using borrowed pots and pans, they successfully catered for their first large group, producing a four course meal for fifteen people, and earned enough money to pay the loan back, and reinvest the profits.



The two girls who benefited from the short-term loans project, posing in front of the orphanage kitchen.



The first Golden Futures long-term loan is paid.

However, there was initially little interest in the long term loans project. We had been scrambling to get ready to process applications quickly, but in the first four weeks of my visit, we received nothing. Then, in the fourth week, within a day of each other, two applications came in. These applications were quickly processed, and so Golden Futures gave out its first long-term loan, as well as approving a second to be paid next year. The first was to pay for driving lessons for a prospective taxi-driver, and the second was for a tailor in training to

take additional lessons, and then, when the time is right and he has enough experience, to open a shop.

Opening a bank account in Cambodia is a straightforward process. All you have to do is enter a bank, show your ID card and deposit some money. Of course, to get an ID card, you need to pay the appropriate bribes to the appropriate officials, and provide your birth certificate. Unfortunately, if you come from a poor family, your parents probably never officially registered your birth. On the other hand,

there are provisions for this. Every family has a “family book”, that keeps track of such things, and this is acceptable in lieu of a birth certificate. However, if you haven't seen your family since you were born, or they have died, then you aren't going to be able to get this book.

Thankfully, Golden Futures was able to negotiate an agreement with Credit MFI, an NGO which provides micro finance savings accounts, and they agreed to provide all the children and young people at the centre with a savings account. These are vitally important if potential borrowers are to learn money management skills.

So, what are our plans for next year? Golden Futures has done far better than expected in fund-raising this year. Our target was £1,100, and we have so far raised £6,800. We need to better this next year if the young people at NFC are going to be able to achieve their potential.

We also need to start making provisions for the prospective medical students. Tuition fees alone will be over £5000, and this is far too large an amount to be given as a loan. For this, Golden Futures will be raising money for a loan/grant package, but as the first candidate will finish high school next year, we need to work quickly!



Young people and children living at NFC celebrate the opening of their first bank accounts.