



CRITICAL ECOSYSTEM
PARTNERSHIP FUND



MISUKU HILLS IMPROVED LIVELIHOOD AND BIODIVERSITY CONSERVATION PROJECT.

VILLAGE SAVINGS AND LOANS TRAINING MANUAL FOR TRAINERS

VILLAGE SAVINGS AND LOAN GROUPS

TRAINING GUIDE

INTRODUCTION

Village Savings and Loans (VS&L) promotes local members to save. This requires members to contribute in the group's fund. The savings are accumulated with an end date in mind for distribution of all or part of the funds to the individual members. Members do have opportunity to get loans from the savings and return the money at the end of the month with an agreed affordable interest.

ADVANTAGES OF A VILLAGE BANK

- No need of external funds as members work with their own capital
- There is no secret when doing the transactions resulting into transparency and accountability
- The interests increase the total savings of an individual
- The internal pressure encouraged members to give back the loans on time
- Members are not prevented to participate in other groups

THE AIM OF THE VILLAGE SAVINGS AND LOAN PROJECT

This is a project that assists in the creation and training of savings and loan groups using the member's own resources with the objective of uplifting member's income and welfare.

THE PRINCIPLES OF A VS&L GROUP

The savings consists of deposits made by members. The deposits constitute the fund loans with agreed interest can be given to members

TO THE FACILITATOR

The facilitator should ensure that:

- i. Her role is to facilitate the formation of the group by assisting the members to organize themselves in a self-directed way.
- ii. Her role is to help the members understand the advantages of the savings and loan group
- iii. Her role is to build awareness and ensure the members take ownership of the group.

GENERAL PRINCIPALS FOR THE FACILITATOR

- Approach to be flexible and relaxed
- Gain the confidence of the members and encourage their active participation
- Help the members to understand that they are capable of resolving their own problems
- The facilitator should train the members to plan, organize themselves and make decisions
- The facilitator should do a simple survey to make sure that the groups to be formed will have potential of saving to avoid having the groups with the aim of borrowing than savings. (see *feasibility study Annex 1 at the end of the guide*)

DOCUMENTS THAT THE FACILITATOR REQUIRES FOR TRAINING

- The feasibility study: The questionnaires that are used to determine whether the area or group has potential of forming a savings group and the benefits that the system will have on conservation.
- Internal regulation sample: Example of the rules and regulations of VS&L group.
- Group and Individual Savings Bank Books - sample : This is a personal account book to be kept by individual members to be filled by the secretary
- Monitoring forms
 - i. Monthly reports
 - ii. Daily and monthly plan of activities
 - iii. Group diagnosis

PHASE ONE – INTENSIVE PHASE (SKILLS TRAINING) SIX MEETINGS

PRELIMINARY MEETING (before establishing a VS&L group)

- i. Organize a meeting with the chief and his subjects and tell them about your organization, challenges met so far in communities' conservation actions. Introduce the VS&L issue to the villagers; tell them in details about the VS&L group and the advantages of the VS&L groups.
- ii. The facilitator should tell them that she will be available at all times until the community are capable of running the village bank themselves
- iii. If there are people who are interested and have understood the concept tell them to organize themselves into a group of maximum 20 members with similar interests to observe certain behaviors, group members are discouraged to get involved in activities that degrade the wilindi-matipa and mughese forestry reserve.
- iv. Make sure that the members have some sort of income or will be able to save at the end of every month
- v. Write names of those interested. Fix a date and venue for the next meeting for only those who are interested. Tell them to meet and discuss a number of things such as:
 - i. Amount of minimum savings per week/month and how much interest will be committed to conservation when sharing at the end of the year (approximately 10%)
 - ii. Management committee
 - iii. Regulations which also address conservation issues.

END OF MEETING

- Ask the members to ask any questions
- Announce the date of next meeting and agenda – Knowing more about the village Savings bank
- Thank them for their participation and close the meeting

FIRST MEETING – 1hr 30mins

DEFINING THE MEANING OF A GROUP / GENERAL ASSEMBLY

OBJECTIVES

- To help members understand the meaning of a group
- To help members understand the idea of the general assembly and its role

- *The facilitator should assess the participants level of comprehension*
- *All participants must be given a chance to express themselves, those who are shy should be encouraged to speak*
- *Ask the members if they have been in other groups before and what experience do they have. Ask them questions like these:*
 - i. Do you have associations in the village?*
 - ii. How do they work?*
 - iii. What groups have you previously taken part in?*
 - iv. What makes a group work well or not?*
- *Ask the members to tell the difference between a group (general assembly) and a gathering such as a wedding, party meeting or beer party.*

PRESENTATION OF THE TOPIC OF THE FIRST MEETING

A group is an association of people who agree to combine their resources in order to attain a common objective

DIFFERENCE BETWEEN A GROUP AND GATHERING

A GROUP	A GATHERING
<ul style="list-style-type: none">• Long term• Shares the same goal and objectives• Members conduct their activities together• Has leaders and rules• Members solves problems together• They are usually trained	<ul style="list-style-type: none">• It is temporary and of short duration• Very specific objective• The people may not see each other again after the gathering• If there is a problem, the gathering dissolves

The facilitator:

- must explain all phases the members will go through
- should tell the members the following requirements: 3 plates to put in money during a meeting, a cash box, 3 locks and mats
- Must tell them that they must elect a management committee (to be elected according to their capacity not because of respect or social positions).
- Must tell that members can agree of any amount to be saved per month/week but it is usually better that members can save any amount they want to save
- Must tell them that members should agree on an affordable interest rate
- Must tell them that anyone who gets a loan will be required to pay back with interest (the interest will not be shared among the group it will be added to the members savings). If a member does not borrow he/she should know that he is not adding any interest to his savings.
- Must tell the members the need for internal rules which clearly states that each member will observe that they are not involved in degradation of the environment and will take active part in its conservation.
- Must tell them the optional creation of welfare fund
- Must tell them that they should choose who can keep the cash box (Make sure that the cash box is kept at a member who can keep the cash box safe) The cash box can rotate among members.

END OF MEETING

- Ask the members to ask any questions
- Announce the date of next meeting and agenda – Electing management committee
- Thank them for their participation and close the meeting

SECOND MEETING 1hr 30 mins

OBJECTIVES

- To assist members understand why it is necessary to have a management committee
- To enable members define roles and responsibilities of the management committee
- To elect the management committee

PROCEDURE

1. The members review the previous meeting
2. The facilitator presents the objectives of the days meeting
3. Tell them to discuss what type of people can be elected into management positions
4. Tell them that those required to be elected into management positions are
 - The chairperson
 - Vice chairperson
 - Secretary
 - Vice secretary
 - Treasurer
 - 2 controllers
5. Ask them to describe the role of each elected position. Check if they have not mentioned important roles of any position. Guide them by asking leading questions.

SOME OF THE MAJOR ROLES AND RESPONSIBILITIES OF MANAGEMENT COMMITTEE

The chairperson – characters:

- A member of strong character
- Visible in the community
- Capable of leading a group
- Honest

Roles

- To lead the group
- To lead discussions

- To ensure internal regulations are respected
- To call for meetings
- Ensure smooth operation of the group

The vice chairperson

Do the work of the chairman when he/she is away

The secretary – characters

- Capable of providing reliable information when requested
- Able to read and write well

Roles

- To record all transactions
- To write minutes of a meeting
- To make sure that each members account is recorded in their books
- To report to the facilitator any groups operations – achievements and challenges

Vice secretary

Do the work of the secretary when he/she is away

Treasurer – characters

- Reliable and honest
- Know how to count money
- Able to record, calculate interest, and fill the treasurer's and personal account books for members

Roles

- Count and record the money
- Ensure security of the groups money

Controllers

Controllers – characters

- Reliable and honest
- Know how to count money

Roles

- To verify/count all movements of fund in and out of the cash box

- Keep 1 key of the cash box

Key keepers

The chairperson, secretary and 1 controller. The chairman can rotate the key keeping to other members. It is advisable that where there is the cash box there should be no cash box keys.

The key keepers must be present on each day of meetings to open the cash box. If anyone wants to be absent the keys must be presented to the chairperson in the presence of any member.

ELECTIONS OF MANAGEMENT COMMITTEE

- The facilitator should ask the group to choose criteria for elections.
- Ask the members to nominate candidates. Sometimes candidates refuse the positions, It is better for the facilitator to guide and manage the meeting by reminding the members the roles, characters and responsibility of each position.
- After the members have elected the management committee the facilitator should tell them that the rest are members of the group
- Congratulate the elected management committee and thereafter all the members for the peaceful elections
- After the elections each members should be asked to state his/her name, position and roles they are elected for.
- Plan a special training for the management committee

MANDATE

The group should discuss the period of the management committee and this should be included in the rules and regulations of the group

The facilitator should make sure that the elections are democratic and that the candidates meet criteria. He/she should observe that some members do just mention names of a friend to be elected to a position without checking the characters of such members.

END OF MEETING

- Ask the members to ask any questions
- Announce the date of next meeting and agenda – Internal regulations
- Thank them for their participation and close the meeting

PROCEDURE FOR CONDUCTING A GROUP MEETING

1. The group sits on a mat or chairs if any. In front of them are three containers (plates). These plates are for:
 - collecting savings
 - collecting loan reimbursements
 - collecting welfare money and fines
2. Starting meeting
The secretary declares the meeting open and presents any announcements
3. Deposits
The treasurer announces the commencement of deposits (savings). The treasurer calls the members by name one by one who pays the deposits. The deposits are recorded in the treasurers book as well as the members book.
4. Reimbursements (loan repayments)
The treasurer announces the reimbursements. The treasurer calls the members by name one by one who pays the reimbursements and interest. It is allowed to pay interest only. In this case the loan amount is retained. The reimbursements are recorded in the treasurers book as well as the members book.
5. Loan disbursements
The treasurer announces the loan disbursements and asks the members to get loans. It is advisable to check the previous balance for members to avoid some members getting a loan that they will not manage to pay back. The loan disbursements are recorded in the treasurers book as well as the members book.
6. The controllers counts the money left and put it in the cash box
7. Welfare contributions
The treasurer announces the welfare contributions. The treasurer calls the members by name one by one who pays the welfare contributions. The welfare contributions are recorded in a separate treasurers book.

8. The key keepers lock the cash box and give it to the one assigned to keep the cash box at that particular meeting
9. The members agree on the next date of the meeting
10. The chairman closes the meeting and presents announcements if any.

THIRD MEETING: 1hr: 30 mins

INTERNAL RULES

OBJECTIVES

- To help members understand why it is important to have internal rules
- To help members elaborate and adopt the rules

The facilitator should tell the members to create the rules themselves. She should tell them that rules can be modified (changed), added or deleted. After making the regulations the facilitator should ask each member to recite one rule. At intervals during meetings the chairman or should ask the members to recite those points. Little by little the members will memorize their own rules and eventually be able to change them.

PROCEDURE

- The facilitator should ask the members why it is important for them to have internal rules
- Ask the members to give in points (rules) for their group and this includes rules for conservation
- The secretary should write in the book all the rules
- After finishing the secretary should read them out to the group
- Make sure that all the members adopt the rules and if possible let all the members sign at the end of the rules

OUTLINE OF THE ELEMENTS OF THE INTERNAL RULES

1. Name of the savings Bank
2. Objectives of the group
3. Criteria for members
4. Amount of deposit
5. Criteria for loan disbursement
6. Condition for reimbursement
7. Situation where fines do or do not apply
8. Withdrawal of a member
9. In case of death
10. Miscellaneous

The rules are set of points that govern the group. Respecting the rules is essential for the success of the group's activities.

The facilitator's role is to facilitate the process do not tell them sample rules. If they do not mention the important rules, let them create them by asking them questions eg:

- What will be the name of your group?
- What will you do if one of the members transfer to another district
- What will you do if a member does not give back the loan?
- What will you do if a member is involved in degradation of the environment and its biodiversity?
- Who are eligible to be the members of your group?
- If a member do not come for the meetings but decide to always send is/her savings or loan reimbursements through another member, What will you do?

Sometimes the facilitator will see that the members have not decided on establishing a welfare. The facilitator may ask them the questions like these:

- What will you do when a member is admitted at the hospital?
- What will you do if one member has Chinkhoswe or wedding?

This may incite members to say let us establish a welfare fund.

Members should include in the rules, how much they will save per week or month, when they will share the money and any other rule the members will decide upon.

Make sure that points are discussed. After each point is discussed and arrived at through consensus, the secretary should write it in the note book. The point should be written in the way the members have framed it.

In conclusion the facilitator should explain :

- To the members that it is their duty to mobilize resources through different ways in order to improve the conditions of the members and promote environmental conservation.
- The facilitator should encourage the members to decide what to do in order to mobilize resources (money) for savings. They can decide to do one business together or each can do own business.

END OF MEETING

- Ask the members to ask any questions
- Announce the date of next meeting and agenda – Conflict resolution committee
- Thank them for their participation and close the meeting
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**EXAMPLE OF RULES AND REGULATIONS FOR ZOTHEKA SAVINGS GROUP IN LOCAL LANGUAGE
CHISANZO - MALAMULO A ZOTHEKA SAVINGS GROUP**

- 1) *DZINA LA GULU NDI ZOTHEKA SAVINGS GROUP*
- 2) *CHOLINGA CHA GULU – KUPHUNZILA KUKHALA NDI MTIMA WOSUNGA NDALAMA MWEZI NDI MWEZI NDI CHOLINGA CHOFUNA KUTUKULA MA BANJA ATHU*
- 3) *KOKUMANA – TIDZAKHALA TIKUKUMANA KU NYUMBA KWA BANJA LA A KHONYONGWA*
- 4) *MEMBALA WA GULU*
 - i. AKHALE WA PA RAILWAYS KAPENA WODZIWIKA BWINO PA RAILWAYS*
 - ii. AKHALE WA MAKHALIDWE ABWINO*
 - iii. AKHALE MEMBALA WOKHONZEKA KUSONKHA NDALAMA MWEZI NDI MWEZI NDIPONSO KUKONGOLA NDALAMA*
 - iv. AKHALE WODZIPELEKA*
- 5) *ATSOGOLERI ADZAKHALA PA MAUDINDO AWO KWA ZAKA ZITATU*
- 6) *NGATI MTSOGOLERI KAPENA MEMBALA SAKUGWILA NTCHITO BWINO KAPENA ALI NDI KHALIDWE LOIPA ADZAZUDZULIDWA KOMA NGATI SASINTHA ADZACHOTSEDWA MUGULU*
- 7) *NDALAMA YOSONKHA PA MWEZI NDI MK1,000.00*
- 8) *MEMBALA AKHOZA KUPELEKELATU NDALAMA ZA MIEZI YA MTSOGOLO*
- 9) *MUNTHU YEMWE SALI MEMBALA ADZABWELEKA NDALAMA KUGULU KUDZELA KWA MEMBALA WA GULU*
- 10) *MUNTHU YEMWE SALI MEMBALA AKAFUNA KUBWELEKA NDALAMA ADZAYENELA KUWUZIDWA MALAMULO ANGONGOLE NDI MEMBALA WA GULU ASANATENGE NGONGOLE*
- 11) *CHIONGOLA DZANJA CHIDZAKHALA 20 PERCENT KWA MEMBALA NDIPO CHIDZAKHALA 50 PERCENT KWA YEMWE SALI MEMBALA*
- 12) *NGONGOLE IDZAPELEKEDWA PAKATHA MWEZI UMODZI*
- 13) *NGATI MWEZI WATHA NDIPO MEMBALA WALEPHERA KUBWEZA NGONGOLE, NGONGOLEYO IDZAPANGA CHIONGOLA DZANJA CHINA*
- 14) *NGATI MEMBALA WALEPHELA KUBWEZA NGONGOLE, NGONGOLEYO IDZABWEZEDWA KUCHOKERA KU MA SHEYA AKE*
- 15) *NGATI MEMBALA WALEPHERA KUBWEZA NGONGOLE MIEZI ITATU, CHIONGOLA DZANJA*

CHIDZAIMITSIDWA NDIPO SADZALOEDWA KUTENGA NGONGOLE INA.

- 16) MUNTHU WOLEPHERA KUBWEZA NGONGOLE ADZFUNSIDWA KUPELEKA PANG'ONO PANG'ONO
- 17) NGATI MEMBALA ALEPHERA KUBWEZA NGONGOLE ADZAFUNSIDWA KUPELEKA KATUNDU WOLINGANA NDI NGONGOLE YAKE
- 18) NDALAMA ZIKASALA MUBOKOSI MAMEMBALA ADZAKAKAMIZIDWA KUKONGOLA NDALAMAZO
- 19) MEMBALA WOSATENGA NGONGOLE ADZACHOTSEDWA PATATHA MIEZI ITATU KAPENA NTHAWI INA ILIYONSE YOMWE GULU LAGWILIZANA KUMUCHOTSA MEMBALAYO
- 20) MEMBALA ADZAYENELA KUTENGA NGONGOLE YOMWE ADZAKHOZE KUBWEZA
- 21) FAINI YOCHEDWA NDI MK20.00
- 22) FAINI YOJOMBA OSAPELEKA CHIFUKWA CHOYENELA NDI MK50.00
- 23) MEMBALA WOCHEDWA KAPENA WOJOMBA NGATI SAPELEKA FAINI – NDALAMA IDZADULUDWA KU MA SHEYA AKE
- 24) NGATI MEMBALA AFUNA KUCHOKA MUGULU ADZAPATSIDWA MA SHEYA AKE
- 25) MEMBALA ADZAFUNSIDWA KUPELEKA DZINA LA MBONI YAKE IMENE INGATHE KULANDILA NDALAMA MMALO MWAKE
- 26) NGATI MEMBALA WAMWALIRA MA SHARE AKE ADZAPELEKEDWA KWA MBONI YAKE
- 27) NGATI MEMBALA WAMWALIRA ALI NDI NGONGOLE ABALE AKE ADZAFUNSIDWA KUBWEZA NGONGOLEYO
- 28) MEMBALA ADZAYENELA KUPELEKA NDALAMA YA ZOCHITIKA CHITIKA (WELFARE) YOKWANA MK100 00 PA MWEZI
- 29) MEMBALA ADZAYENELA KUPELEKA NDALAMA YA MPHWANDO NDI MPHATSO YOKWANA MK100.00 PA MWEZI
- 30) NDALAMA ZIDZAGAWANIDWA KUMAYAMBILIRO A MWEZI WA DECEMBER CHAKA NDI CHAKA KAPENA NTHAWI INA ILIYONSE YOMWE GULU LAGWILIZANA KUTERO
- 31) NDALAMA ZIKHOZA KUPANGILIDWA GENI KAPENA BISINESI NDI GULU – NGATI PATAPEZEKA BIZINESI YOMWE GULU LINGAGWILIZANE KUPANGA
- 32) PAKUTHA PA CHAKA GULU LIDZAPELEKA MPHATSO KWA MAMEMBALA OMWE ACHITA

BWINO PAMAUDINDO AWO

- 33) *MALAMULO AKHOZA KUSITHIDWA, KUHOSEDWA KAPENA KUONJEZELEDWA NGATI GULU LITAKAMBILANA ZAKUFUNIKA KOSITHA, KUCHOTSA KAPENA KUONJEZELA MALAMULOWA*

MALAMULO OWONJEZERA

- 34) *MEMBALA ADZALANDILA NDALAMA YA INTEREST YOMWE IYE ANAIPANGA*
- 35) *POKALANDA KATUNDU WA MEMBALA YEMWE WALEPHELA KUPELEKA NGONGOLE MAMEMBALA ONSE ADZAYENELA KUPITA KOLANDA KATUNDU*

FOURTH MEETING

CONFLICT RESOLUTION: 45 minutes

OBJECTIVES

- To help members resolve conflicts within the group by following a procedure for identifying the main problem and arriving at a solution
- To show the group how to run a meeting

PROCEDURE

- The facilitator should tell a conflict story like the one below

In the Zotheke group a member Mai Phiri borrowed money from the group. When the time for reimbursement came she did not give back the money. Other members met her at the village well and started confronting and despised her. This made Mai Phiri to get angry. She announced that she will never give back the money because the members had made her to be ashamed

Questions for discussion

The facilitator may ask the following questions:

- What do you think of the story?
- What do you think the members should have done?
- What do you think Mai Phiri should have done?
- Did the members who met Mai Phiri at the village well react well?
- What should have been done for Mai Phiri to return the money?
- What should the members do to avoid this problem?

- The facilitator should explain that when the problem comes it is better for all members to come together and discuss it than making the situation come sour
- The facilitator should give suggestions for solving conflicts:
 - i. Find the real cause
 - ii. Evaluate the consequences of the problem
 - iii. Discuss the problem in order to find a solution
- The facilitator should ask the members if they have encountered any conflict and ask them how they solved the problem
- The facilitator should tell them that they should refer to their internal rules when they encounter problems

END OF MEETING

- Ask the members to ask any questions
- Announce the date of next meeting and agenda – Conflict resolution committee
- Thank them for their participation and close the meeting
- Tell them that you will be coming just to see what they are doing but they should follow their rules they should not wait for the facilitator.

PHASE TWO

DEVELOPMENT PHASE – OBSERVATION/FACILITATION

OBJECTIVES

- To allow the group to function by itself, while still maintaining contact by the facilitator, who observes the group and helps them resolve any problem
- To further the development of the group. The group becomes independent, the members take over the facilitators role

DURATION – 3 months

In the development phase, the group starts the process of gaining independence. The facilitator monitors less and less, visiting the group once per month.

During the monitoring visits the facilitator fills the diagnosis form which have the following points:

- The groups performance
- The progress
- Respect of the internal rules
- The financial situation
- Potential problems

During monitoring if the problem is lack of comprehension, The facilitator should repeat the topics and make sure that the members understands fully

At each monitoring visit, the weak points are analyzed and discussed with the members

PHASE THREE MATURITY PHASE – OBSERVATION / FACILITATION
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OBJECTIVES

- To make a final evaluation which will lead to the groups independence
- To prepare for the facilitators withdrawal and the post-project existence of the group duration 2 months

The facilitator attends one more meeting - it is an evaluation meeting.

- She checks the accounting books
- She may assist in resolving conflicts
- The results of the evaluation will guide the facilitator in making her decision as to whether the group should become independent
- The decision to grant independence to the group will be final after the facilitator presents the evaluation results to his/her supervisors