

## Rice banks in Myanmar

Rice banks ensure that community members have access to rice (to eat and to plant) during periods of shortage, e.g. the critical transplanting season and when harvests are poor due to bad weather or natural disaster. Participants borrow rice with a low interest rate. The Rice Bank Committee, made up of trained volunteers from the community, can then choose to use some of this interest to help people in particular need.

Villagers in Khun Sar Yan village, Kachin State, Myanmar were having difficulties accessing enough food, especially during the paddy growing season (May to September). Despite having a rice bank, many villages could only return one basket of paddy for every basket borrowed so during critical periods there was not enough rice available for everyone.

**Tearfund's partner, World Concern Myanmar**, started to work with the community in 2003 and invested 340 baskets of paddy in their rice bank. For every basket the interest rate was set at only 5 pyis (0.3 basket) allowing farmers to repay their paddy loans within 5 years. By 2007 the farmers had repaid their loans and had 650 baskets of rice available for other households to borrow.

Out of the interest raised, the rice bank committee has been able to give five free baskets of rice to a fire victim household, buy a paddy thresher for the village Self Help Group and donate travel expenses to three chronically ill patients allowing them to obtain medical treatment at a city hospital. They also regularly help the poorest and most marginalised households to repay their loans.