



## HARD WORK AND WATER GROW A BUSINESS

In Cambodia, a way to save money helps a farmer start a new business and improve her standard of living.

BY CHRIS HUFSTADER

In southeastern Cambodia, about 30 miles from the border with Vietnam, Svay Mon is at her vegetable field watching her son and daughter-in-law transplant lettuce seedlings. They have just prepared the growing beds: they hoed out the rows, added fertilizer, and they are now placing each tiny seedling by hand into the fertile soil.

The late afternoon light is warm, the air is sweet, and all the tiny rice fields around Mon are active with farmers working. Even the dragonflies buzz about purposefully.

Next to the garden is a 5-by-10-meter pond (roughly 15 by 30 feet) about half full of water. "Last year I hired someone with heavy equipment to dig the pond; it cost \$250,"

Mon says. "I want to grow more vegetables, and without the pond I would not be able to store water for the dry season."

### MAKING A DIFFERENCE

Mon says that she takes out a small loan from her Saving for Change group for each crop of lettuces, cucumbers, or peppers she plants. She can sell a lettuce crop for about \$175. After she accounts for fertilizer and other inputs, and pays back her loan, the net profit is \$75. Mon says she can plant six or seven crops in a year if she has the water, especially crucial in the dry season.

Previously, Mon and her family just grew rice for family consumption, but since she joined a Saving for Change group

she used her savings and borrowed a little money to dig the pond. She has now expanded her farming to actually earn an income. "The living conditions of my family are improving; with the extra activities like growing vegetables we are getting more income," she says at her home, about 30 minutes by foot from her garden. She says she built a proper latrine and can take care of food and education expenses a lot more easily.

"Now I have a toilet, a motorbike, a bike for my grandson, a pond, and a vegetable garden," she says at her home as the members of her savings group arrive for a meeting.

ABOVE: Svay Mon's son, Ker Heoun, 37, waters newly transplanted lettuce seedlings at the family's vegetable garden. He gets the water from the pond a few steps away. *Patrick Brown / Panos for Oxfam America*



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## SAVINGS AND OPPORTUNITIES

Oxfam's Saving for Change program helps villagers form savings groups of up to 25 people. At first they just save small amounts at weekly meetings. When the group has enough in its fund, it starts to make loans to the members so they can, at first, take care of emergencies like buying medicine for sick children or covering funeral expenses. Group members then often start small businesses, and as they pay back their loans plus interest the group funds grow. At the close of a fiscal cycle, usually 12 months ending right before harvest time (often when children have to go back to school), the group disburses its funds to the members. Last year, that was when Svay Mon dug her pond.

Mon's group is in its fourth year now. After its third annual cycle, the group disbursed \$11,500 in savings and interest. Mon got about \$500. The members are now saving more and more; Mon's group has some members capable of keeping written records, so the members can save different amounts. (Many groups can't keep written records but have smart ways to keep track as long as members all deposit the same amounts. The group then disburses the funds equally at the end of the cycle.)

In Mon's group, members are saving between \$1.50 and \$7.50 each week. They might save from \$220 to \$500 over the course of a year, and they can access larger loans as they save more. Mon says loans from the group are the best option



ABOVE: Svay Mon with her grandson. She says that before joining the Saving for Change groups at her village, "we did not generate any income regularly, like we are now growing vegetables." Patrick Brown / Panos for Oxfam America

BELOW: Nak Thuk, Svay Mon's daughter-in-law, transplants lettuce seedlings. Patrick Brown / Panos for Oxfam America

for financing: "Before, if I needed money to grow cucumbers I would borrow from a microfinance institution. The [Saving for Change] group is better because if we borrow from the group the interest goes back to ourselves. When we borrow from the microfinance institution, the interest goes out to others."

Oxfam is working with 17 partner organizations in Cambodia that have helped people form 6,119 groups across the country. Together they have more than 101,000 members, and have saved \$5.06 million.

"Our research is showing that Saving for Change groups are filling an important gap in rural communities," says Socheata Sou, Oxfam's Saving for Change project

officer in Cambodia. "It has created a way to help people save money, and borrow at relatively low interest rates. It is also helping people to think more long term, and have the confidence that they can invest and earn more money."

As Mon puts it: "Before joining the group we had no savings, and we did not generate any income regularly, like we are now growing vegetables." Her success is encouraging her to think big: "I want to make the pond 10 meters by 10 meters," she says. "And I want at least 30 beds." This would probably double the size of her cultivation area, and she would certainly like to double her income. With enough water, she just might.



## DO ONE MORE THING TODAY

We invite you to watch a video about Svay Mon and her vegetable garden, in which she describes in her own words how she finances her business and the ways her life has changed. If you like it, please share it with a friend: [oxfamamerica.org/save-dig-grow](http://oxfamamerica.org/save-dig-grow).



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