

Case No. 4

Population and Community Development Association (PDA)

Nakhon Ratchasima Province, Thailand.

Background

The Population and Community Development Association (PDA) was founded in 1974 as a non-governmental organization with the initial aim to complement the efforts of the Royal Thai Government in promoting family planning in Thailand, especially in areas where knowledge and access to services were scarce. Utilizing a participatory, community-based approach, PDA recruited and trained residents of villages and urban neighborhoods to provide information on family planning, including the supervised, non-medical distribution of oral contraceptives. This distribution network covered more than one-third of the country, thus contributing significantly to the decrease in the annual population growth rate from 3.3% in the mid-1970s to 0.6% in 2005. During the same period, the number of children per family fell from 7 to under two.

After addressing the immediate family planning needs, PDA expanded its activities to include primary health care, HIV/AIDS education and prevention, water resource development and sanitation, income-generation, environmental conservation, promotion of small-scale rural enterprise programs, gender equality, youth development, and democracy promotion.

Most recently, PDA has aggressively approached the problem of rural poverty by empowering the poor through the *Village Development Partnership* (VDP), which establishes a community-owned *Village Development Bank* (VDB) for the purpose of microcredit.

Today, PDA is the leading and most diversified NGO in Thailand, employing over 800 staff members and working with over 12,000 volunteers. PDA has 18 regional development centers and branch offices located across 15 provinces in rural Thailand. It also manages operation of the Lamplimat-Pattana Primary and Secondary Schools, which is revolutionary, private education for the poor.

Quick Facts	
Established	1974
Organization Type	Non Government Organization (NGO)
Stakeholders	Communities, Farmers, Government Agencies,
Working Areas	Community empowerment; Economic development; Environment; Health, and Education
Operating Region	18 Regional offices in 15 Provinces
Workforce	800 Full time staff & 12,000 Volunteers

Source: www.pda.or.th

PDA has pioneered sustainable grassroots endeavors, marked by extensive villager involvement not only as beneficiaries, but also as partners, planners, managers, and leaders. PDA's programs are based on the belief that local people are best suited to be an equal partner in shaping and sustaining their own development. 35 years of PDA's involvement has created significant change in the following areas:

1. Health, AIDS & Family Planning
2. Income Generation & Poverty Reduction
3. Rural Microcredit
4. Water & Environmental
5. *Youth as Agents of Change Today and Leaders of Tomorrow*
6. Education & Nutrition
7. Corporate Social Responsibility - The Village Development Partnership
8. Emergency Relief Services (CBERS)
9. Asian Center for Population and Community Development (ACPD)
10. NGO Sustainability
11. Human Rights Promotion

The Village Development Partnership (VDP)

The Village Development Partnership (VDP) is an endeavor to empower rural communities to eradicate poverty and improve their quality of life. It is a genuine partnership between the villagers and a sponsoring company or organization, which helps to advance the public interest.

The current model has had over 22 years of trial and error. It has clearly demonstrated to

be a successful and sustainable formula of empowerment and self-help that has to do with shared responsibilities and shared opportunities.

The VDP addresses issues in five key areas of:

1. Community empowerment,
2. Economic development,
3. Environment,
4. Health, and
5. Education

Rural Microcredit: Village Development Bank (VDB)

One of PDA's most innovative types of environmental conservation activities focuses on reforestation as a means of capital formation through Village Development Banks, which is a component of the broader Village Development Partnership (VDP). Each community generates money for a Village Development Bank by planting trees. For each tree planted, a small amount of money (approximately 40 Baht or \$1.25) is put into a central revolving fund to facilitate micro loans to rural people who do not have enough collateral for a commercial bank loan. A Village Development Bank is managed by the Village Development Bank Committee that is half-male/half-female. Before being able to borrow from the Bank, villagers must buy a minimum number of shares, as well as open a savings account at the bank. A savings account pays 6% interest which is much higher than any other major bank.

The bank gives loans to individuals or groups (at a low interest rate) to start up income generating business ventures. The trees are inspected after every year of growth and a financial bonus is put into the revolving fund for every tree that is healthy (for each tree that is dead, a deduction is made). A significant portion of the profits in the Village Bank go towards community development activities. These projects promote villager participation in forest conservation and replenishment on public lands and degraded areas. They also convert open land into forests for economic use without depleting existing ones. The Village

Development Bank projects have proven to be extremely popular; they see high rates of repayment and high rates of investment.

Key Learning Objectives

- An Approach to Ending Poverty Through Community Empowerment
- Ending Poverty Through Business Enterprise
- Community Empowerment, Business Skills, and Access to Credit
- Creating a Plan for Sustainable Development



Photo Source: www.pda.or.th