

People Profiles*

1. **Abdul** makes \$250 a week; he is a rural farmer in Kasavu, Nausori and travels every Thursday to sell his cash crops at offices in Suva. He owns two bullocks that plough the field and needs to buy fertilizer and spray seasonally which are very expensive. He has 2 children in secondary school and 3 children in primary school. He is trying to save money to buy a tractor.
2. **Maria** is 73 years old and lives with her daughter in law and two grandsons in a squatter settlement. She receives \$70 monthly from her deceased husband's military pension after care funds. She has chronic asthma and saves her money for medicine or hospitalization. She worries about their future as the landowners could develop the squatter land they currently live in for commercial use.
3. **Eta** is a cleaner and needs to pay for her school fees for her children who are both in secondary school. Her husband is a police officer and both of their income is mostly spent to pay for groceries and other household expenses. She usually hides the money she makes from baking pies to save up for a washing machine but with traditional obligations, family emergencies and other financial levies by the school and church, she is usually forced to spend these savings.
4. **Praveen Chand** is a 40 year old taxi driver, living in Nadera. He is married and has two kids in primary school. He works from the McDonald's taxi stand in Suva and earns about \$300-\$350/week but needs to pay \$240/week to the taxi owner. Praveen plans to have his own taxi someday but with the increasing cost of living, it is so difficult to save money. He would like to take a loan but feels overwhelmed by the banks requirements.
5. **Savenaca Ratu** bought 4 wheelbarrows on hire purchase and rents all 4 of them to wheelbarrow boys at the Suva market for \$26/week for each wheelbarrow. He is still paying his monthly installments to MH for the wheelbarrows. Save tries to save money so he can pay off his credit and wants to buy his own minivan to start another business.
6. **Alice** is a garment worker and a single mother. She lives in a tiny home in a village in Bua with her elderly mother and 4 children. Her youngest son is in secondary school, her two sons and daughter are married with a child each and all of them live under the same roof. Her salary is not enough to provide for her family's expenses. Her two eldest sons who are school dropouts find casual jobs to assist their mother and she sells roti parcels at her workplace to assist the family and her son's school fees. Alice wants to extend the tiny house for her extended family and is saving every little penny she can.
7. **Divesh** makes \$200/week from repairing shoes and bags. But he has to pay \$150/week to the shop owner for use of the shop space. He can barely save for his household expenses and pay his children's school fees, both of whom are in primary school. Because of his financial difficulty, the school management has agreed that Divesh can pay \$10/week until he pays off his children's school fees every term. He is trying to save money to buy a sewing machine for his wife so they can earn extra income.

8. **Elenoa** is a market vendor and earns \$400-\$500/week from selling vegetable and root crops. She is married with a daughter in primary school and lives with her elderly parents. She also supports her two unemployed sisters and their family who also live under the same roof. To complement their income, her sisters find babysitting jobs and sell cakes and pies in the neighborhood. Elenoa wants to purchase 2 gas stoves for her sisters so they can start their own businesses.
9. **Rita Devi** works in one of the juice malls at the Suva Market and earns \$10/day. Her husband is a casual laborer with Western Builders and they have 4 kids, 3 of which are in primary school. They are trying to save money to buy land and build a home of their own. After work, she does some sewing to earn some more income for the family but they realize that they constantly have to tap into their savings as their income is not sufficient to pay for their expenses.
10. **Uraia** is a fisherman and lives in a village near the sea in Veisari and earns an average of \$300/week from his catch. On weekends his wife and daughter sell sea food at the Suva market. His two sons attend secondary school in Suva and they often travel to Suva by boat and catch the school bus from the Suva bus stand. He recently took a \$5000 loan from FDB to purchase a fibre glass boat. Most of his cash earned is spent on the loan repayment, household expenses and school fees. Whatever money the family saves, Uraia spends on buying housing materials and furniture to complete his new home.
11. **Marama** is 60 years old and a retired teacher. She was part of the mass retirement of teachers in July this year. She still supports her son in secondary school through the \$75/week pension from her FNPF. She does voluntary work with the Retired Fijian Teachers Association and receives an honorarium of \$400 a year; she has also started organic gardening in her backyard which assists in her family meals. Wasevina has made plans with a fellow retired teacher to travel to the States in December and she is determined to save what little she can to pay for her travel expenses.

*Names of people have been changed to protect their identity.

Financial Services Available

Small Business Microfinance (FCOSS): members are instantly eligible for loan when they have saved up to \$150 within 3-4 months or less. They undergo a small business skills training and can loan up to \$300-\$400 initially. Maximum loan amount is \$15,000 and interest rate is 25% flat. Repayment of loans is collected weekly, for \$1000 or less: there is a 6 months loan term, +\$1000: loan term is up to a maximum of 40 weeks and for \$15,000 loan: loan term repayment of 3 years is given. This scheme is available to people in Suva, Nausori, Navua corridor and they also cover Naitasiri highlands and Lomaiviti Island group.

Fiji Development Bank Micro Credit Scheme: for loans between \$500-\$5,000 for those who earn below \$7,500 per annum with an interest rate of 6.5% and is available for individuals, farmers and partnerships who are Fiji citizens and have proven sweat equity e.g. Crops, livestock, investments, assets, etc.

FDB Agri-finance loans: available to meet all farm related cost i.e.: purchase of farmland, development costs, purchase of farm equipments, seeds, stock, farm house and working capital. It is applicable to Fiji citizens who have proven sweat equity e.g. crops, livestock, investments, assets, etc. Term of loan: The loan is to be repaid within 5 years at an interest rate of 7.5% and the maximum loan amount is \$10,000.

FNPF Partial Withdrawals-Low Income Earners: available to individuals who earn gross wages less than \$150/week for 37 working hrs for self spouse and children's educational expenses. Maximum amount applicable is \$500/calendar year and assistance is subject to the individual member's education eligibility or partial eligibility and hardship in the **education related expenses**. Processing fee of \$20 is applicable for any partial withdrawal submission whether the application is approved or not.

FNPF Local Education Assistance: is for tuition fees only for form 7 and tertiary level education and other equivalent courses recognized by the Ministry of Education and/or TPAF Accreditation. Member is permitted use of funds within his/her education or partial eligibility and payment is made direct to the school or institute.

ANZ Rural Banking offers two specific rural products: Rural Banking everyday account and rural savings account. Individuals are able to borrow via micro loans at interest rate of 19% flat/year unsecured from between \$250-\$2000 and higher if collateral was provided. A fee of \$50/application is charged. ANZ Rural Banking is only lending to existing borrowers.

Labasa Cooperative Microfinance Project has set up 23 village cooperatives in Bua, Macuata and Cakaudrove provinces and a new group consisting of church members (All Nations Christian Fellowship) has just been formed in Taveuni. There is a village collector in every village that collects savings and loan repayments from the villagers whenever they need to. The Field collectors then collect from the 24 village collectors once a month. Loans are available from \$100-\$3000 with an interest rate of 15-30% flat depending on the loan amount. Loans less than \$1000: should be repaid within 6 months and +\$1000, they can repay to a max of 2yr duration. Repayment of loan is on a monthly basis but collectors can be flexible as well, depending on the client situation, for e.g. A rice farmer can repay his loan on a 6 month interval.

Fijian Teachers Credit Union: membership funds are deducted from salary fortnightly; the funds are converted into shares, the lending system is based on the number of shares a member owns. Available to members who are practicing teachers. Unsecured loans: up to \$500 and secured loans: from \$600 to \$5,000. Interest rate is 12% per annum. Application is reviewed and approved according to ability to meet repayments. Retirees can remain members and enjoy the full benefits as long as they can meet the reduced monthly contribution of \$20/month.

Money Lender: gives small loans between \$50-\$1500. Her fee is 20% on every dollar. Repayment is according to agreement with moneylender depending if clients get a weekly, fortnightly or monthly salary. ATM cards and pay slips are collected by the moneylender as security. With loans of \$1000 or more, tabua (whales tooth), vehicle, laptop, digital video/camera is secured as guarantee by the moneylender.

Instructions:

For each of the People Profiles, list the most appropriate financial service available and list its major advantages. For some, the available financial services may not best suit their needs. Identify what kind of financial services would be a better fit if any.

NAME	FINANCIAL SERVICE AVAILABLE	ADVANTAGES	IDEAL FINANCIAL SERVICE(IF NOT AVAILABLE)
Abdul			
Maria			
Eta			
Praveen			
Savenaca			
Alice			
Divesh			
Elenoa			
Rita			
Uraia			
Marama			

TABLE #:	PROFILES:
1	Abdul, Maria, Eta
2	Praveen, Savenaca, Alice
3	Divesh, Elenoa, Rita
4	Uraia, Marama, Abdul
5	Maria, Eta, Praveen
6	Savenaca, Alice, Divesh
7	Elenoa, Rita, Uraia
8	Marama, Abdul, Maria

This is a 30 min session.

15 mins for group work and then presentation by each group