



FBA IN FOCUS

2008





Our Mission

To assist the people of Aceh to improve their lives through their own potential. Our philosophy is based on direct people-to-people assistance, enabling the community to build from within.



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www.forumbangunaceh.org

Message from the Founder

Azwar Hasan



Forum Bangun Aceh (FBA) has come a long way in four years. FBA emerged after the disastrous tsunami hit Aceh in December 2004, with the motive to help the people of Aceh rebuild from within after everything was destroyed. With very limited capacity and resources, we started small and our purpose was to do something today, not tomorrow, not in two days – even if it might seem negligible or tiny from a financial perspective.

It began with a determination to figure out a way to help survivors quickly. Ten friends from Jakarta joined me in Banda Aceh and we lived with tsunami survivors, buying for them what they needed. Soon after, ten more friends joined

and generous donations from friends and contacts from around the world started to stream in, and thus became the people-to-people approach which remains the foundation of FBA's work today.

Although small, our method provided immediate assistance to survivors, without lengthy discussions on what needed to be done. Plus we understood what people needed, since we were all survivors who were raised in Aceh.

One of our first donations was from an Irish donor called Joe Wood who donated US \$1,000 to buy a becak for a man called Syarwan, who was living in a shack constructed of debris, and wading daily through mud to try to find a means to provide for his six dependents. With a means of making a living, Syarwan was able to provide for himself and his family again, and within a month he repaid \$50 so that someone else could be helped.

Today, FBA consists of a team of nine full time staff and ten Local Motivators and we are proud to have assisted nearly 900 micro businesses, completely rebuilt a school, reequipped 37 schools with furniture and books, coordinated an educational exchange program for eight Acehese students and supported the plantation of 2,250 trees.

We would not have been able to achieve this without the generous donations and support from our donors, volunteers and staff to whom we are forever grateful.

While many international and national NGOs are wrapping up their tsunami recovery programs, FBA is committed to supporting the people of Aceh in the long term. We have gained tremendous strength and knowledge through our four years of operation and are determined to share this experience for a long time to come.

Thanks so much for your trust and support!

“Rebuilding from within, we are stronger.”



"My husband, two boys and I were very lucky to have survived the tsunami, but we lost our home and farm. An international NGO rebuilt our home, but it wasn't until I got a loan from FBA that we regained our financial independence. 20 chickens as well as materials to rebuild a shed were purchased, and I'm now generating enough money to send my children to school."

Rohana, Poultry Farmer, Aceh Besar

Who we are

Forum Bangun Aceh (FBA) is a leading local NGO based in Banda Aceh with more than four years experience in providing educational services, microcredit and enterprise development to tsunami survivors, victims of conflict and the poor and disenfranchised.

FBA's creation sprang from an immediate willingness to help survivors of the earthquake and tsunami of December 2004, which caused devastation along Aceh's coast with the loss of 130,000 people, an

estimated 37,000 still missing and more than 500,000 displaced by the disaster.

Since FBA's beginnings, our focus has been on 'brain and stomach,' where the brain represents education, and the stomach represents livelihood. FBA's efforts have included education initiatives to get schools rebuilt, re-equipped, and operational once more, and the Microcredit program—where small loans are extended to individuals to help re-establish or improve

their small businesses.

Our vision and mission reflect it is the people themselves who are best placed to identify their needs in order to improve their lives. Entrepreneurs and employees of Aceh have expressed a great desire and need to develop their livelihoods and be self-sufficient, and we are helping them to do so.

By meeting the needs of both brain and stomach, we are helping the people of Aceh to lead fulfilled, complete, sustainable lives.

Where we work

The efforts of FBA are focused within the province of Aceh. We deliver grassroots financial and small business support within some of the poorest regions of Aceh. With approximately 26.5 percent of Aceh's population living below the poverty line and more than 30 percent dwelling in rural households, we have focused our programs where the need is great and the community embraces the foundations of FBA's Microcredit program.





Small makes a difference

From just US \$1,700, two FBA loan recipients have converted vacant land into two thriving chili farms.

In 2007, mothers Deli and Siti both applied to FBA for a loan of Rp. 8,500,000 each to establish two chili farms based in the agricultural hub of Aceh Besar. Working with an FBA Local Motivator, the proposal was accepted and seedlings, fertilizer, plant food, piping and stakes were purchased.

The two women had seen how successful other FBA clients had become and after twelve months from the initial concept, Deli and Siti were harvesting their first crop of 7,000 chili plants and employing 13 local staff to assist with the harvest.

It is estimated that the plantation produced more

than one thousand kilograms of deliciously red chili's with a turnover of 20 million rupiah – a fine effort for a début harvest.

Deli and Siti used the capital made on their first season to purchase different varieties of seedlings to plant during the off season.

These two inspiring women tackled many obstacles to produce their first healthy harvest including numerous plant diseases commonly found in Aceh; an increase in staff wages with no increase on the price of produce; and finding an agent who will purchase the produce at a profitable price.

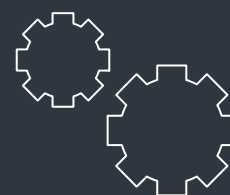
Deli and Siti's successful farms have provided a well needed income for the two families and given them the confidence of becoming small business owners.

What we do



EDUCATION

FBA is committed to supporting quality education for the present and future generations of Aceh. The education program provides access and information for the people of Aceh to undertake education and professional opportunities outside the region including: student placements, scholarships, training, and professional development.



MICROCREDIT

FBA's microcredit program does not lend small business owners money, but rather buys them the assets or materials they need, and the individual business owners repay the cost of the assets to FBA on a monthly payment plan. This 'revolving fund' is targeted towards tsunami survivors, individuals affected by the conflict, the poor and disenfranchised, the agricultural sector and women. Clients are selected for their strong commitment to micro-economic goals, viability of their proposed small business and the degree of community benefit given the success of the business; and are supported by Local Motivators.

HIGHLIGHTS

With generous funding from Dublin Port Company, FBA completely rebuilt the SD Negeri 101 School

Re-equipped 37 schools with furniture, books and computers

Provided 40 elementary children with scholarships to pay fees and academic supplies

FBA and IBO Singapore coordinated an educational exchange program for eight Acehnese students and one teacher with schools in Australia

FBA periodically runs workshops for local academics and professionals seeking international university scholarships




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“Our notion is to do something today, not tomorrow, not in two days – even if it might seem negligible or tiny from a financial perspective. Although small, we’re certain our efforts will help and support the people of Aceh.”

Azwar Hasan, Founder, Forum Bangun Aceh

A young boy with dark hair is peeking over a large white scroll. Next to him, a young girl wearing a white hijab and a white long-sleeved garment with red vertical stripes is holding the scroll. They are outdoors with a blurred green background.

“Through the rebuilding of SD 101, the working relationship between Dublin Port Company and FBA has proven how professional, honest and dedicated Azwar and his team are to all projects, big and small.”

Edel Currie, Dublin Port Company

Education Program

Azwar Hasan, FBA Founder, had the opportunity at a young age to study abroad and experience new cultures as part of the Australia Indonesia Youth Exchange Program (AIYEP), and naturally is passionate in supporting quality education for the present and future generations of Aceh.

FBA's Education Program provides access and information for the people of Aceh to undertake education and professional opportunities outside the region including: student placements, scholarships, training and professional development.

Immediately after the tsunami, there was a desperate need in Aceh to reconstruct and re-equip schools which had been destroyed. With generous donations received from organizational and individual donors, FBA was able to assist in the re-equipping of 37 schools in different parts of Aceh with furniture, books, equipment and computers – demonstrating FBA's people-to-people objective.

With funding from the Dublin Port Company, FBA also completely rebuilt the SD Negeri 101 School in Banda Aceh, which now accommodates more than 50 students.

Many children in Aceh were orphaned by the tsunami, and donations received by FBA have been used to provide 40 elementary school-age orphaned children with scholarships to pay their fees, and provide them with books and other academic supplies.

Additionally, in 2005, FBA and IBO Singapore coordinated an educational exchange program for eight Acehnese students and one teacher with schools in Australia. Offering students of Aceh more opportunities for cross-cultural experiences and learning is one of the on-going aims of FBA's education program and through this exchange program, we've proved that it doesn't take much to provide a remarkable experience – even if small – to create mutual understanding and appreciation of

different cultures.

FBA continues to be committed to its education objectives, and regularly runs complimentary workshops for local academics and professionals seeking international university scholarships. The workshops include personal accounts of applying for scholarships, tips on studying abroad and information on what a selection panel expects. The workshops also provide participants an opportunity to share experiences of previous scholarship applications. The aims of the workshops are to motivate aspiring academics and to provide a forum where students can discuss the many international scholarships on offer. As a result of these workshops, many hopefuls have been successful in winning a scholarship abroad.



SD Negeri 101 School

HIGHLIGHTS

900 loans disbursed
since 2005

30% of loans have
supported women
entrepreneurs

Our work has
reached more than
4,800 people within
six districts of Aceh

Average loan size
US\$758

78% of loans have a
six percent or less
annual interest rate



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A woman wearing a light pink hijab and a batik sarong is seated, working on a large, ornate piece of yellow and gold batik fabric. The fabric features intricate gold patterns and tassels. She is surrounded by various materials, including a red plastic bag, white plastic bags, and a green bag. The background is filled with more fabrics and decorative items. The overall scene suggests a traditional textile workshop or a craft fair.

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Microcredit Program

FBA's microcredit program helps less fortunate entrepreneurs work their way out of poverty through self employment and capacity building.

FBA does not lend business owners money, but rather buys them the assets or materials they need, and then the individual business owners repay the cost of the assets to FBA on a monthly payment plan. This 'Revolving Fund' keeps the money circulating to people who need it most, and will use it best to establish profitable businesses and regain their financial independence.

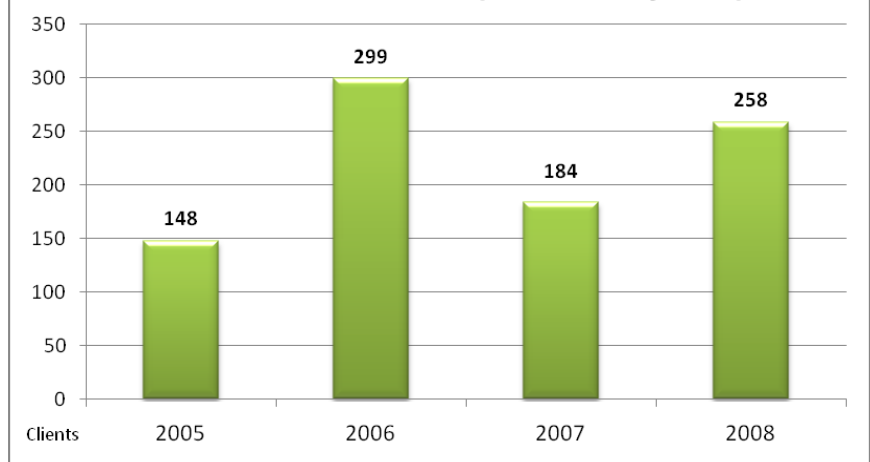
With US \$674,000 circulating through the Revolving Fund, FBA has assisted nearly 900 small to medium businesses within the districts of Banda Aceh, Aceh Besar, Aceh Jaya, Pidie, Pidie Jaya, Bireuen and Aceh Utara; and more than 30 percent of loans have supported women business owners.

FBA imparts enterprise development support for our clients, including small business training; market access advice;

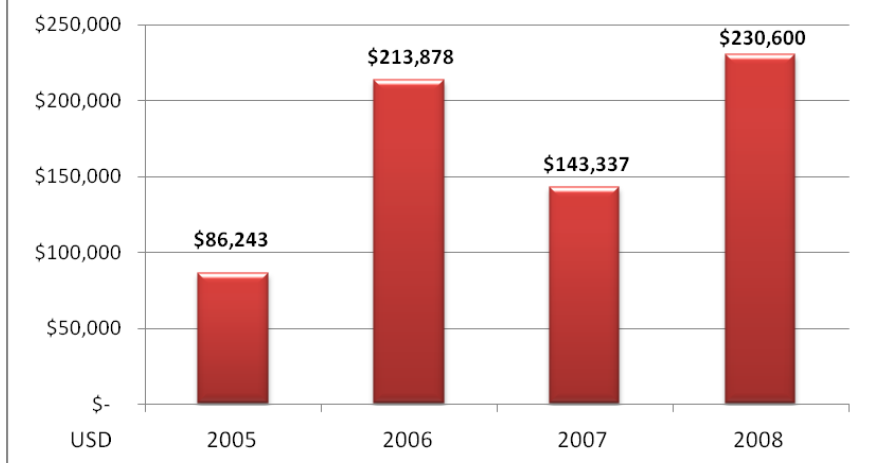
and monthly motivational coaching via our Local Motivators. The purpose of this strategy is to ensure small businesses stay on course and do not subject themselves to

business risks. Additionally, FBA supports and monitors its micro businesses on a monthly basis until the end of the agreed loan period.

FBA Client Growth (over four years)



Value of Revolving Fund (over four years)

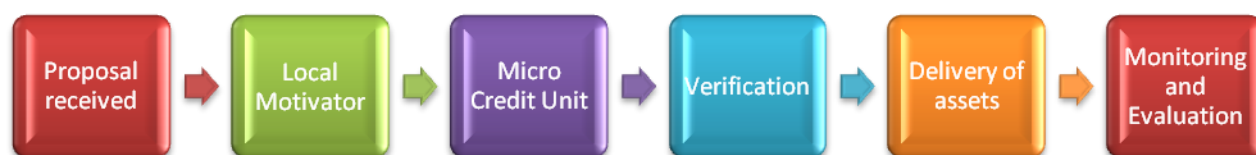


How it works

An entrepreneur wishing to establish or improve his or her small business, approaches FBA with a proposal indicating what the business requires. Upon approval of the proposal and budget, FBA uses the Revolving Fund to purchase the required assets for the owner. A repayment schedule and rate of interest is agreed, depending

upon the size of the business, loan and duration. After a two-month grace period, the owner makes the agreed monthly payments to FBA via our regionally placed Local Motivators, where the repayments go back into the Revolving Fund so that assets can be disbursed to the next business.

FBA supports and monitors its micro businesses on a monthly basis, until the end of the agreed loan period. The purpose of this strategy is to ensure the small business operates according to the agreement and to avoid or reduce the business subjecting itself to business risks such as bankruptcy.



FBA Microcredit loan process

Our clients

The aim of FBA's Microcredit Program is to help entrepreneurs re-establish, start up or expand businesses and encourage economic stability and growth within Aceh. FBA guarantees repayment of loans by vetting applicants against stringent criteria. All loan recipients must be tsunami and/or conflict survivors, must have had successful, pre-existing businesses, and must provide evidence of an existing captive market. Furthermore, FBA's assessment takes into account the number of dependents and employees of the business owner, as well as the number of services the business owner will contract from other local small service providers.

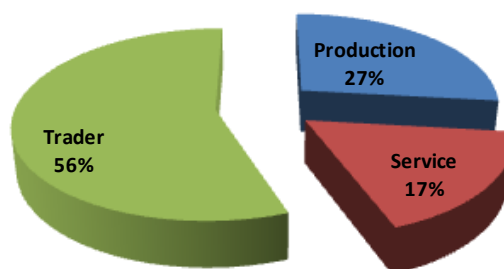
There is also an affirmative action approach to extending credit to women, as there is increasing evidence that not only are women overrepresented amongst the poorest people, but they are also more likely than men to spend their incomes on the welfare of children and dependents. Additionally, FBA

has witnessed a much higher repayment discipline among our women clients than men.

Mechanics, peddlers, goat farmers, handicraft production, hair dressers, wedding organizers and traditional medicine makers; are just some of the clients we have supported.

Analysis of FBA Micro Loans by Sector

As of December 2008



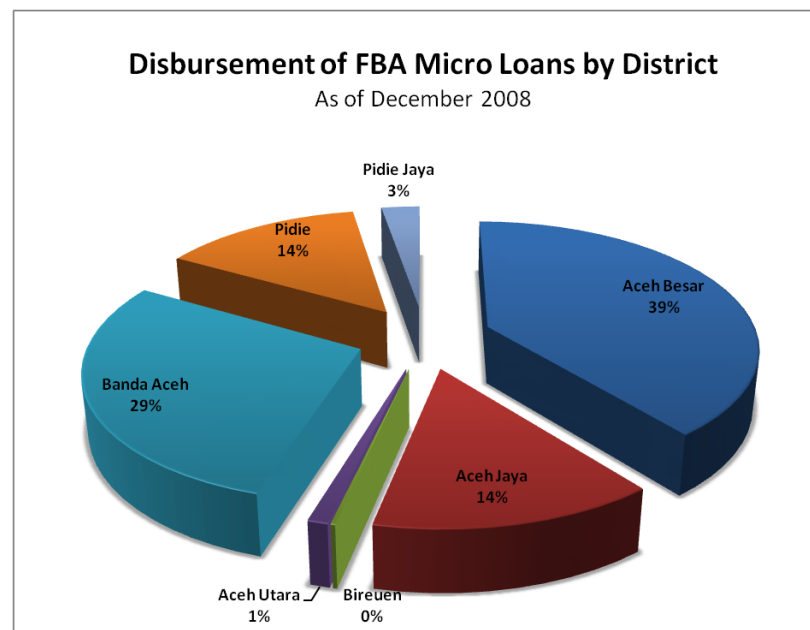
Our reach

FBA works where the need is great. In the aftermath of the tsunami, our efforts were focused on the hardest hit areas of Banda Aceh and Aceh Besar, and as a result the vast majority of our work has taken part in

these districts. We then began to support clients who were survivors of the conflict – particularly those based in the district of Pidie and Aceh Jaya, as these rural communities are located in the area where it was

once the core of the conflict zone.

FBA will continue to work where the need is great, and we have plans to expand to further districts of Aceh in the future.



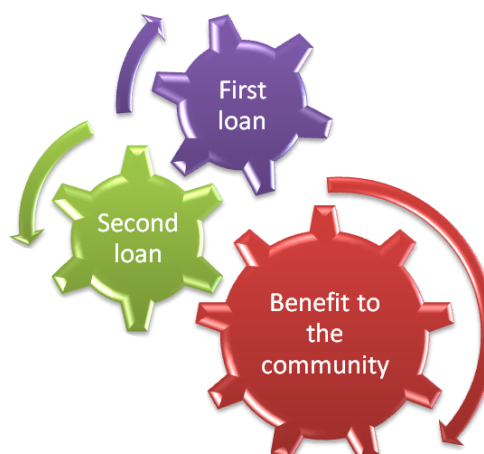
Promoting growth

FBA encourages entrepreneurs to “scale up” or apply for multiple loans as their small business grows – with each loan bigger than the last. This approach not only promotes entrepreneurs to establish their small business, but also supports growth and long term sustainability of the business

with the possibility of employing additional family members or people within their community.

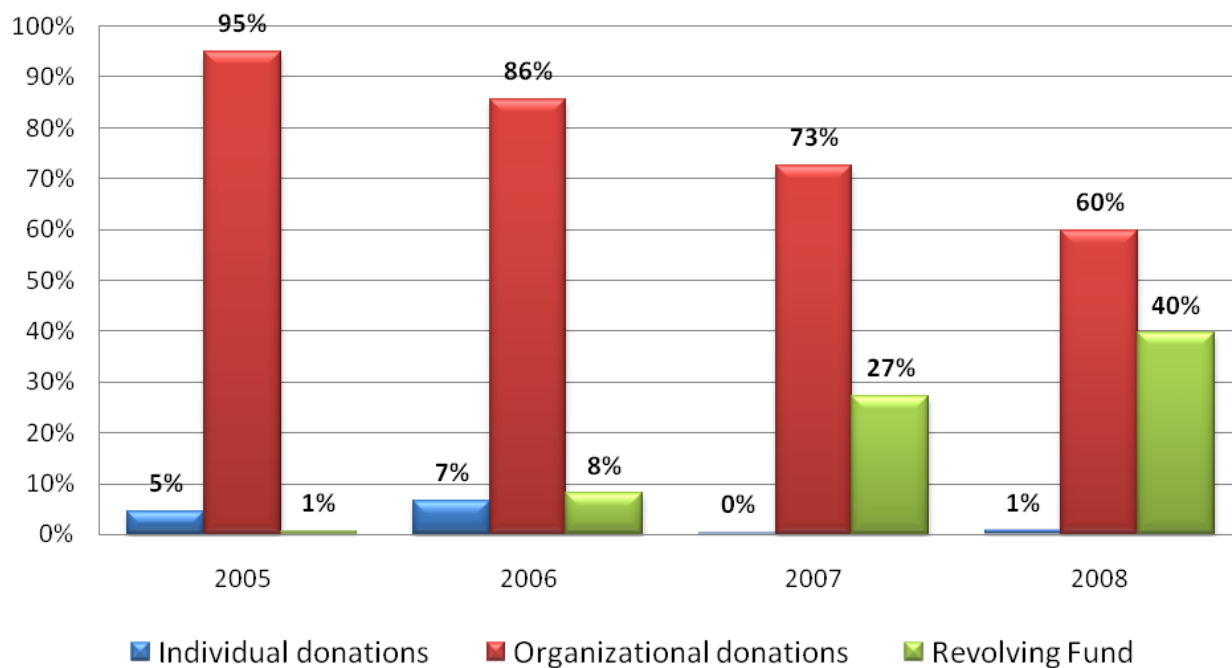
The results of monthly monitoring and evaluation have become the ground for small businesses to apply for a second loan. FBA has been using the

Revolving Fund to disburse second or third loans to more than six percent of its clients who have proven to meet regular repayments, adopt book keeping and small business practices and have demonstrated direction and growth for their micro enterprise.

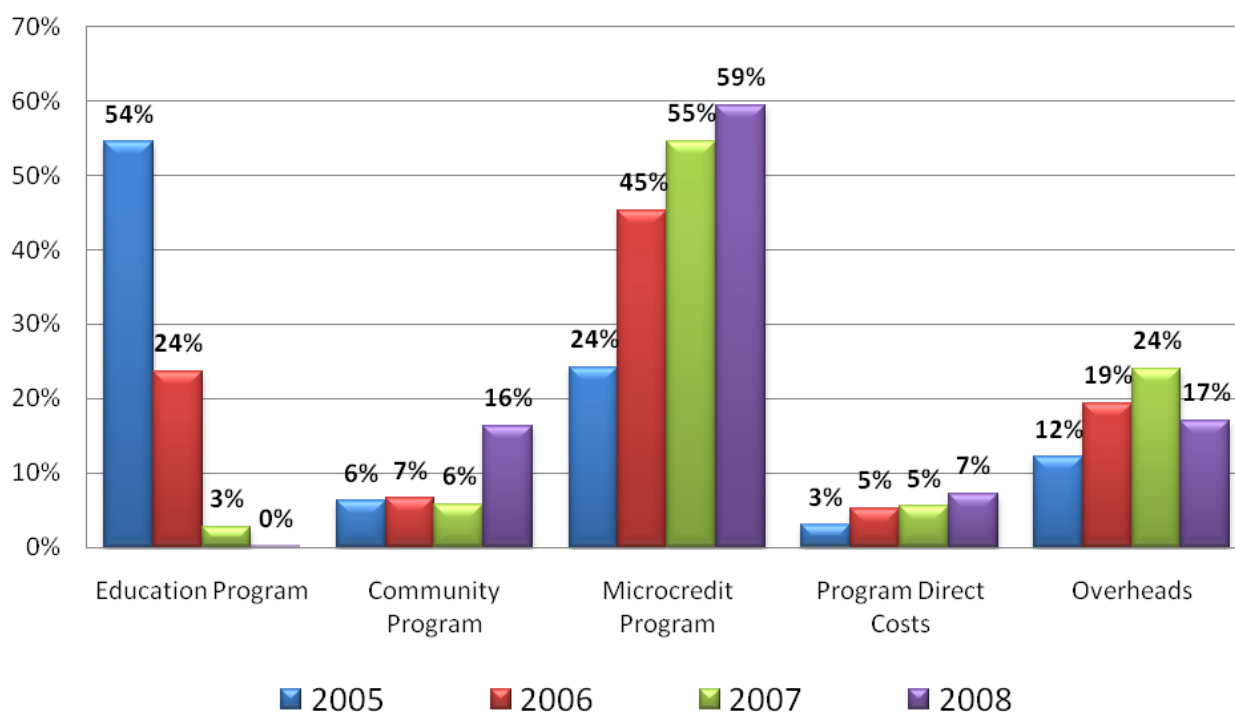


Financial overview

Where the money comes from



Where the money is spent



What we've learned

In 2005-06, the emphasis for FBA was on emergency small business recovery and FBA's mission was to assist as many small businesses as soon as possible who had proof of an existing business, captive market, and whose business had an impact on their community and family / dependants. Although loans were swiftly disbursed, they were approved without a full character reference. As a result of the quick turnaround, some client circumstances altered and their business either changed

directions or a small few closed down as they incurred other debts.

This lesson we learnt through monitoring and evaluation and we have been working hard to modify the microcredit selection process since 2007 and as a result have managed to reduce the portfolio at risk. Today, FBA has a dedicated team who work with those small business owners who find it difficult to make regular payments.

Through regular visits our team encourages these microloan

recipients to stay the course of their loan and grown their business.

The agricultural sector has a specialized repayment schedule in line with their individual harvests or production. At the end of each season the agricultural producers are required to make the agreed repayment back to FBA, and as a result, they are exempt from the 'loans at risk' category. We have found this customized approach to be highly successful.

We use monitoring and evaluation to learn from our work and to increase accountability.



"My FBA loan allowed me to purchase two blenders and ingredients to start a traditional medicine business. Today, I am able to serve more than 200 clients helping people with their ailments while being able to generate an income for my daughter and I. I'm paying off my loan as soon as I can, so that I can apply for another to develop my own brand of products."

Siti Rafida, Traditional Medicine, Banda Aceh





Giving credit where it's due

ISMAIL IIYAS, WELDER, ACEH BESAR

Ismail has been a smash repairer and welder for more than 20 years having learnt the trade from his father who was a mechanic in the Indonesian navy. He first heard about FBA from friends based in Banda Aceh who work in the same industry and Ismail was quick to track down FBA Local Motivator Teungku Maksum to find out how he could apply to FBA's microcredit program for support in expanding his small welding business.

Ismail knew of FBA Local Motivator Tgk Maksum as they lived in the same district in Aceh Besar, and with Tgk Maksum's guidance, Ismail prepared an application for Rp 6,500,000 (US \$722) worth of equipment needed to expand his operations.

Prior to the tsunami, Ismail operated a one-stop shop for smash repairs and servicing. His workshop was adjacent to their house and he enjoyed being one of only three smash repairers in the sub-district. When the tsunami hit, his workshop was destroyed and left Ismail and his family with no livelihood. He was quick to seek employment in another district as a laborer working in a smash repairer to make ends meet, but it was his dream to re-open his own business again. In the early stages after the tsunami, an NGO was assisting his family by providing housing and food, so he used his small income as a laborer to save for essential equipment to restart a welding business.

Two years later, Ismail saved enough money to purchase equipment to perform basic welding jobs and re-opened a small workshop in his grandmother's house. However, the profits from Ismail's new business were barely enough to keep his family afloat.

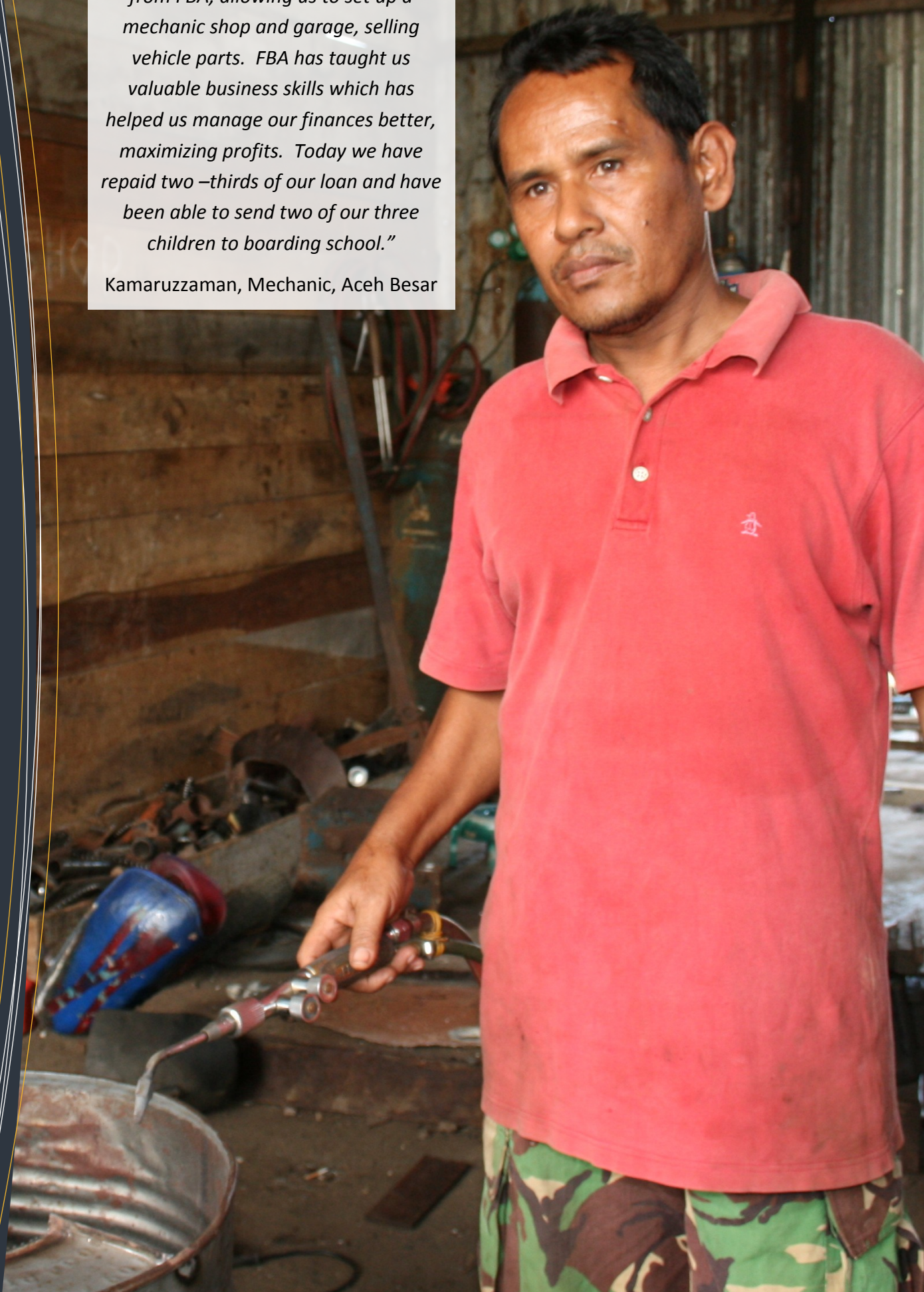
When Ismail found out about FBA's revolving fund program, he worked on a proposal to purchase a compressor, iron cutting machine and drilling machine. His application was approved; and he can now offer a complete range of services including welding, repairs and paint work.

Since receiving support from FBA, Ismail's business has expanded as far as possible while he is the sole laborer. In the past, he has employed skilled laborers from other districts; but they have never stayed long enough to see the duration of the project. It is Ismail's dream for the future to train a young person from his village to assist him with welding and repairs – and he is now on the path to doing this by offering short term internships to students from a technical senior high school in Banda Aceh and Aceh Besar districts.

Since receiving support from FBA, Ismail now has the security needed to provide for his family of seven dependants.

"My wife and I have received two loans from FBA, allowing us to set up a mechanic shop and garage, selling vehicle parts. FBA has taught us valuable business skills which has helped us manage our finances better, maximizing profits. Today we have repaid two-thirds of our loan and have been able to send two of our three children to boarding school."

Kamaruzzaman, Mechanic, Aceh Besar



Our Future

FBA Micro Credit Unit

“Microfinance is about building permanent local financial institutions”

CGAP's (Consultative Group to Assist the Poor), Key Principles of Microfinance



The objectives of FBA are to build sustainable microfinance systems on a local level and provide financial products and services on a long-term, permanent basis to those who need it most.

That is why Forum Bangun Aceh has developed the Micro Credit Unit (MCU) – to manage microloan products and services to ensure long term sustainability of the Microcredit and revolving fund program for the future of Aceh.

FBA's new Micro Credit Unit will manage not only microloans for the poor, but will also introduce other financial services such as savings schemes.

The products offered will be convenient, flexible, and reasonably priced for our clients.

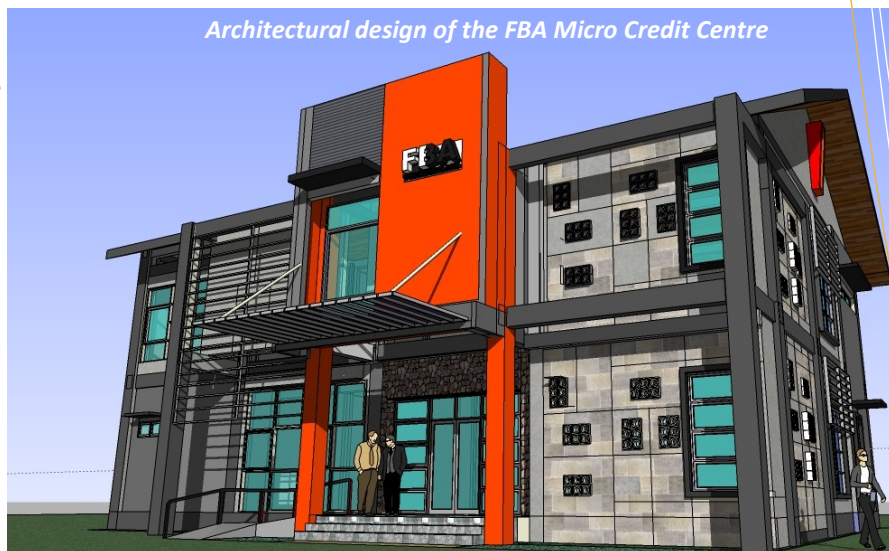
PNM (Permodalan National Madani), a wholly Government owned corporation, provides financing solutions for savings and loan cooperatives such as the MCU, and also provides comprehensive management and training assistance.

FBA has been working with PNM to establish the FBA Micro Credit Unit – which includes the development of an electronic small

banking database known as 'MIS'; staff training and establishment of standard operating procedures (SOP's); development of strategic business plans; and microfinance institution (MFI) training including MFI frameworks, marketing and customer service.

In conjunction with the establishment of the Micro Credit Unit, FBA will be moving into a newly constructed purpose built centre that will accommodate offices, training rooms and facilities for FBA staff, Local Motivators and visitors.

Architectural design of the FBA Micro Credit Centre





Community Programs

“We can all make a difference, even if it is small”

Azwar Hasan, Founder, Forum Bangun Aceh

The mission of FBA is to assist the people of Aceh to improve their lives through their own potential. While our focus is on microeconomic development and education, we seize opportunities when they occur to help improve our communities.

FBA has been promoting a greener Aceh through the coordination of several tree planting initiatives to encourage a clean and natural environment, production of healthy food

as well as economic development and sustainability.

Initiatives have involved the plantation of more than 2,250 mango seedlings in households within five villages of Aceh Besar; providing great environmental and financial opportunities through the harvest and sale of produce at local markets.

Supported by FBA's Local Motivators, the mango tree planting initiatives have gone well beyond the 2,250

household recipients. The programs have reached more than 4,430 indirect beneficiaries, helping to secure a greener community for future generations, offsetting carbon emissions and encouraging organic harvesting practices.

FBA believes that one of the simplest steps to care for the environment is to plant a tree. Planting edible plants not only helps combat climate change, but also provides much needed food and income security for communities.



“My dream is to be able to provide a much higher level of education for my four children, higher than what my husband and I were able to achieve.”

Habibah, Aceh Besar



From strength to strength

HABIBAH, PEDDLER, ACEH BESAR

When you first meet Habibah, you immediately sense a very brave and honest woman - and this feeling only gets stronger the more you talk with her.

Habibah's story of survival is inspirational to say the least. She first came into business six years ago when she was required to assist her husband repay debts that occurred during the conflict period. Her husband - Maneh, operated a goods delivery service, which traveled through the core of the conflict zone. One evening, Maneh was held up at gun point by a group of armed men who took all the goods from his vehicle – many of which did not belong to him, but he was very lucky to have survived the attack without any serious harm.

As honest citizens, Habibah and Maneh worked extremely hard to repay the cost of goods to the owners whose deliveries were robbed – but this was very hard to achieve from the small earnings of the sole delivery business. As a result Habibah opened a peddler store supplying products to local businesses and the surrounding community to supplement her husband's earnings. While Maneh continued with his delivery business, Habibah turned what was a small peddler shop into a flourishing business.

However, this was short lived when the tsunami in December 2004 wiped through Habibah's village and destroyed her shop. Fortunately for Habibah and her family, they were visiting their sick daughter in hospital and were extremely lucky to escape the devastation of the wave that took so many of her friends.

The tsunami left further debt for this struggling family - as she now owed money to suppliers of the stock she lost. One supplier provided her with a small loan to rebuild the business and she reopened with very limited products and continued for three years. But after finding out about FBA's microcredit program from friends who were also FBA clients, Habibah made contact with Local Motivator Tgk Maksum who assisted with the business proposal. A loan of Rp. 9,500,000 was approved and Habibah was quick to restock her store with a greater variety of stock, that allowed her to go from a daily revenue of Rp 3 million to 5 million – and she can now employ two local people: one full time and one part time.

As with many other woman business owners, it's a struggle to balance business and family life. Habibah is a mother of four children – 12, 11, 8 and 2 years; and she not only manages her own business but also undertakes the administration for her husband's business. And if that wasn't enough, she is also the treasurer of her community. Habibah's peddler business operates from 7am to 10pm everyday and although she has assistance from her older sister in looking after the children, it is very difficult to find quality time with her loved ones. She explains that she seizes every moment with her children and encourages them to come into the shop each day after school so that she can help them with their homework.

Habibah is determined to rebuild her business to the size it was prior to the tsunami and would ultimately like to purchase goods directly from Medan – so that she can offer a better price to her customers. On a personal level, Habibah adds "my dream is to be able to provide a much higher level of education for my four children, higher than what my husband and I were able to achieve."



Living in the worst hit tsunami region of Calang, Aceh Jaya; Mirwar and his family defied the odds and survived on coconut milk until they had the strength to walk 12km to the city centre for medical and emergency provisions. “My initial concern was how to feed my family, so I asked all of the family to put together what money we had to start a repair shop.” Soon after, Mirwar commenced a welding business, but it wasn’t until 2006 when he made contact with FBA Local Motivator, Abdullah, that his business got a much needed boost and prospered. Today, Mirwar comfortably provides for his family of six and plans to expand his business, and employ local staff. Mirwar’s dream is to save enough money to purchase a car so that he can travel around Aceh with his beloved grandchildren.

The Local Motivator



FBA enlists the support of ten Local Motivators (LMs) on a part-time basis, with each LM responsible for a specific geographic area. LMs are businessmen / women, community or religious leaders who understand local values, culture and economic practices – and most importantly, they live amongst and know the clients FBA supports.

The role of the LM is to identify individual businesses or groups in their respective areas who are eligible for the Microcredit Program. LMs help small businesses complete the microcredit application process by providing information and assisting in the submission of required paperwork.

LMs receive financial management and bookkeeping training and share these skills and knowledge with the microcredit applicants/ recipients in their area. LMs also provide guidance and encouragement for entrepreneurs to maintain

financial records for their new or improved businesses. LMs meet with clients on a regular basis to monitor their progress, identify any problems, and work together on solutions. They also perform the task of collecting loan repayments from microloan recipients in their area and return those repayments to FBA head office.

The engagement of Local Motivators has resulted in the receipts of microcredit loans being less burdensome on clients. Microloan recipients are not required to travel to Banda Aceh or even a bank branch to make loan repayments (or even when applying for the microcredit program) as this can all be facilitated through the LM in their area. Due to the support given by LMs during the application process, throughout the life of the loan, and when applying for secondary loans – the whole process has become less stressful and difficult for the micro entrepreneurs.

Our LMs represent real community participation in all our microcredit activities. As a result, program planning accurately responds to the needs of the community, program implementation is prompt with less scope for implementation failure, and the community has the opportunity to monitor the program themselves. Thus involving LMs in the program amounts to higher program relevance, effectiveness, efficiency, impact and sustainability.

We believe that due to the engagement of Local Motivators, as well as the trusted and respected status of LMs in their communities, FBA's Microcredit Program has achieved a high rate of loan pay back. We can also attribute the wide coverage of our program to the presence of LMs in those areas, a feat surely not possible without the presence of our Local Motivators.



Local Motivator: *Fatmawati, Banda Aceh*

The tsunami changed Fatmawati's life forever. She lost two daughters, her house and livelihood. Fatmawati has always had a passion to serve the community and this grew stronger after the tsunami when her friends in so much need turned to her for assistance because of her 'can do' attitude. Fatmawati joined FBA in early 2006 and has played a vital role in providing economic sustainability for her community. Her most rewarding moment was when she empowered a tsunami widower to set up a business on her own. Today, this entrepreneur operates a thriving cake making business employing several women in her community.

Local Motivator: *Cipto, Banda Aceh*

Cipto joined FBA in February 2007. The part-time Local Motivator role was perfect for this post graduate Law student, as Cipto has been able to manage his work and studies; and also contribute to his community. Cipto has learnt so much from his role as a Local Motivator, in particular dealing with different personalities and situations. His proudest moment with FBA was when he assisted mother of three, Mariani with an application to set up a small peddler store. Mariani's business soared and she now has a second loan which has allowed her to expand her store and open a coffee shop.



Local Motivator: *Irawati, Banda Aceh*

Irawati's motivation in life is to help as many people as she can to make the world a better place. That is why she joined the FBA team. Irawati has become a champion in her village by encouraging micro economic development and has adopted a 'group loan' approach empowering women as a collective group to start productions of cake making and other products that can take place in the house of the small business owner. The most rewarding part of her job is when she works with FBA staff on the day of loan disbursements as it puts a smile on everyone's face, motivates and encourages a prosperous future.

Local Motivator: *Suryadi, Banda Aceh*

Suryadi joined FBA in January 2008 and immediately felt he joined "a family". One of the first small businesses Suryadi assisted was a widower who struggled to care for her son suffering from lung disease. After several unsuccessful attempts at seeking funding from banks and NGO's, she had nearly given up until she met Suryadi. After an initial meeting, Suryadi assisted with a proposal and the loan was approved—creating a very proud moment as this mother and entrepreneur was now able to generate income to support her sons medical needs. Working with FBA has taught Suryadi much particularly in dealing with different personalities and business skills.



Local Motivator: *Abdullah Y, Pulo Aceh*

Abdullah lives and works on the isolated islands of Pulo Aceh and began working with FBA in 2006. FBA first assisted Abdullah's community with seedlings to commence a new rice paddy production after it was destroyed by the tsunami. The successful harvest came just in time—when food donations from NGO's ceased; and this moment will remain a highlight for Abdullah as it created great happiness and hope for this small community. Abdullah thoroughly enjoys his role with FBA as it allows him to help his communities to regain financial independence. Since becoming a LM, Abdullah has been appointed the secretary of his village.



Local Motivator: *Teungku Maksum, Aceh Besar*

Tgk Maksum, a well respected religious leader, has become the contact for his community for all advice on small business matters since joining FBA in 2006. Tgk Maksum enjoys working for an organization that works for the community not themselves and he proved this early in his time with FBA when a tearful man from his community approached him for advice on recommencing a business. The man had no capital or income and was unable to feed his family. Tgk Maksum worked with this gentleman on a proposal and the loan was approved creating a very proud moment when he was able to help this desperate man. The best part of his role with FBA is the close connection he has cultivated with the community.

Local Motivator: *Amiruddin, Aceh Besar*

Amiruddin is proud to work for FBA as it has allowed him to help the people of his community reestablish themselves after the tsunami. He has become a bridge between his community and NGOs, and the LM role has allowed this fisherman and cattle farmer the opportunity to keep connected with people, broaden his mind and view of the world and he has also made many new friends. Working in a poor agricultural community, Amiruddin hopes that the future will bring more support to his much needed communities and that he can support his people to run successful businesses creating a positive and long lasting impact for his people.



Local Motivator: *Razali, Pidie*

Based in the agricultural hub of Aceh, Razali's beneficiaries mainly consist of poor farming groups who do not have access to banks. Razali's passion is working with agricultural communities and he was able to foster this when FBA moved into his region in 2006. Razali's work is spread over two large areas and he thoroughly enjoys the interaction with people, particularly being able to transfer skills and knowledge to small business owners. His proudest moments have been when his beneficiaries have completed their loans and proven to be financially self sufficient. It gives him great pleasure to be able to work with these small business owners to apply for a second loan, encouraging further economic development.

Local Motivator: *Maimun, Aceh Jaya*

Maimun was first drawn to FBA because of its anticorruption stance. Having survived the tsunami in his home village of Calang, Maimun had many dealings with NGO's in the months proceeding the disaster and struggled to find real help quickly. He soon joined FBA and began to assist numerous small businesses in his community. Maimun's most rewarding moment with FBA was when he assisted Rohana who returned home days after the tsunami to have lost her children, family, home and livelihood. With Maimun's assistance, Rohana now operates a successful shop and has begun another life with a new husband and baby on the way.



Local Motivator: *Abdullah, Aceh Jaya*

Abdullah's mission is to help his community and he fulfills this as a social worker with the Calang Family Planning Office, FBA Local Motivator and informal community leader assisting members of his community with business issues. Abdullah first joined FBA in 2006 and knew it was a good organization when the first delivery of equipment and stock arrived for the businesses he was assisting. Abdullah will never forget the look of happiness and hope in the eyes of the recipients who were struggling to support families while living in temporary barracks. The assistance of FBA within these communities have provided a renewed sense of confidence.

Thank you to our supporters

We at FBA would like to sincerely thank all our donors, volunteers, Local Motivators, board members and staff who so generously share their time, skills, knowledge, friendship and generous funds to assist the people of Aceh.

Your support is invaluable in supporting our mission, and it is your passion and commitment that enables us to bring hope to the lives of our people.



Our Donors

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Step by step

RIDWAN, FISH POND FARMER, ACEH BESAR

Prior to the tsunami, Ridwan operated a modest shrimp farm in the coastal sub district of Mesjid Raya in Aceh Besar. He was one of many shrimp farmers in the area earning enough to support his family. However, the events of December 2004, took away his livelihood - a shrimp farm, stripped by the wave, which now lies under the shoreline a kilometer out to sea.

Ridwan's immediate family were very lucky to survive, and were supported with temporary shelter and food from several NGOs in the months following the disaster. After several attempts at re-establishing his shrimp farm, Ridwan decided to take initiative and spend some time in another region of Aceh to learn new aquaculture techniques to re-establish a successful fish farm. He rented out his motorcycle to fund a two month trip to West Aceh where he stayed with local fisherman and learnt to cultivate the highly-priced "kakap" breed of fish.

With the skills and knowledge learnt from his two month training, Ridwan returned to his home village in Mesjid Raya to start a new fish farm. But, with little to no capital Ridwan was unable to commence the new farming practice. After unsuccessful attempts of seeking loans from banks, Ridwan asked small business owners in his village how they had managed to gain capital to commence their business. It was through this investigation that Ridwan first learnt about FBA's microcredit program and sought a meeting with Local Motivator Amiruddin.

After discussions regarding the pilot fish farm, Local Motivator Amiruddin and Ridwan worked together on a proposal for a Rp. 17 million (US \$1,888) loan. The proposal was considered and what made it stand out from others was Ridwan's commitment to organic farming practices – using no chemicals, as opposed to the traditional fish farming techniques. FBA agreed and assets were purchased including juvenile fish sourced from the Aceh Utara district, fish food and basic repair equipment for the farm.

The "kakap" breed of fish were approximately 5cm in size when purchased and after three months of cultivating, they had grown to approximately 15cm. By six months, and in time for harvest, his first 5,000 adult fish reached approximately 20cm in size - big enough to sell at the market.

While Ridwan prepared for the six month harvest, he worked part time as a fish seller to support his family giving him vital experience in preparing for the distribution and selling of his debut season.

Ridwan is incredibly driven to ensure this project is successful – he has put a lot on the line, not just financially, but also leaving his family for two months during an extremely hard time when they were re-establishing themselves after the tsunami.

Ridwan has aspirations to purchase his own fish farm as he currently rents two ponds for Rp 3.6 million a year. He is also very eager to train former fish farmers in his community on the new organic fish farming practices. Ridwan is fully confident of his new venture and asked that we personally thank FBA donors for making his business opportunity possible.

Frequently Asked Questions

Where does FBA work?

FBA currently works in Aceh covering six districts: Banda Aceh, Aceh Besar, Pidie, Aceh Jaya, Bireuen and Aceh Utara. We don't focus on a specific area - as long as a business meets our requirements.

How can I donate to FBA's Microcredit and/or Education programs?

We welcome donations from anyone - whether you are an individual, organization or community group. Once you have an amount / resource you wish to donate to FBA, please email us at info@forumbangunaceh.org. You will receive further information about the programs via email.

Where can I find the latest list of potential businesses to help?

Please email us at info@forumbangunaceh.org and once we receive an email from you, we will send you the latest list of potential businesses.

Can I donate only to one person / business?

Yes, you can donate to one or multiple businesses (any donation is welcome). You will get the criteria and a short

profile of the micro business via email.

If I travel to Aceh, can I visit the micro business I assist?

Yes, we are happy to facilitate a visit.

Does FBA accept volunteers?

Yes, we do. Although, the number of applications outweighs the number of positions we have available and unfortunately we can't offer everyone the chance to participate directly. If you are interested in volunteering with FBA, please visit our website: www.forumbangunaceh.org and complete a Volunteer Application Form.

What are FBA's administration costs?

Like most organizations, we can only work effectively if we spend a proportion of our income on running costs. These costs include computers, telephones and transportation to enable FBA staff in the office and field to communicate with each other and our clients and stakeholders effectively. FBA aims to keep its administration costs less than 25% and we have been successful in doing this for the last four years.

Does FBA evaluate and monitor projects?

Yes, during implementation, all projects are monitored and evaluated via our regionally placed Local Motivators to determine the impact and effectiveness of each program. We do this through monthly reporting and regular visits to the field. In the case of the microcredit program, we monitor and evaluate clients for the life of their loan. We use monitoring and evaluation information to improve our projects and demonstrate our work to our stakeholders.

How are our programs funded?

Our programs are funded by generous donations from supporters including individual and organizational partners. These funds come from people who want to support our work to help transform Aceh.

Does FBA have any political affiliations?

We are an independent local NGO and carry out work free from any political or religious agendas. We have no memberships or affiliations with any political parties within Indonesia, or anywhere else in the world.





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