

Project name: LORNA (Rice Loan)

Location: San Bonifacio, Burgos Isabela

Owner of the Project: INANAMA na Assosayon ng San Bonifacio (Hope Association of San Bonifacio)

Type of Project: Rice loan

Issue addressed: Lack of rice during lean season

Project status: Self-sustained/completely managed by the group

Date Started: June 4, 2011

Brief Background and Past Situations

- The months of August, September, October, January, February and March are when residents of San Bonifacio experienced food scarcity because there are no available farm works for them. This means that they have no sufficient money to buy foods for their families. According to Olive Papa, a resident and the treasurer of INANAMA, they used to borrow rice to well-off individuals in their area with high interest. Back before the usual rice price was around ₱1,400 but they were obliged to give ₱2,500 back to the lender. The interest was about 70% and it was extremely high for farm laborers like them.
- During lean season, they normally eat 2 times a day. They used to eat rice porridge just to suffice for at least 5 members of a family.
- They were usually shy and hesitant to ask to lenders whenever they need to borrow rice. Borrowers even did some labors/services like sweeping the front of lender's house, washing clothes and the like just for them to be able to loan rice and gain the trust of the lenders. If they failed to borrow rice, they felt helpless and heavy-hearted because this means no food for his/her family. Given these hard times, people still resort to this way because this was the only option that they see in order to survive the lean season.

Brief History and Project Status

- On May, 2011 they submitted a rice-lending project proposal to Outreach International and was approved in a month. The group was granted ₱78,900.35 and conducted their first cycle of rice loan on June 4, 2011 which benefitted 38 members. One sack was lent to each qualified beneficiary which has a fixed 5% interest of ₱100. The interests collected were continually added on their capital allowing them to distribute more sacks and benefit more members of the group in the succeeding cycles.
- They started of the 14th cycle of their rice loan on January 11,2019. The project has reached a maximum of 86 beneficiaries and they were able to distribute 108 sacks of rice in the latest cycle. Some members have even borrowed two sacks of rice. The current capital they used for their 14th cycle is ₱216,000 and their rice loan project has earned ₱145,812.22 for 7 years in operation as of June 2019.

Project Management Committee

They are the ones assigned to purchase rice, collect the payment and ensure that the project system and policies are followed.

- Sioning Palaguito – President
- Marilou Garcia – Vice president
- Virgie Papa – Secretary
- Olive Papa – Treasurer

Project Accomplishment:

This project helped to resolve issues that beneficiaries experienced before such as follows:

- They no longer endure the embarrassment they feel whenever they needed to borrow rice
- They don't need to do services to be able to loan rice
- No need to pay for high interest imposed in every sack of rice they are borrowing
- Able to eat at least 3 times a day
- Can provide their family a decent meal (no longer eat boiled corn and banana for main meals)

Testimonies from a beneficiary:



Magdalena Cernado

“I remember the time when I have nowhere to ask or borrow some rice with a low interest. Anyone who lends rice in our area always impose a high interest. Whenever I fail to borrow rice, my family and I have no choice but to eat boiled bananas or sometimes boiled corn. There were also times that the lender gave us corn instead of rice. We must exchange those corn to sack of rice grains when the harvesting season came. If we are unfortunate, and there was a typhoon and all crops were devastated, we got nothing to pay to those lenders. We became more sink in debt whenever that mishaps happened. But with this project, I no longer worry where to borrow rice whenever we ran out of it. Also, I'm more confident now to borrow rice now to our group because we are the one working on for this project.”