

5.3 Results Achieved

World Renew Kenya is confident that the presence of the VSLA model and trained staff and partners will have a positive impact on upcoming VSLA projects. The following results were achieved through the model research and roll-out:

Measure	Goal	Actual	Comments
Actual participants involved in the activities of this result chain	30	34	people attended the trainings for week one and 18 for week two to be trained as trainers.
Number of partner staff trained as TOT in VSLA	N/A	13	13 (6f, 7m) partner staff have been trained as TOTs
Number of World Renew staff trained as TOT in VSLA	N/A	1	One staff in World Renew Kenya is trained as a trainer
Number of partner staff trained in VSLA	N/A	18	18 (7f, 11m) partner staff were trained in VSLA
Number of World Renew staff trained in VSLA	N/A	9	9 (5f, 4m) World Renew Kenya staff attended the VSLA training
% of partner staff with knowledge and skills to facilitate VSLA Training	N/A	72%	Of the 18 partner staff that were trained in the VSLA model, 13 qualified as trainers
% of World Renew staff that can train in VSLA	N/A	90%	Nine out of ten staff were trained and hence they have the necessary knowledge and skill to facilitate a training. However, since only one is trained as a trainer, the rest are co-facilitators.

In FY 17/18, the learning from the VSL training will be used in training community-based trainers who will in turn train and mentor groups for one year as they save and loan until the share out at the end of the year.

5.4 Key Challenges and Lessons Learned

Through the interactions with groups and other organizations, we received feedback that **the share-out stage is very important**. For the first few years of the group, the share-out is important to help measure the levels of trust and cohesiveness in the group. The share-out provides motivation to the members because they are all able to save enough to take care of their needs. Even after share-out, some of the group members re-invest their money into the group, so there haven't been any issues with the groups running out of money. As groups mature, they begin to take on newer challenges such as linking up with financial institutions, which no longer require share out.

5.5 Voices from the Field...

Three staff and two community-based facilitators working with ADS-MKE attended a two-week training on VSL sponsored by World Renew in Nairobi. This training provided critical capacity development for the organization which had been promoting three different models of financial services (Self-Help, Rural Finance and VSL).



ADS MKE had promoted the VSL concept among communities in Tharaka, Laisamis and Sololo; however, as there was no staff trained on VSL to provide technical capacity in the implementation of the program among the target communities, the concept was implemented with significant discrepancies from one community to the other. In Sololo, for example, communities were provided with seed capital for the loan fund which is against the concept principles.

This training therefore exposed the trainees to the principles underpinning VSL effectiveness and equipped them with broad knowledge on micro-financing and technical skills in VSL management. Currently, VSL groups in Tharaka are being streamlined to comply to the VSL principles and new VSL groups are being formed among the conservation agriculture farmers in Tigania. The Trainers of Trainees are also currently providing technical support to a health project team in Isiolo implementing a maternal and newborn health project which has a VSL component. This has come in handy for this project which lacked technical knowledge on VSL and has now received support from the Trainers of Trainees.

Additionally, the organization has scheduled a training in November for 20 program staff members on the VSL concept in which the three Trainers of Trainees will train the other staff members. This training is meant to: increase the pool of staff with knowledge on VSL management; streamline the existing VSLAs; and aid in harmonization of the three concepts of micro-finance promoted by the organization.



6. ADS - Pwani – Kenya

6.1 Background

In Kenya, 62.5% of the population in Magarini Sub-County lives in absolute poverty. Most of the employment available to the communities is small scale farming in both crop production and livestock farming. This is further hampered by lack of income to procure farm inputs to sustain the practices. The region is prone to flooding and droughts every 2-3 years.

Community banking is a growing industry that encourages communities to save in banks for individual and communal development. The Kenyan history in the industry, however, was focused on national and international banks. These banks imposed many restrictions on clients, as most people are either unemployed or lack the ability to save consistently. These limitations barred villagers in Magarini from accessing credit from the national and international banks, which also charge high interest rates. Those who were clients often lost property they had used as surety, leaving them much poorer. Therefore, many people were left with few options, unable to meet the thresholds for banking their small monies.

6.2 Description of Innovation Project Strategy and Activities

The communities in Garashi Ward formed a savings and loan institution called Garashi Ward Financial Association (GWFA) with a membership of 1,581, spread over 45 centers. GWFA has trained 10 Community Based Trainers on VSLA, with the purpose of spreading the learning to more centers.

This association was formed by the Garashi community who were already engaged in a food security and livelihood improvement project. This community, after realizing their potential to address issues of food security, agreed to a community savings and loaning scheme to help them access credit to increase production. This was also expected to assist in education and other pressing community needs.

The food security project had already been officially registered by the project management committee, so GWFA is managed under the existing community structure.

6.3 Results Achieved

- 1 community-run micro-finance that is registered with the government and is function in providing financial services. The community successfully registered a community-based



Impacts at a Glance

VSL Grant Priority

Theme:

1 - VSL Start up; 3 - Multi-Sector integration

Partner: ADS Pwani, Kenya

Timeline: 7/1/2016 to 6/30/2017 (COMPLETE)

Number of Beneficiaries: 1,581

Grant Amount: USD \$9,574 spent of USD \$9,950 budget

Outputs/Outcomes:

- 1 microfinance institution
- 45 savings groups
- 167 engaged in income generation activities

organization under the name Garashi Ward Financial Association (GWFA).

- 45 savings groups under GWFA are 100% functional, members are savings each month. So far, they have jointly saved USD \$9,690.
- 167 members that are engaged in an income generation venture, such as vegetable sales, kiosk, hotel, or clothing sales.
- 348 members that have received loans from their respective members. A cumulative USD \$3,000 has been loaned out to members.
- 1,581 (1,000f, 581m) individuals who have successfully completed trainings on VSLA.



GWFA Members having received their passbooks after registration.

6.4 Key Challenges and Lessons Learned

During the course of this project, a number of lessons have been learned by all stakeholders including World Renew, ADS Pwani, the community and the Kenyan government. Among them are the following:

- Never stereotype a community. There is a general assumption in Kenya that Coastal Kenyan people are not enterprising and, hence, lazy. One would give them a grant, but would not think a loan program would work. To our surprise, the Garashi community chose VSLA as the missing link. Some people are limited and bound by circumstances just because the right opportunity hasn't come their way. There is a realization that anyone can save and banks can be domesticated instead of being viewed as a monster that rich people send to rob the poor. People in this community are not only excited to save, but no longer fear credit.
- Training is key to the success of new ideas. Good training by an experienced VSLA facilitator not only made the subject interesting, but also acceptable and achievable. The project had an elaborate training program beginning with ADS Pwani staff followed by ToTs and community participants.
- The role of PRA and integrated programming. VSLA fit well in this community because there was a good foundation for quick take-off and ownership since the community had identified their needs, strengths, and opportunities and had already included VSLA in their community action plans. Integration also makes community members meet regularly to discuss different themes. This accelerates trust-building among participants and facilitates forward growth.
- Transformation from just receiving to creating wealth. VSLAs opened the community's eyes to new possibilities and offered an alternative to just waiting for handouts.

“We don't want handouts anymore, all we need is someone to walk with us.”

-GWFA chairman while addressing national officials, county government officials, clergy, politicians, and members of the public during the official launch of their micro-finance association

6.5 Voices from the Field

Garashi Ward Financial Association (GWAFA) started as a farmer's financial saving pool to access financial support for farm inputs like seed, tools, fertilizer and chemicals.

After the Participatory Rural Appraisal (PRA) conducted by ADS Pwani, the community formed themselves into common interest groups and departments. The department of agriculture and department of economics thought of ways to address the farming needs and formed a financial association where members can access affordable credit.

Later, World Renew facilitated the ADS Pwani staff to be trained on VSL. The ADS Pwani staff further trained 10 Community Resources Persons who embarked on training the community members. The community members formed Village Saving Loaning Associations (VSLAs).

Currently, GWAFA has 1,581 members saving monthly and have over Ksh 1,000,000 (USD \$9,689.93) in their revolving fund.

The VSLA has improved the lives of many who have accessed credit and utilized it. Members have accessed small credit ranging from Ksh 1,000 to 5,000 (USD \$9.69 - \$48.45) which they have used for payment of school fees or for business startups such as poultry rearing, vegetable growing, sale of fruits and vegetables and posho mills (maize grain pulverizer). These opportunities have brought hope and visions of increasing self-reliance economically.

Sifa Zulfa Mweni is a member Mawazo Vsla at Masindeni centre in Magarini. She became a member of the VSLA group in July 2016 and has saved without fail since then. She is 21 years old, married and has one child. Her main objective was to save and start a small business within the village. On September 8, 2017, she borrowed a loan of Ksh 2,000 (USD \$19.38), using the capital to buy small dried fish and baking flour which she then makes into cakes. The business is one month old, but Sifa's hope is that the profits will enable her to repay the loan, and then she will continue expanding the business. She started the business in her home with the aim to eventually construct a kiosk at the Masindeni trading centre where there are many customers.



7. ESPANOR – Mozambique

6.6 Background

ESPANOR is a World Renew partner in Mozambique that works in Milange, Zambesia, a province bordering Malawi. Their programming combines education and various community development initiatives, the center piece of which is an agricultural extension program. A member of ESPANOR's staff visited World Renew project sites in Malawi and concluded that the similar context in ESPANOR's working area made the introduction of the VSLA model an appropriate and much-needed intervention. The three-year VSLA promotion project ESPANOR has since been implementing proposes to mobilize 900 households in savings groups organized through 30 local churches.

In Milange, 95% of the targeted beneficiaries of this project are subsistence farmers who cultivate crops for their own consumption and cash crops. The main income of the farmers comes after harvest season (April-June), while their main expenditures are at planting season (October-December). Therefore, farming households have a need to save money at harvest season in order to have enough for their investments during planting season. Many of the farmers also have small-scale business initiatives, but similarly, they lack the capital for investment. Further exacerbating this challenge, in Milange, there are no formal rural financing opportunities.

6.7 Description of Innovation Project Strategy and Activities

The VSLA promotion program was an important supplement to ESPANOR's ongoing agricultural extension project, which has been constrained in its impact by the difficulties farmers experience in securing credit for the needed inputs. The farmers also needed improved skills in household finances, to better manage their income (and possible savings) which comes in large lump sums at harvest time, leaving prolonged periods without additional inflows.

ESPANOR staff supervisors train and oversee the work of community/church promoters. This is the model that has also been applied in the VSLA project, with each participating church having two trained promoters, each of which led a group of 15 members. The overall goal of the VSLA project has been to achieve a 25% increase in annual household income for beneficiaries.



Impacts at a Glance

VSL Grant Priority

Theme:

1-VSL Start Up; 3 - Multi Sector Integration

Partner: ESPANOR, Mozambique

Timeline: 1/1/2017 to 12/31/2019 (MULTI-YEAR)

Number of Beneficiaries: 300 of 900 target

Grant Amount: USD \$12,453 spent of USD \$28,035 grant

Outputs/Outcomes:

- 10 trainings on VSLA
- 10 savings groups

6.8 Results Achieved

Measure	Goal	Actual	Comments
Training VSL Level 1	10	10	10 community-based trainings
30 groups with approximately 900 members commence VSLA cycle (3-yr target)	30	10	VSLA's established during community-based trainings

6.9 Key Challenges and Lessons Learned

World Renew's Economic Livelihoods consultant has served as a major source for World Renew to build its own capacity, and with ESPANOR, this consultation has helped move the project design in an effective direction in the following ways:

- In the VSLA program, there is a need for a combination of both 'hard' or technical skills, as well as an appropriate culture and attitudes, particularly with regards to the handling of money, trust building and confidence, individual and group discipline, etc.
- The VSLA model is most typically applied to (and successful with) groups of women undertaking a diverse mix of small-scale income generating activities (small ag projects, trading, processing, etc.) and with a mix of credit needs (domestic, productive investments, etc.).
- While the implied gender distinction (between women as small-scale producers and men as capital-intensive cash crop farmers) is not universal, the VSLA model needs to be adapted to the credit needs and cycles of each group (e.g. loans at planting time), if the VSLA groups are to serve the needs of both groups.

6.10 Voices from the Field

Pr. Paulo Salani is one of the participants in the VSLA group in the community of Mukhurumba. Pr. Paulo explained that, in the past, he struggled to save money for his family. Sometimes, his family would go for days without any money available to them, because when he made money, he would spend it however he wanted.

After he heard that ESPANOR started a program of Village Savings and Loans in different communities, it was his prayer that this project would also start in his community. Luckily, he feels God heard that prayer because the project did start in his community. He joined right away.

Since Pr. Paulo joined the VSLA group, he has experienced many changes in his own life and in his family. He started to save his money with MWK 1,000 per meeting. At a later stage, he asked the group for a loan to start a small business. The group approved the loan, and now, he is now a business man. He sells soap, biscuits, salt, etc.

The profits help him to respond to some of the basic needs at home, like soap, cooking oil and various food items. In addition, he feels a greater sense of joy and peace in his life and in his family.

Pr. Paulo has many visions for how he would like to save his money and invest it. He would like use some of the money to buy seeds for the upcoming planting season. His grander vision is to continue saving money to be able to enlarge his business by building a mini-shop. He also mentions that he would like to give back by helping orphans, widows, and the elderly.

Pr. Paulo gives thanks to God for bringing ESPANOR to his community to empower people to become self-sustainable citizens and communities.



7. Fundación San Lucas – Nicaragua

7.1 Background

When World Renew Nicaragua partner Fundación San Lucas recently submitted a maternal and child health grant to Government Affairs Canada (GAC), they were committed to facilitate savings groups with community childcare givers groups. The idea was to mobilize savings to be used in the event of unanticipated health costs or other expenses related to maternal and child health and nutrition. Even though it appears that this grant will not be approved by GAC, World Renew moved ahead with a pilot project involving San Lucas on a reduced scale and time duration with resources from decentralized sources.

7.2 Description of Innovation Project Strategy and Activities

Two San Lucas communities participated in the pilot project. Each community formed a savings group, 40 members in Ochomogo and 15 members in Santa Gertrudis, for a total of 55 participants. Fundación San Lucas was responsible for training and facilitating the ‘management committees’ of the savings groups in determining the internal rules to which they would adhere.

After the savings groups began, there was frequent follow up as the groups matured (weekly, bi weekly, monthly), in addition to an annual review that was integrated into the pilot project design. There are very little outside resources that went into this program other than human resources from the implementing partner and the ‘three-lock savings boxes’ that were provided by the partner.

7.3 Results Achieved

- 2 savings groups were organized agreeing upon internal rules and doing a very acceptable job of following the accounting practices they were trained in.
- Each have savings boxes with three independent locks each are providing adequate security for this current level of savings mobilization.
- 47 out of 55 (85%) savings members are committed to participating in a second cycle.
- 53 out of 55 (96%) savings members increased their weekly savings quota in the second cycle.
- USD \$2,960 collective savings goal so far.



Impacts at a Glance

VSL Grant Priority

Theme:

3 – MultiSector
Integration

Partner: Fundación San
Lucas, Nicaragua

Timeline: 7/1/2016 to
6/30/2017 (COMPLETE)

Number of Beneficiaries:
55

Grant Amount: USD
\$5,665 spent of USD
\$7,650 budget

Outputs/Outcomes:

- Two savings groups
- Pilot project evaluation

7.4 Key Challenges and Lessons Learned

Strengths	Weaknesses
<ul style="list-style-type: none"> • The program is focused on empowering women. The behavior change study confirmed that women are more closely connected to the economics of the home. • If there is a clear goal with tangible impact, the motivation to save is very strong, as it was in the case of the Ochomogo group that set a USD \$50 goal which was quickly attained. • Being in the community, the cash box offers accessibility and relative security. • There is a growing sense of trust among the savings group members. • The fact that all the capital is from savings makes the model very sustainable. 	<ul style="list-style-type: none"> • The current model has all the savings being liquidated at the end of the savings cycle. Although it is a motivation in and of itself, it does mean that the funds are decapitalized and the savings would have to start at zero each cycle.
Opportunities	Threats
<ul style="list-style-type: none"> • The savings goal can be expanded to include other initiatives in addition to saving for health needs/crises. • The savings groups can grow into ‘cajas rurales’ (similar to credit unions). 	<ul style="list-style-type: none"> • An increase in community vulnerability due to natural disaster, etc. could negatively impact the motivation for saving. • The committee that oversees safeguarding the cash does experience some stress in being vulnerable to theft.
Recommendations	
<ul style="list-style-type: none"> • Modify the internal rules of the savings groups regarding how withdrawals can be made to avoid the liquidation of funds at the end of the savings cycle. • Consult with the savings groups on how they can evolve to incorporate a micro lending component using a solidarity accountability model. • Analyze the risks of keeping cash in the community vs. opening a bank account to allow a portion of the cash on hand be kept in more secure conditions. 	

7.5 Voices from the Field

Rosa Chavara lives in the community of Santa Gertrudis, three hours from the capital city in Nicaragua. Her extended family has lived there for years, eking out a humble living on their small farm while putting up with droughts and on occasion, too much rain. It is certainly not the best place to have a farm – life is hard in almost every aspect.

Rosa and her husband have four children. Just after her youngest was born nearly a year ago, Rosa joined twenty other women in forming a savings group in Santa Gertrudis. Every member set an annual ‘savings goal.’ Rosa’s savings goal for the year is just thirty dollars.

Her goal is simple: she wants to make sure she has money to put away in case a medical emergency comes up with her newborn baby. She recalls from raising her other three older children that there will be situations when she will have to scramble to come up with the money to pay for a bus fare to the nearest town to see a doctor when a fever spikes; or purchase a prescription to fight off an infection. In Rosa’s economy, thirty dollars can go a long way to ensure her baby will thrive, and can also make the difference between life and death for a baby. Rosa believes that if she saves two dollars a month for the next twelve months, and assuming at least half of those months she can make a double deposit, she will reach her goal of thirty dollars by December.

The St. Luke Foundation (World Renew’s partner in Nicaragua) trained a core group of community leaders in how to organize their savings group. Collective rules had to be agreed upon, like the frequency and size of the deposits, how withdrawals can be made, and how and where the cash can be ‘banked’ as it accumulates. Rosa was a quick learner and was chosen to be the ‘President’ of the group. She is one of three women on the management committee who holds a key to one of the three locks that secure their metal cash box. To have access to cash in the box, all three keys have to unlock their separate padlocks simultaneously, a rather ingenious security measure.

Halfway through the year, Rosa has already saved eighteen dollars. Her committee is even considering a second phase where short term loans can be extended to group members to start low capital businesses. At some point, they realized that they will have to open a savings account in a bank; that idea would have seemed preposterous a year ago. Thank you for helping make goals like savings thirty dollars during a year an attainable goal.



8. Urban Ministry – Nigeria

8.1 Background

With the return to civilian rule in 1999, militants from religious and ethnic groups have become markedly more violent. While this unrest has its roots in poverty and economic competition, its economic and human damages further escalate the problems of poverty, such as increasing the mortality rate.

Urban Ministry's VSL Grant project combined peace-building with income generation through forming religiously diverse savings and lending groups and promoting small business.

Poor savings culture and lack of proper understanding of basic business principles have contributed immensely to poverty in target communities with high unemployment rates.

The potential and skills of women remain grossly unutilized in target communities due to their marginalization. This situation impacts homes and communities economically and socially. When properly mobilized and empowered, women constitute a powerful force in economic, social, and spiritual emancipation of their households and communities.

8.2 Description of Innovation Project Strategy and Activities

Focused on women, Urban Ministry hoped this project would encourage trust building, increase savings, promote income generating activities (small business), and social fund formation.

The project started women's savings and loan groups in Plateau State, where women have had their fair share of the crises with their livelihood support destroyed. Following a VSLA model, groups with established by-laws and that have saved and effectively managed their own funds for 6 months could begin lending for income generating activities. Groups would then be eligible for an incentive grant to match their savings for sufficient loans for small business.

Non-grant funds supported World Renew staff member, Christopher Danladi, to take an online course on *Adaptive Problem Solving and Program Design for Savings Groups*. Christopher applied what he learned with Urban Ministry staff to assess and determine the best ways to promote savings.



Impacts at a Glance

VSL Grant Priority

Theme:

1 - VSL Start up; 3 - Multi-Sector integration; 4 - Disaster Response

Partner: Urban Ministry, Nigeria

Timeline: 7/1/2016 to 6/30/2017 (COMPLETE)

Number of Beneficiaries: 435

Grant Amount: USD \$10,000 spent of USD \$10,000 budget

Outputs/Outcomes:

- Focus group study conducted
- 24 established savings groups
- 423 beneficiaries have seen profit from their economic ventures

This greatly impacted the results of this program.

8.3 Results Achieved

Urban Ministry has exceeded their goals in all areas of the project, and their strategy has yielded impressive results. Savings exceeded all expectation with the application of learning from the *Adaptive ... Program Design* course. In the six-month period between June and December 2016, the average savings per month for the savings groups amounted to NGN 103,714 (USD \$288.90). In the three-month period between January and March 2017, the average rate of savings nearly tripled, amounting to NGN 381,333 (USD \$1,062.21). Due to the high success of their results, World Renew Nigeria has selected this project to be used as a case study for learning and possible replication.

Measure	Goal	Actual	Comments
Improved economic wellbeing and peaceful coexistence resulting from improved entrepreneurship and trauma healing training	Agree	Strongly Agree	Beneficiaries have increased income which is positively impacting their individual and community life. Beneficiaries are increasingly relating with others as they engage in self-help economic ventures as well as in community group meetings.
# of people with increased amount of savings for entrepreneurship activities	180	435	Beneficiaries continue to show commitment to regular savings and loans program in their various groups. Average savings per member is currently USD \$14.
# of people involved in group savings and loans who report increased profit from business activities	145	423	Beneficiaries report increased profit from various self-help economic ventures. Average profit per month per beneficiary is USD \$27.
# of beneficiaries who forgive known and unknown offenders and embrace diversity	90	364	Beneficiaries testify that they have seen the value of forgiveness for themselves and their communities.
Number of savings and loans groups established	18	24	Established savings groups are active with trained leaders.
# of people involved in savings and loans groups who complete entrepreneurship training	180	435	Beneficiaries appreciate involvement in the project and participated actively in the entrepreneurship training sessions.
# of self-help economic ventures newly started or restored	145	435	Beneficiaries were empowered to either establish or restart their self-help economic ventures.

Applied learning contributed to almost tripling the rate of group savings in half the time.

8.4 Key Challenges and Lessons Learned

Focus Groups Results

- **Savings dependent:** Up to 90% of program participants depend on their savings when they are short of money.
- **Economic Participation:** All beneficiaries are involved in some sort of trade and or agriculture for returns
- **Investment Preferences:** There is high interest among beneficiaries to invest in building and or purchase of land for safety and returns.
- **High cost of life cycle events:** meeting these costs is a constant challenge for households.
- **Success motivates further success:** The best promotion for VSL groups is other successful VSL groups.

Implications for the Way Ahead

- **The VSL model seems to be wholly appropriate for the community:** it encourages the mobilization of savings, which is key to household resilience.
- **The Social Fund provides key benefits to members:** in terms of coping with the high cost of life cycle events.
- **Support for Strengthened Economic Participation:** Members are already economically active, but they need support for growing their activities and making them more profitable and sustainable.
- **Investment Preferences:** Education needs to be done to encourage greater interest in investing in productive assets and activities. However, this is not easy when there is little confidence in the currency and economy.
- **Build on our successes to date:** The VSL model is proving to be successful and we should build upon this success by both expanding outreach, and supporting existing groups to provide more services to members.

8.5 Voices from the Field

Mrs. Maureen Nnaaji and her family were victims of the crises that rocked several towns and communities in Plateau State in the year 2010. Maureen's family was attacked and their property destroyed. The family was left with very little, and life became difficult for them. To make ends meet, Maureen started a small self-help business of selling grains to support her husband, six dependent children, and herself. Unfortunately, the business did not go well due to lack of training and inadequate business capital.



Urban Ministry's VSL initiative started at the very point when Maureen was totally discouraged and at the verge of giving up. Maureen joined one of the community savings and loans groups established by the Urban Ministry with support from World Renew's Livelihoods Working Group. Maureen and other members of the village savings and loans group received entrepreneurship training from the Urban Ministry staff with guidance from World Renew. Maureen reports that it was initially difficult for her to sustain her monthly savings with her group, but God helped her to persist and qualify for a loan after a period of six months.

Maureen reports that "God has touched" her business and "things are now different." She adds that her "business is growing to the glory of God." Maureen is currently involved in selling assorted grains and is happily supporting her family and providing fair service in her community. She says, "My income has increased and I am comfortably helping my husband in the upkeep of my family, paying children's school fees including a daughter who is in the university."

Many Urban Ministry Village Savings and Loans beneficiaries testify that the organization has economically, socially, and spiritually lifted up their families. They appreciate the ministry for nurturing them patiently with a lot of dedication and commitment. They further note that the capacity-building is greatly helping them to improve their self-help economic ventures.

9. Christian Extension Services (CES) – Sierra Leone

9.1 Background

The Koinadugu District in Northern Province of Sierra Leone is the largest and poorest district in the country and Sierra Leone itself is one of the poorest countries in the world. 60% of the population lives on less than USD \$1 per day and 80% live on less than USD \$2 per day (UNDP). Among other factors that contribute to this pervasive poverty include lack of access to credit, lack of financial resources to cushion families against shocks, lack of secure places to save, and a lack of trust and social cohesion within local communities that limits the transparent management of communal resources.

Food insecurity impacts 45% of households. In general, households spend on average 63% of their total expenditure on food. Borrowing money to buy food is common (52%). Three quarters of the population rely on markets as their main source of food. Under such conditions, the trend of high and rising food prices poses a serious threat to food security in Sierra Leone (World Food Program 2011).

9.2 Description of Innovation Project Strategy and Activities

The project built off the food security funded by the Sustainable Agriculture and Food Security (SAFS) grant. Engaging the same communities, it aimed to increase the capacity of households to manage their financial resources and withstand shocks by providing access to two basic financial services – savings and credit. Key components of this program were the inclusion of female farmers and adapting the lending and repayment cycle to the agricultural calendar (e.g. loans for inputs and repayment at harvest time).

The grant from the VSL Grant paid for seed money and 80% of the costs associated with training and supporting the savings and loan associations to govern themselves transparently and manage their financial resources effectively. Seed money was used to increase the amount available for loans needed for viable income generating activities.



Impacts at a Glance

VSL Grant Priority

Theme:

- 1 - VSL Start up (scale up)
- 3 – Multi Sector

Partner: Christian Extension Services, Sierra Leone

Timeline: 11/1/2016 to 9/30/2017 (COMPLETE)

Number of Beneficiaries: 1,530

Grant Amount: USD \$6,942 spent of USD \$10,000 budget

Outputs/Outcomes:

- Increased involvement of women in leadership
- 1,530 seed loans

9.3 Results achieved

Measure	Goal	Actual	Comments
Actual participants involved in the activities of this result chain	750	1,530	
Gender equality in communities – women have key roles in Village Development Committees (VDCs)	74	63	45 women are playing key roles in the 15 old communities and 18 women are playing key roles in 9 newly trained VDCs

9.4 Key Challenges and Lessons Learned

- The VSL groups are introduced in a setting where much of the system is already common. CES staff was familiar with the *osusu* (traditional rotating savings group). The existence of such a savings system likely made the introduction of VSL easier because people already had trust in the system and in their fellow villagers.
- CES combines initial savings with seed money, somewhat contrary to preferred savings-led approaches. The allowance of seed funding up front to savings groups does not seem to be creating any problems, however. The advantage of VSL with seed money is that the whole group can receive their money at the same time and they can plan when that pay-out will take place. In most villages, most people preferred the pay-out before the start of the rainy season in order to buy agriculture inputs or buy food during the lean season.
- VSLAs need to be managed in the broader picture of how households manage their finances. As poor West-Africans are constantly juggling money and debt, VSL instantly becomes part of this system. People often suddenly need money to pay medical bills or school fees, and the VSL was a good way to find loans. Previously, people had often gone to Fulani shopkeepers in a large village close-by, but they asked for high interest. In this way, people felt the VSL had really helped because now the interest was much lower and they could get a loan more easily and close to home. In some VSL groups, only people who needed a loan took one out, so there would always be a sizable amount of money in the box.

9.5 Voices from the field ...

A VSL beneficiary in Sarako village who invested her first Village Savings and Loans amount of Le75,000 (\$12 USD) on short-term improved variety of seed rice (Nerica) in the inland valley swamp in late March 2017. When CES attended VSL refresher training in June 2017, the rice on the farm was nearly ready to be harvested. “I appreciated this achievement because we now have food between harvest.”

CES staff, Kerah and Lansana, making corrections and directing the VSLA secretaries of Sarako and Bendukura on how to keep proper VSL records in the general ledger book.

One of the key areas the VSLA secretaries especially pay attention to is the services VSL provides to its members in order to achieve their objective and that is a record showing list of beneficiaries, loan amount received from the principal grant and the interest to pay during recovery.



10. Pentacostal Assemblies of God (PAG) Southwestern – Uganda

10.1 Background

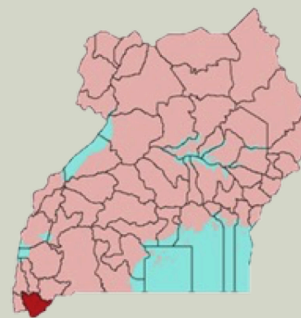
Lack of access to credit is one of the key factors that hinder rural communities and individuals from involvement in activities that improve livelihoods. This project aimed at improving livelihoods among the most vulnerable communities through scaling up the village savings and loans association (VSLA) methodology to improve access to groups' self-generated income. PAG Southwestern improved on skills and knowledge of VSLA members on records keeping, savings and borrowing and engagement in income generating enterprises, as well as, procured and distributed saving kits to newly formed groups.

10.2 Description of Innovation Project Strategy and Activities

This intervention scaled up the VSLA methodology that PAG has been using since October 2013 to improve access to groups' self-generated income. PAG Kabale has been working with 20 self-initiated VSLAs for people living with AIDS and orphaned and vulnerable children caregivers for over four years. The 20 VSLAs serve several key purposes: psychosocial support among group members with similar challenges, a platform for learning about HIV/AIDS, food security, skills development, and support in saving and borrowing to strengthen household incomes. The VSLAs meet either on a monthly or weekly basis to save, contribute to the social fund and borrow from the internally accumulated funds at affordable interest rates.

PAG scaled up the VSLA methodology by facilitating the formation of 10 more VSLAs. As a way of strengthening sustainability of this intervention, two Village Agents (VAs) from each of the old 20 VSLAs were trained to become Trainers of Trainees for the upcoming VSLAs. In a bid to ensure the sustainability of this methodology, the local church will be used as an entry point for the scaling up of this methodology.

The local church was charged with the responsibility of overseeing the work of the VAs, VSLAs and VSLA committee members in savings mobilization and loan management. The Savings and Credit Cooperative (SACCO) leadership provided technical support through mentoring the local church to ensure the sustainability of this initiative.



Impacts at a Glance

VSL Grant Priority

Theme:

- 1 - VSL Start up (Scale up)
- 3 - Multi-Sector

Partner: Pentecostal
Assemblies of God
Southwestern, Uganda

Timeline: 7/1/2016 to
6/30/2017 (COMPLETE)

Number of Beneficiaries:
785

Grant Amount: USD
\$9,287 spent of USD
\$10,000 budget

Outputs/Outcomes:

- 488 participants accessed loans
- 40 Village Agents trained

10.3 Results Achieved

Measure	Goal	Actual	Comments
Planned participants	678	772 (537f, 241m)	The integration approach, good governance and testimonies from participants, has attracted many more participants than planned. All participants have been trained in the VSLA methodology with the help of Village agents and local church pastors.
No. of members subscribing to the SACCO	400	360	Subscription to the SACCO stands at 360 members. Individual members accounts are 303 (134f, 169m). The SACCO allows for other options of opening accounts as a group or as an institution. This option has led to 41 groups and 16 institutions also opening accounts.
No. of members engaged in businesses enterprises attributed to this project	360	640 (494f, 146m)	
No. of members accessing loans (from the SACCO)	130	488	This year, many participants have been able to access small loans to engage in economic activities, others to meet their basic needs. The number is increasing because of the scaling up of VSLAs.
No. of members repaying loans within the required time period		390	The number includes the 102 members who are reported to have repaid their loans in time from their respective VSLAs. Others are repayments to the SACCO. The repayment differs from one group to another in terms of duration.
No. of VSL groups supported	30	31	To ensure safety of members savings and ensure transparency of operations, 10 assorted saving kits were distributed to 10 new VSLAs.
No. of groups with good records. Good records include minutes of group meetings, update records of savings and loan repayment.	30	31	Record keeping for all the 31 VSLAs has improved due to the vigilance of the VAs under the close mentorship of the VSL Coordinator.
No. of Village Agents trained	40	40	
No. of VSL members participating in the learning visit	40	40	40 members from the 30 VSLAs visited Karujanga PAG Community support group in the 2nd quarter for learning purposes. The group has continued to grow and becoming a role model for other groups.

10.4 Key Challenges and Lessons Learned

- There is a high level of ownership – the project is not seen as something from World Renew or the partner, but rather from within the community. World Renew comes in with training once the governance is in place to provide further support.
- VSLA groups act as a backbone for other programs
 - Meetings are used as a forum to discuss other issues as well as the VSL work (i.e. conservation ag, HIV/AIDS awareness, gender issues, vocational issues),
 - These forums help facilitate learning in additional program areas for the group members.
 - VSLA groups can be used as platforms for new programs
 - Members can also borrow money from VSLA groups to purchase inputs and pay for services needed for other program areas

- Some groups who have decided to do farming used the money to purchase inputs such as oxen and plows to earn more money from agriculture. The money earned gets reinvested into the group. Other groups used the money for orphan outreach and care.

10.5 Voices from the field ...

Sanyu Giripina is a single lady and lives with her parents in Kyanamira. She is a member of the Kyanamira Transformation support group. Before she joined the group, she was not involved in any other business apart from subsistence farming. When she joined the VSLA, she started saving UGX 2,000 (USD \$0.55) per month and at the end of the year, she had saved UGX 24,000 (USD \$6.60). She borrowed UGX 30,000 (USD \$8.32) from the group. With her total capital, Sanyu bought a piglet at UGX 50,000 (USD \$13.87). She looked after the pig well so that, later, she was able to sell it at UGX 300,000 (USD \$83.23). With these earnings, Sanyu bought three more piglets and raised them. The pigs later produced, she sold some and then started a business selling secondhand clothes, worth UGX 100,000 (USD \$27.74). She now reports that she has one pig, one goat, and the business value is now at UGX 450,000 (USD \$124.84). She finds it easy to save money and meet her basic needs.

Tumwesigye Edith is married with five children. The family lives in Kamunoga village in Kaharo Sub county. Before she joined the VSLA, she had lost all her hope of life because she had HIV. Through Embrace AIDS, she was encouraged and regained her hope for living. She borrowed UGX 100,000 (USD \$27.74) from the loan revolving fund through their support group and used the money to buy one piglet worth UGX 50,000 (USD \$13.87), using the balance to feed and look after it. The pig has now produced eight piglets worth UGX 50,000 each. She reports that now she can use manure in her gardens, has enough food for the family and expects an increase in her income through her piggery enterprise.

Mukakomite Gloria is 27 years old and is married with one child. She lives in Kigongi A, Kabale Municipality. Before she joined PAG's Love Abide group, she suffered a lot because her husband did not manage to provide and care for her. Since she was not working, she had to wait and ask him for whatever she needed. In October 2016, she joined PAG's Love Abide group where she bought two shares each at UGX 2,000 (USD \$0.55) and in January 2017, she took out a loan of UGX 60,000 (USD \$16.65) and started a business of selling charcoal, Irish potatoes, sweet potatoes and green bananas. Now, her business is worth UGX 100,000 (USD \$27.74), she has finished repaying her loan and she has greater freedom to buy what she wants, not needing to depend on whether her husband will provide.



11. Reformed Church of Zambia – Zambia

11.1 Background

Zambia's food security situation is precarious due to the country's over-reliance on a monocrop maize production system. Maize requires a lot of inputs and significant and regular rainfall for it to do well. In times of drought and with declining soil fertility due to an over-reliance on a single crop and on chemical fertilizers, farmers face severe food shortage.

This situation has had a significant and negative impact on the poor, especially in rural communities. Chronic malnutrition (stunting) in children has affected about 47 percent of rural households. Children affected with chronic malnutrition will remain physically and/mentally impaired for life, even if they survive to adulthood. This high rate of malnutrition has serious implications on Zambians' development prospects (WFP Report 2015).

According to the Zambia in-depth vulnerability and needs assessment report 2015, the number of people affected by food insecurity in Vubwi and Chadiza is 60.6% and 54.2% respectively.

11.2 Description of Innovation Project Strategy and Activities

The project has sought to improve food security, strengthen livelihoods and build healthier households in 32 vulnerable and agriculturally dependent communities in Vubwi and Chadiza Districts of the Eastern Province of Zambia.

This has been achieved through an integrated approach by addressing the sustainability of current agronomic practices, improving animal husbandry and reducing livestock disease, improving household nutrition and health, improving and stabilizing household incomes through VSLA and market access and increasing awareness of farmers rights around land ownership. The populations especially targeted were vulnerable farmers, prioritizing women-headed households, large families, families taking care of orphans and the elderly, marginalized families due to disabilities and/or taking care of the chronically ill.

This project with RCZ has been particularly innovative for World Renew as it has focused on establishing linkages with the private sector. By collaborating with several different actors, World Renew Zambia has been able to leverage their funding for greater impact. The collaboration of actors includes RCZ, TEAR Australia, World Renew, and Good Nature Agro (a for-profit company that trains farmers and uses market access to buy and sell their farmer's seeds).

This collaboration was able to promote a farmer-led, legume-focused, out-grower platform that provides three key services to



Impacts at a Glance

VSL Grant Priority

Theme:

1-VSL Start Up; 3 - MultiSector; 7 – Market

Partner: Reformed Church of Zambia

Timeline: 10/1/2016 to 9/30/2019 (MULTI-YEAR)

Number of Beneficiaries: 305 of 800 target

Grant Amount: USD \$12,500 spent of USD \$37,500 grant

Outputs/Outcomes:

- 15 savings groups
- 16 Private Extension Agents
- 305 VSLA participants

farmers that are hard to access: 1) Personalized financing and training for and around inputs (feed and fertilizer); 2) Reliable agriculture information in the form of a commission-driven extension network; and 3) A reliable and profitable market.

11.3 Results Achieved

This project was instrumental for World Renew in how to establish better linkages between rural farming communities and private sector businesses to improve household income.

The program has promoted an innovative extension model designed to overcome some of the commitment issues that World Renew Zambia has seen in past agricultural programming with the use of agricultural volunteer workers. The current AVW's that were selected by the communities were enrolled into Good Nature's PEA (Private Extension Agents) College and have been given extensive training in sustainable agriculture in Zambian farming systems and in the growth and production of legumes and legume seed. Good Nature paid a small stipend (USD \$25) to these PEA's in the first year to compensate them for their time. In the second year, the PEA's will be paid 2% of the retail value of the crops produced by their farmers (normally USD \$40). For an example of one PEA Agent, J. Phiri, see table below:



PEA: J Phiri	Farmers: 40				
	Soya	Cowpea	Peanut	Cowpea Seed	Soya Seed
Total Metric Tons Sold	44	30	35	10	15
Resale Value \$/MT	\$450	\$320	\$600	\$800	\$1,200
Total USD	\$19,800	\$9,600	\$21,000	\$8,000	\$18,000
Total Sale Value USD	USD \$76,400		PEA Stipend @2%	USD \$1,528	

This will provide for the PEA to receive USD \$1,528 over the following year with a monthly stipend of approximately USD \$127. This will address the problem of AVW commitment but also will ensure a sustainable extension framework remains within the community upon the exit of the program.

Other results that are being achieved:

- 15 out of 24 planned groups established (group formation currently underway)
- 32 field agents received three days of training in VSLA in May 2017
- K75,638 (USD \$8,221.52) in current savings from 15 groups
- 16 Private Extension Agents trained and equipped
- 800 (418f, 382m) farmers enrolled in the program (will receive access to input support for legumes, extension services, training and marketing)
- 305 (248f, 57m) current participants in VSLA groups with average group size +/- 20 (and 1,280 planned for 2017-18)
- 15 groups synergizing share-outs with input purchase time

- Memorandum with Good Nature Agro signed with RCZ-DD in July providing for access to input support, marketing of legumes and commission-driven extension for 800 farming households

11.4 Key Challenges and Lessons Learned

- Development agencies are not the main drivers of economic development. We can help facilitate developmental process, but the power of government and the private sector are the drivers of development.
- This project provides an example of how to strategically leverage our influence and resources (the VSL Grant, previous World Renew disaster response partnerships, and community engagement through partner programming) to maximize results.
- While a common misperception, the private sector is generally not there to exploit. It is not in their interest. Interactions with Good Nature have been positive so far. As World Renew has been involved monitoring the process, it can advocate and ensure that farmers are getting a fair deal.
- It is very hard to bring about economic development at household level without engaging the private sector or participating in value chain development.

11.5 Voices from the Field

World Renew Zambia had an excellent opportunity to leverage grant funds for collaboration with other entities this past year.

There was a situation last year where the Western and Southern parts of Zambia were badly affected by drought, while the Eastern part of the country was not as badly affected and had normal- to above-average agricultural production. World Renew Zambia had developed a relationship with Export Trading over the previous year. At the end of the year, the managing director asked World Renew if they had any contacts in relation to the supply of beans and groundnuts, and World Renew responded, “What do you know, we have 600 farmers in Lundazi (Eastern Zambia) growing maize, soybean and groundnuts.”

The director of Export Trading asked if there would be any way to organize them so that the company could purchase everything they were producing. World Renew organized for the partner to meet with Export Trading. Together, we coordinated of five marketing groups around five depots, made up of about 120 farmers. Collection and payment dates were set, and the 120 farmers made sure they had their produce at their depot on the due date. And, in turn, Export Trading made sure they were there to collect the commodities.

Payment was then made within 3-5 days after the commodities were collected. Given the advantage they brought in being able to organize the community and use churches as depots, World Renew negotiated a deal so that the farmers were able to get about 15% higher of a price from Export Trading than the going market rate. The total purchase **from 600 farmers** thus amounted to about USD \$730,000. In the end, all parties were pleased with the arrangement, and Export Trading supplied about **250 metric tons** of relief commodities to a World Renew relief program in drought-affected Zambia.



12. VSL Grant Allocation Summary

A total of USD \$113,386 VSL funding was granted in the 2016-2017 fiscal year, of that USD \$99,436 was spent impacting the livelihoods of 5,346 participants. USD \$117,817 has been granted for this current fiscal year (2017-2018) with the target of 6,187 participants.

Table 1: Fiscal Year 2016-2017 Village Savings and Loan Grant Distribution

	Partner	FY17 Grant (USD)	Innovation Theme	# of Participants
Bangladesh	SATHI	\$10,000	3 - Integration	97
Cambodia	World Renew Cambodia and Partners – Value Chain	\$10,000	7 - Market linkages	156
Honduras	ALFALIT	\$6,000	1 - VSLA start-up	55
Kenya	Anglican Development Services Pwani	\$9,950	1 - VSLA start-up	1,581
Kenya	World Renew Kenya and Partners – VSL Capacity Building	\$14,833 (2 nd of 2-year grant of 25,000)	1 - VSLA start-up	47
Mozambique	Espanor	\$12,453 (1 st of 3-year grant of \$28,035)	1-VSL Start Up; 3 - Multi Sector Integration	300
Nicaragua	Fundación San Lucas	\$7,650	1 - VSLA start-up	55
Nigeria	Urban Ministry	\$10,000	5 - Financial services	435
Sierra Leone	Christian Extension Services	\$10,000	1 - VSLA start-up 3 - Integration	1,530
Uganda	Pentecostals Assemblies of God Southwestern Uganda	\$10,000	5 - Financial services	785
Zambia	Reformed Church of Zambia	\$12,500 (1 st of 3-year grant of \$37,500)	1 - VSLA startup 3 - Integration	305
	Total	USD \$113,386		5,346

Table 2: Fiscal Year 2017-2018 Village Savings and Loan Grant Awards

	Partner	FY17 Grant USD	Duration	Innovation Theme	Target # of Participants
Honduras	ALFALIT	\$7,000	One-year	1 – Group Stengthening	114
Kenya	Anglican Development Services (ADS) Mt. Kenya East	\$7,000	One-year	1 - Group Start-up; 8 - IC Technologies	120
Kenya	Anglican Development Services (ADS) Central Rift	\$11,000	One-year	1 - Group Start-up; 8 - IC Technologies	240
Mali	Organisme pour le Developpement et Espoir au Mali (ODES – Mali)	\$9,000	Multi-year	7 - Market Linkages	162
Mozambique	Espanor	\$18,152	Multi-year	1 - Group Start-up	600
Nicaragua	Fundación San Lucas	\$6,665	Multi-year	1 - Group Start-up; 3 - Integration	360
Niger	Union des Eglises Evangelique Protestantes du Niger (UEEPN)	\$6,500	Multi-year	1 - Group Start-up	180
Nigeria	Ecumenical Centre for Justice and Peace (ECJP)	\$8,000	Multi-year	1 - Group Start-up	1,125
Nigeria	Urban Ministry and Beacon of Hope	\$11,000	One-year	1 - Group Strengthening	830
Senegal	Kedougou	\$3,000	Multi-year	7 - Market Linkages	50
Uganda	Pentacostal Assemblies of God (PAG) Kabermeido	\$9,000	One-year	1 – Group Strengthening	354
Uganda	Pentacostal Assemblies of God (PAG) Southwestern Uganda	\$9,000	One-year	1 - Group Strengthening	772
Zambia	Reformed Church of Zambia (RCZ) Diaconia - Western	\$12,500	Multi-year	2 - Mainstream Theme; 3 - Integration; 7 - Market Linkages	1,280
	Total	USD \$117,817			6,187

The key areas for learning that will come out of these projects are identified through the VSL Innovation Themes:

1 - Group Start-up and Strengthening – initiatives that introduce community-owned savings and loan groups or cooperatives in new contexts; also, improving or strengthening existing efforts so that groups are sustainable and can move to greater economic stability

2 - Mainstream Theme – initiatives that develop new ways of using livelihood structures as vehicles for mainstreaming advocacy, environmental stewardship, gender, peacebuilding, or worldview

3 – Integration – initiatives that develop new ways of weaving together work with livelihood groups with work in other sectors (agriculture, maternal and child health, HIV/AIDS, literacy) to achieve improved overall results

7 - Market Linkages – initiatives that identify/build viable income generating activities and/or expand marketing opportunities through horizontal and vertical value-chain linkages

8 - IC Technologies – initiatives that pilot the use of ICT in livelihoods programs in order to enhance information sharing, money transfer, monitoring, and other financial activities in order to improve program results