



Bamboo Micro Credit

Web: - www.bamboomicrocredit.org.au
E-Mail:-mail@bamboomicrocredit.org.au

Newsletter No. 8

October 2012

Hello Friends of Bamboo Micro Credit

Editorial:

I have pleasure in sending you this edition of Bamboo newsletter and I hope that you will find the contents interesting. The Directors are committed to ensuring that supporters of Bamboo are kept informed about our operations and especially about how the donated funds are used.

When I established Bamboo in 2007 with my colleague Fikar in Bukittinggi, West Sumatra, I never envisaged the expansion which has taken place since then. Initially, we thought that any extension of our idea would involve working with individuals, who would manage our program in the community in which they lived. However, things have turned out differently. While Fikar is still working well in Sumatra and managing his loans, we are now concentrating on developing partnerships with local not for profit organizations to deliver our micro credit services. There are significant advantages in doing this, as we have discovered in our partnership with PESAT in Bandung. We are able to access their organizational expertise, their established relationships with villagers in outlying areas, with whom they have been working and their reputation for integrity. In addition, the local organization takes on responsibility for legal issues, which can have major implications. Because of the success in partnering with PESAT in Bandung, we are about to begin similar negotiations with an NGO in Malang, East Java, which is south of Surabaya, the Provincial capital. This is of particular interest, as East Java and Western Australia have a "sister-state" relationship.

At the same time, we are actively working on developing relationships with other organizations with interests in Indonesia, such as member companies of Australia Indonesia Business Council, Indonesia Institute and, recently, the New Zealand Indonesia Association. Bamboo Directors see this as the way for us to move forward.

I will be going to Indonesia in January 2013 and will visit Bandung to see the work PESAT is doing. Fikar will join me from Sumatra and we plan to meet together with PESAT to standardize policies across regions. I plan also to meet contacts in Jakarta and Malang in East Java.

Peter Johnston, Chair of Directors

Supporter profile

Extra Edge Community Services (Inc), it's CEO Louise Grey and their Board of Directors have been strong and enthusiastic supporters of Bamboo, from its inception. Soon after the formation of Bamboo, in 2008, Extra Edge donated \$10,000 to set up

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the infrastructure in Indonesia, including the provision of computers to our managers in Bandung and Bukittinggi. Extra Edge is a not for profit organization which assists people into employment and is based in Cannington WA. Over the years it has diversified its activities into migrant support services, children's and parents' services and programs for prisoners. For several years, they have been assisting Bamboo with preparation and printing of our pamphlet, which has proved to be so useful to us for our publicity. We wish to express our appreciation to Extra Edge for their continuing support.

Questions to supporters

At a recent meeting, Bamboo Directors decided to ask members and supporters their opinion and input about a number of matters. It was felt that this information could assist in connecting with our supporters as well as giving us valuable information.

We would appreciate if you could email your answers to mail@bamboomicrocredit.org.au. Alternatively, if you would prefer to talk to someone about this, please call Peter Johnston on 9258 8258.

Q1. As a supporter of Bamboo Micro Credit, would you like to be recognized, if so how?

Q2. Bamboo has a Facebook page. Are you on Facebook and if you are, would you be willing to promote Bamboo through your network of friends?

Q3. Would you be interested in hosting an event to publicize Bamboo and to raise funds? If "yes" please let us know how you would like to help.

Q4. Do you have any other suggestions about how you could assist Bamboo to support people in poverty in Indonesia?

Website update

Our website is now several years old and in need of updating. It was originally constructed for us by a supporter in Germany, who is no longer able to continue. Another local supporter has been assisting us with taking over management of the site and making changes, to reflect our current situation. We are hoping the updated site will appear soon and in the meantime we are grateful for the input and assistance provided.

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Annual General Meeting

Bamboo's AGM will be held on 29 October 2012 at the offices of Extra Edge, Unit 4, 15 Pattie St. Cannington commencing at 6pm. An invitation will be sent to you separately.

Indonesian economy

We have seen many articles in the media about Indonesia's strong economy, which is growing at around 6% per annum and is predicted to improve even further. There is another side to this growth, however, as prominent economist Rizal Ramli reminds us in Jakarta Globe newspaper on 17 August 2012:

"The fruits of the nation's development have been enjoyed mostly by the upper 20% of society, with another 20% struggling in uncertainty to catch up. The remaining 60% is still spending most of its time dreaming about enjoying a better standard of living."

In the same paper, it was reported that the World Bank estimates that about half of Indonesia's 240 million population lives on less than \$US2 a day. Even with the country's relatively low cost of living, this means a great many are living in abject poverty, with no means of accessing the mainstream economy. These observations, from reliable sources, sound like powerful arguments in support of micro finance for the poor in Indonesia to aid their access to the mainstream economy.

Peter Johnston
Chairperson, Board of Directors
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