Gender Responsive Savings Group

Empowering women through access to finance, life skills and gender transformative approaches

PLAN INTERNATIONAL

Canada

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Acronyms

CBTs	Community-Based Trainers
COSME	Conservation and Sustainable Management of Coastal and Marine Ecosystems
FO	Field Officers
GAC	Global Affairs Canada
GE	Gender Equality
GRSG	Gender Responsive Saving Groups
GRS	Gender Responsive Savings
SG	Saving Groups
VSLA	Village Savings and Loans Association

PREFACE

Plan International Kenya is very much appreciative of the contributions of all stakeholders in producing this manual. Special thanks go to Plan International Canada, Global Affairs Canada, the **COSME** Project Team and the key stakeholders for their role in ensuring the successful development of this programme. We also duly acknowledge all the sources that we picked bits and pieces of information from, to compile this manual.

Introduction

Welcome friends to the project. Congratulations on being selected as a Field Officer (FO) or Community-Based Trainers (CBTs) to train and support Gender Responsive Savings Groups (GRSGs). You have been chosen because you have shown the skill, commitment and reliability needed for this work. As an FO or CBT, you will bring a useful service to your community. You are joining a worldwide movement: SGs are now in over 33 African countries with about 3 million members and have spread to South America and Asia, as of 2021.

The COSME Project aims to significantly scale up Plan International Kenya's current women-led, Coastal Livelihoods and Environmental Management Project in Kwale and Kilifi counties. COSME is intended to directly reach 48,000 participants, including more than 24,000 women and girls, and indirectly reach more than 433,000 participants in the Kwale and Kilifi counties of Kenya through the creation of SGs. The COSME project is expected to increase the number of women actively saving in SGs from 28.8% baseline to 70% at the end of the project. So, you are part of this effort that has connections across the country. But you are already aware what SGs can do for poor people because of your previous experience in promoting SGs in rural and peri-urban communities.

The guide serves Plan International, partner staff and community FO and CBT to:

1. Develop and support Gender Responsive Savings Groups (GRSG)
2. Understand why and how to integrate a gender transformative approach in savings group formation and support; and
3. Support SGs CBT/FO to understand, lead and coordinate complementary group discussions on gender equality (GE) for women's economic empowerment.

As an FO or CBT, you will be working as part of a team under your FO Supervisor but also in cooperation with other FOs and CBTs. The goal of the team is to respond to all demands of the gender responsive SGs within the COSME project target groups. Your Supervisor will bring the team together from time to time to review work, discuss achievements and challenges, share ideas and plan for the next period. You should therefore not see yourself as an individual working alone but as a team.

Introduction

It is very important that you focus on discipline and procedure as you train and advise SGs. This is what makes SGs successful. You should follow the procedures carefully, and teach your SGs to do the same. This guide focuses on essential content and suggested approaches and exercises for the GE components of the SG methodology and process. It discusses GE considerations in community mobilization and selection to training and ongoing support to ensure gender responsiveness. It summarizes good practice approaches and content for all capacity building activities and will ensure the FO or CBT are able to:

- Apply a gender-responsive approach to the formation, training and supervision of savings groups.
- Understand how to adapt different aspects of the actual savings group methodology and content to cater for the specific needs and interests of women, adolescent girls, and men.
- Understand and have capacity to facilitate GE-related group discussions during regular SG meetings in gender-sensitive, socially inclusive and age-appropriate ways.

The FOs and CBTs will be trained on both savings and gender equality. Subsequently, they will be incrementally cascading training on savings and gender equality to the identified savings groups as well as new groups. The first cycle of training of savings groups members is spread over nine months period where members will be required to meet once every week - where in some weeks the members will have lessons around saving, and on other weeks group will reflect and learn/unlearn around gender equality issues.

The results of your work will be permanent and you will find the work satisfying.

Good luck!

What are SGs?

A Savings Group (SG) is a group of 15-25 and under rare circumstances up to 30 people who save together and take small loans from those savings. The activities of the SG run in 'cycles' of about one year, after which the accumulated savings and the loan profits are shared out among the members according to the amount they have saved.

SGs are member-managed. Programme staff and Community Based Volunteers (CBTs) will train members, but never manage the SG, write in the passbooks or touch money belonging to the members.

SGs are trained by Field Officers (salaried Local NGO staff) or Community Based Trainers (who receive T&T and call credit from the LNGOs). Community Based Trainers may be members of SGs who are identified as having the skills to train others to start SG groups. An FO or CBT's role will be to:

- Assist SGs they have trained when they would like assistance between cycles (share-outs, membership changes, reviewing the constitution, elections)
- Provide refresher training
- Assist in resolving conflicts
- Assist SGs in linkages with financial institutions
- In the long-run they may provide a range of formal financial products as Volunteers (of insurance companies, banks, remittance service companies, etc.)

The first cycle of SG is a training and supervision cycle of 36 weeks. During the first cycle, the groups will meet weekly. During this first cycle the group members are required to meet once every week - where in some weeks the members will have lessons around saving, and on other weeks group will reflect and learn/unlearn around gender equality issues. After the first cycle, the graduated SGs will share out every year.

Members save through the purchase of between 1 – 5 shares every meeting. The share value is decided by the SG at the start of each cycle. At each meeting all members have the right to buy between 1-5 shares. The share value is set at the beginning of each annual cycle, and cannot change during the cycle.

Members can choose to have a ***Social Fund,*** to use for small grants or interest free loans to members when they are in distress.

The Loan Fund is comprised of share money and loan profits (from service charges).

All members have the right to borrow up to a maximum of 3 times their shares.

The service charge for loans is determined by the members at the beginning of the cycle. It cannot be changed during the cycle.

Loans are taken and repaid once every 4 weeks. All loans should be repaid within a maximum of 12 weeks during the first cycle.

All SG transactions are performed at meetings in front of all the members. To ensure that transactions do not take place outside group meetings, cash and passbooks are locked in a cash-box secured with three padlocks. The three keys are held by three group members, who are *not* part of the Management Committee.

The main purpose of the cash-box is to ensure that no transactions occur outside the group meeting, rather than to prevent theft by outsiders. *Theft of boxes by outsiders is very rare.*

All members have an individual passbook. Share purchases are recorded using a rubber stamp. Loans are recorded in the back of the passbook. Loan Fund and Social Fund balances are noted by the Secretary and memorised by all members at each meeting.

Passbooks remain locked in the box between meetings. This is very important, to prevent tampering with the records of shares purchased by the members.

The Group has a five-person Management Committee elected for one cycle (approximately one year). Groups also develop a Constitution that contains the Social Fund, Share-purchase and Loan policies of the group. Each member has one vote in electing the Management Committee and developing the constitution. SGs ensure that their members memorise the basic features of the constitution.

At the end of every annual cycle, all outstanding loans are recovered and the loan fund is shared out. The loan fund (which includes lending profits) is divided by the total number of savings shares purchased by members during the cycle, to calculate a per-share value. Each member then receives his or her share according to the number of shares purchased by that member.

The results of your work will be permanent and you will find the work satisfying.

Good luck!

Note for the Plan International CO and partner staff, particularly the Gender and SG staff:

COSME Gender-transformative is a project with GAC grading of GE02. It has its unique gender transformative strategies, tailored to socio cultural specificities of target location in Kenya that will address the condition and position of women and girls. At the demand side, specific GE Outcomes are set both at the 'intermediate 'and 'immediate' levels that relate to women and girl's empowerment, decision-making and agency.

The GE strategy of the COSME project focuses on improving climate-resilient and equitable economies through the adoption of gender-responsive NbS with biodiversity co-benefits within communities relying on coastal and marine ecosystems, especially women, in Kenya's Coast Region. Intermediate Outcome 1200 and corresponding Immediate Outcome 1210 and 1220 are relevant to remember, and also outlined below:

Intermediate Outcome 1200: Increased agency of women in their diversity to exercise their right to participate in gender-responsive, nature-based solutions with biodiversity co-benefits to increase adaptive capacity and build household and community resilience:

- Indicator 1: Percentage of targeted women with adequate involvement in household, group and enterprise decision making (disaggregated by age)
- Indicator 2: Average time women/girls spend in unpaid care work (UPCW)
- Indicator 3: Percentage of targeted women with adequate access and control over household and enterprise resources (disaggregated by age)

Immediate Outcome 1210: Increased Knowledge and skill of women on gender responsive NbS, economic right, life skills and GE&I, including unpaid care work (UPCW)

- Percentage of targeted women with adequate practical knowledge on NbS, Economic Rights and GE&I (disaggregated by age)
- Percentage of targeted women with adequate personal skills and confidence to assert their rights and express their decisions (disaggregated by age)

Immediate Outcome 1220: Increased access to resilience building assets and opportunities for women:

- Indicator 1: Percentage of women actively saving in Savings Group (disaggregated by age)
- Indicator 2: Percentage of women with access to time-saving and environmentally friendly solar panels and cooking stoves (disaggregated by age)

Ensuring gender responsive facilitation and taking gender integrated saving group approach to have discussions on women's economic empowerment and redistribution of unpaid care work are a key strategy for the gender transformative women economic empowerment project.

Promotion of women and girls' participation in SGs supports outcomes to improve their social capital and networking. With these improvements, they will have greater access to financial resources, improved economic bargaining power and social support to make better and more prompt financial decisions and have greater support from their male partners and relatives.

gender equality, women/girls' rights, assertive communication, negotiation, conflict management, financial literacy, planning and digital literacy.

INTRODUCTION FOR TRAINERS

SCHEDULE OF MEETINGS

Savings Groups are trained by CBTs or FOs over 36 weeks according to the schedule given below.

Preparatory phase: This provides general information to prospective Savings Groups members. They will decide if they want to be trained

Intensive phase: 12 weeks. It starts off with 4 visits in the first week, and then continues with weekly visits over the next 36 weeks.

Development phase: 12 weeks. 3 visits during loan/repayment meetings only.

Maturity phase: 12 weeks. 1 visit for light supervision and another to help the SG prepare for share out and graduation.

GRSG Training and Supervision Schedule

Prep.	Intensive Phase	Development Phase	Maturity Phase
A B	1 2 3 4 5 6		
2wks	Week 1 2 3 4 5 6 7 8 9 10 11	12 13 14 15 16 17 18 19 20 21 22 23 24	25 26 27 28 29 30 31 32 33 34 35 36

Legend

A	Introduction of SG methodology to the community		Training on GRSG modules	4	Training on first share purchase savings
B	First meeting with newly formed SGs	1	Training on groups, leadership & elections	5	Training on first loan disbursement
	Supervision meeting: training on FE, GE, CPLS, & EYL (Fill in by Gender Justice Journey,	2	Training on social fund, share purchase & credit policies	6	Training on first loan repayment
	Phase change, attended by CBT/FO	3	Training on constitution development	7	Training on audit, share out and elections. Attended by CBT/FO

Figure 1: *GE and Savings Groups training and supervision schedule*

Note: *The Supervisor must attend and approve each SG change of phase. If a SG needs more training, the schedule can be lengthened beyond 36 weeks.*

Note: *The FOs/CBTs may make more visits during the intensive phase if needed. (S)he can also extend the cycle by one or more months if further training is needed to prepare the group for full independence.*

The Preparatory Phase has two purposes:

- To describe at a public gathering how the programme works and how women may get more information
- To provide a detailed description of how a SG works; what women have to do to participate and what the CBT/FO promises to do.

Introducing GRSG to the community

Overview

The success of every community project depends largely on the way it is introduced to the community especially, the leaders. It is for this reason that it is important to introduce the project to the community through their leaders. This will ensure the support of the community elders. When a project is supported by community elders, it promotes ownership and sustainability. This meeting should be a large, open gathering which is announced well in advance through the help of local leaders.

Objective

The objective of this meeting is to generate interest in the gender responsive savings groups, so that many potential groups can come to the second meeting.

Materials: **None**

Duration: **1 hr.**

Procedure

Step 1: Introduction of Gender Responsive Saving Groups (GRSG) to the community

After introductions, explain the following points to the community:

- The purpose of gender responsive savings groups is to create group managed savings and loan groups that belong to their members (women, and men), and build their understanding around gender equality.
- SG is not a government programme.
- ***All of the funds used to provide loans to the members come from the members' own efforts. The programme does not provide any money to SGs for lending to its members.***
- The size of the group must be not less than 10 members and not more than 30.
- A metal box that has three locks on it would be given to the groups at no cost (cost absorbed by Global Affairs Canada (GAC)). This contains all of the materials needed to run a SG. This box cannot be opened between weekly meetings.
- SG members will be taught to save regularly, to take loans from the savings, and to share out the savings and profits each year according to each person's contributions.
- The FO or CBT is only there to teach them the system. Members will manage their activities themselves, and the FO or CBT must *never*:
    a. Handle the group's money
    b. Write in the group's records
    c. Take the cash-box away
    d. Ask for a loan
    e. Ask for a gift
- Training takes approximately 9 months. After this the SG is independent and continues to operate without any more help.
- The members of the proposed group choose where and when the meetings are to be held.

Step 2: Arrangements for meetings and formation of groups

Tell the people that you will return to the community at an agreed time to see if people are interested and will then make training arrangements. Those who are interested must form groups of between 10 - 25 members before the second meeting.

Step 3: Conditions for forming groups

Stress the following points as conditions for forming groups:

- Members must know and trust each other.
- Leaders are not elected until after they start training.

Step 4: Closing

Ask if there are any questions

Thank the participants and close the meeting.

Trainer's notes

Ensure that you find someone who will be in charge of mobilizing and collecting names of potential group members.

Arrange with the community a suitable venue, day and time for the second meeting.

TRAINING MODULES

Module 1: Welcome and Introduction

Overview

This meeting is only attended by people who are interested to be in a SG, and who have already gathered in groups of 10-25 or maximum of 30 people who know and trust each other. This meeting is used to explain the GRSG concept into details to the participants.

> ***Objective***
> *The objective of this meeting is to meet with potential SGs and explain the GRSs concept into details.*

Materials: None

Duration: 1 hr.

Step 1: **Features of Gender Responsive Saving Groups**

Describe the basic features of a SG as follows:

- Gender Responsive Saving Groups are formed to economically empower women by strengthening their agency, ability to take part in financial decisions, have access to and control over financial resources, and thus improve their social status within their household and communities.
- Gender responsive SG is created so that women can save, borrow and start a business venture
- The Gender Responsive SG may accept existing SGs to participate in Plan's VSLA+ training.
- Members are self-selected and the SG is managed by its members (in a mix sex group ensuring at least 70%, if not more, women are members of the saving groups, including those who are pregnant, have small children, lactating, old, are differently abled, and diverse women. For all decision-making, diverse women voices are fully included)
- Every group has a written constitution and clear rules
- Some rules such as the amount of savings, or the service charge on loans are decided by the members
- Some rules, such as the need for annual elections, are already fixed because this has been shown to be important

- Some rules, such as the need for annual elections, are already fixed because this has been shown to be important
- Every group has a Management Committee which is democratically elected and changed every year. (In a mix sex group setting, at least 70% executive positions are reserved for women members, and all decisions are made with equal participation of women members of the management committees)
- Members must attend all meetings, and buy at least 1 share at each meeting. Meetings are convened at a time and venue that is convenient for women to participate including those who are pregnant, have small children, lactating, divorced or widowed (single mothers), old, are differently abled. In venue selection efforts must be made to ensure minimum possible commuting time.
- There are fines for lateness and absence (without permission) at meetings –while imposing these fines, efforts must be made to recognize the unique challenges of some woman who are pregnant, have small children, lactating, divorced or widowed (single mothers), old, are differently able, or diverse women
- A group allows all members to buy between 1-5 shares each week. The share amount is set by the members
- Share money is called loan fund and used to provide small loans to members, which are repaid over a period of not more than 3 months
- All borrowers have to pay a service charge on their loans, at a percentage rate decided by the members
- There is a Social Fund from which members can receive small grants for emergencies. While disbursing small grants the special needs of those women who are pregnant, have small children, lactating, divorced or widowed (single mothers), old, are differently able, or diverse women will be prioritised.
- All of the group's cash is kept in a box with three locks, and the keys are kept by three different people, who are not part of the management committee. (In mix-sex group setting at least one key is given to a women member of the management committee if not more women members)
- The box can only be opened in meetings, so all transactions are done in front of all the SG members
- Record-keeping is based on simple passbooks and memorisation of important information such as the amount of cash in the box and who owes money to the Social Fund. For women with low or no financial literacy efforts will be made to explain how much cash is in the box and who owes what.

- Each member has a passbook in which their savings and loans are recorded, and women with low or no literacy receive enough explanation so they can easily understand and not get intimidated.
- The passbooks are locked in the box between meetings to prevent anyone changing the entries
- The members decide on a period for operation of the Savings Group (SG) before they share out their profits. This is called a cycle.
- At the end of each cycle, all loans are repaid, and all savings and profits are distributed to members according to the amount they have saved
- The training period is 36 weeks – with groups meeting every week for both Savings and Gender equality sessions. After this the Saving Groups (SG) continues independently until the end of its agreed-upon cycle.
- During the training period the SG will meet weekly, and the CBT will conduct all the training session in all 36 meetings.
- The CBT will be based in the community and will be available to the savings groups on saving matters and continue to provide reinforcing messages on gender equality

Step 2: Explanation of training modules

Go through the modules and explain to them.

- Members, Leadership and Elections
- Social Fund, Share-purchase and Loan Policies
- Gender equality sessions to build women's confidence in their own foundational skills around gender equality, women/girls rights, assertive communication, negotiation, conflict management, and networking
- Development of a Group Constitution
- First Share-purchase Meeting
- First Loan Disbursement
- First Loan Repayment
- Share-out/action-audit and graduation
- Members may start to save in the 4th module

Step 3: Qualities of group members

Tell them that they must be aware of the qualities that are needed in a member.

Review the qualities of a good member, and suggest that anyone who is not able to meet these standards should probably not join. Good members will:

- Know each other and be from a similar socio-economic background
- Not live too far from where the meetings will be held.
- Have a reputation for honesty and reliability.
- Be able to attend all meetings and on time
- Follow all rules
- Have a cooperative personality. Someone who is known to create conflict should probably not join.
- Be able to buy at least one share each week.
- Be able to take and repay loans on time.
- Two or more members from the same household who are already in existing SGs can maintain their membership but new groups must not have members coming from the same household.
- Be considerate to women with special needs including those who are pregnant, have small children, lactating, divorced or widowed (single mother), old, are differently abled, and diverse women/transgender.
- Ask participants if they possess the qualities mentioned above.

Step 4: Conclusion

Ask participants if there are any questions.

Discuss the time and meeting place for the first training with participants.

IMPORTANT

Never train more than one SG at the same time. ***All SGs should be trained individually.***

Module 2: Groups, leadership and elections

Overview

The origin of a strong and performing group is good leadership. Good leaders are determined through democratic elections. This module will introduce you to simple democratic election procedure for your group. This is a very important step in the group development, so take time and go through all the processes. For the purpose of this project, 70% of the executives must be women and in the case of women groups, all executives should be women unless in situation where there are existing leaders who are males. Experience has shown that most facilitators rush through this stage. Groups choose and elect officers without proper understanding. This situation leads to confusion and delays in the group's performance.

Objectives

- ***Participants form a women Savings Group and create an identity***
- ***The group reviews its membership and elects its management committee***

Purpose of the meeting (2 min)

- *Explain to the group:*
  - The purpose of the meeting is to create a new SG and to elect leaders who will be its managers for a period of one year.
  - Elections are held every year and the next elections in one year's time will also be facilitated by the CBT.

Member self-selection (5 min)

- Review the qualities of a good member, and suggest that anyone who does not meet these criteria should probably drop out before the next meeting.
- Explain to the group that good members will:
  - Willingly join the group
  - Know each other and be comfortable being in the same SG
  - Not live too far from where the meetings will be held
  - Have a reputation for honesty and reliability

- Be able to attend all meetings
- Attend all meetings on time
- Follow all rules
- Have a cooperative personality. Someone who is known to create conflict should probably not join.
- Be able to buy at least one share each week
- Be able to repay loans on time
- Be considerate to women with special needs including those who are pregnant, have small children, lactating, divorced or widowed (single mother), old, are differently abled, and diverse women
- There is only one member from the same household (new SGs). It is better if members from the same household join different SGs. This should be applicable in the new SGs the project will form.
- If community is forming a mix-sex group – then ensure that community agrees to at least 70% group membership goes to women if not more.

Elections (75 min)

- Ask the group: What name should we give our SG?
- Explain to the members:
    - All members have the same rights. Emphasize the members' equality principle in a mixed sex setting.
    - The activities of the group are managed by a Management Committee, composed of 5 members. The Management Committee is elected by the members, who can also dismiss it for poor performance. In a mix sex group setting ensure that at least 3 members of the management committee are women.
    - The Management Committee shall comprise of Chairperson, Secretary, Box Keeper and Two (2) Treasurers.
    - The Management Committee serves for one year, after which a new committee is elected. In a mixed sex group, every year three positions will be reserved for women.
    - In a mixed group setting, the savings group **Chairperson's position** will yearly alternate between women and men.

- Review the qualities needed for each position and the work that each person chosen needs to do, using the tables below:

Table 4: Qualities and responsibilities of the Chairperson (in mixed group settings chairperson would alternate between men and women)

Qualities	Responsibilities
• Respected • Confident and calm when speaking in front of others • Treats everyone equally and fairly, including those who are pregnant, have small children, lactating, divorced or widowed (single mother), old, are differently abled, and diverse women. • Listens to others and asks for opinions • Organised • Always on time In mixed-sex groups, the hairperson should alternate between men and women.	• To call the meetings to order, announce the agenda and lead discussions • To ensure that the meetings follow proper procedure and that the Constitution is followed and respected • To maintain discipline and charge fines as needed • To facilitate discussions and to ensure that everyone's views are listened to • To resolve conflicts in a participatory manner To represent the group to outsiders and non-members, including local government officials, and private sector.

Table 5: Qualities and responsibilities of the Secretary

Qualities	Responsibilities
• Good with numbers • Writes neatly • Has a reputation for trustworthiness • Always on time • Willing to work extra hours to train with the Facilitator if needed	• Ensures that all transactions for the Social Fund, Share-purchase and lending take place according to procedure, and that all rules are followed • Makes all passbook entries for shares and loans Reads the Social Fund and Loan Fund cash balances out loud at every meeting

Table 6: Qualities and responsibilities of the Box-keeper

Qualities	Responsibilities
• Trustworthy • From a household that has a good reputation • Lives in a house with good security • Always on time	• Keeps the group box safe between meetings • Ensures that (s)he is accompanied to/from meetings as necessary • Brings the box to the meetings on time

Table 7: Qualities and responsibilities of the Treasurer(s)

Qualities	Responsibilities
• Able to count quickly and accurately • Trustworthy • Calm and organised • Always on time	• Counts all amounts paid to, or taken from the group and announces this information to the members • Informs the Secretary of the correct amount to be recorded in the passbook

- Organise the election of the officials, starting with the Chairperson, using the standard procedures in **Annex 1**.

IMPORTANT

In mixed groups, the Chairperson must be female, or at least yearly alternates between women and men. Experience demonstrates that in mixed SGs, a female chairperson increases and improves participation of young women. The box key keepers should, changed in every meeting.

Structured group discussion – Rules and process (10 min)

- Ask the group members:

1. How should we treat one another?
2. How can we help all members enjoy our activities?
3. What are some of the reasons young women may not participate? What are some of the reasons young men may not participate?
4. What are some of the reasons that women with special needs may not participate, including those who are pregnant, have small children, lactating, divorced or widowed (single mother), old, are differently abled, and diverse women
5. How can we make sure all members participate equally?

KEY MESSAGES

1. *As members of the GRSG, it is important that we treat each other with respect and make sure that all members participate equally in the activities of the group, giving particular attention to young women and men, and women with special needs including those who are pregnant, have small children, lactating, divorced or widowed (single mother), old, are differently abled, and diverse women and who are less likely to participate.*
2. *To ensure that all members participate equally, it is important to:*
   - *Attend all meetings*
   - *Listen*
   - *Contribute to group discussions and decisions*

- Reflect on the election process. Ask the group members:
  1. How do you feel about the election process?
  2. What are some advantages of electing people in this way?
- Conclude the training module by reflecting on the day's meeting.

Ask the group:

1. What are the goals of your group? What do you want to achieve over the next year?
2. What can you do to support each other to achieve these goals?

KEY MESSAGE

Set goals for your savings group! The savings group should be a supportive community – you can help each other achieve your financial and personal goals!

Module 3: Social fund, share-purchase and credit policies

Overview

Development of policies for groups is very crucial if groups must develop in a cohesive manner. Experience has shown that when people contribute to a decision, they support its implementation. It is therefore important to ensure that policies and rules for the management of groups' funds are jointly decided by the group members. This module will assist you to facilitate decisions pertaining to funds generated by the groups. Remember to carry the SG kit to this meeting and hand it over to the group if it is a newly formed group.

Purpose of the meeting (2 min)

Objectives

- *The group establishes its Social Fund, share-purchase and credit policies*
- *Members understand the importance of saving*
- *Members describe the benefits of different savings strategies, and the*
- *safe and unsafe places to save*
- *Members are excited about saving*

Duration: 60 minutes

- ***Explain to the group:***
- The purpose of the meeting is to develop a set of rules concerning how the members of the group will save by buying shares, how they will take out loans and pay them back, and how they will offer insurance to their members through a Social Fund.
- Note the group's decisions in your notebook; the SG will review and finalise these decisions in the following meeting (Module 3), as it develops its constitution.

Seating arrangements (5 min)

- The diagram below shows how members are seated in a meeting. Start the meeting by seating the members according to this arrangement. The diagram shows a SG with 18 members. The number can be bigger or smaller.
- Ensure that the numbers are assigned randomly and not using any particular criteria.
- Ensure that the space is big enough to accommodate everyone in one circle, rather than the need to create an inner and outer circle. In mixed groups, it would be particularly important to assign numbers in a way that women and men have equal access to the transactions. For cultural reasons, the random assigning of numbers might have to be sex disaggregated, to address any cultural sensitivity of young men and women sitting together. Moreover, ensure that women with special needs women with special needs (pregnant, have small children, lactating, divorced or widowed (single mothers), old, are differently abled, and diverse women) are not pushed to sides and must be made to feel welcomed.
- Explain to the group:
    - This seating arrangement is very important for two reasons
        1. It allows all members to see clearly what is happen in
        2. It ensures that all members transact in order

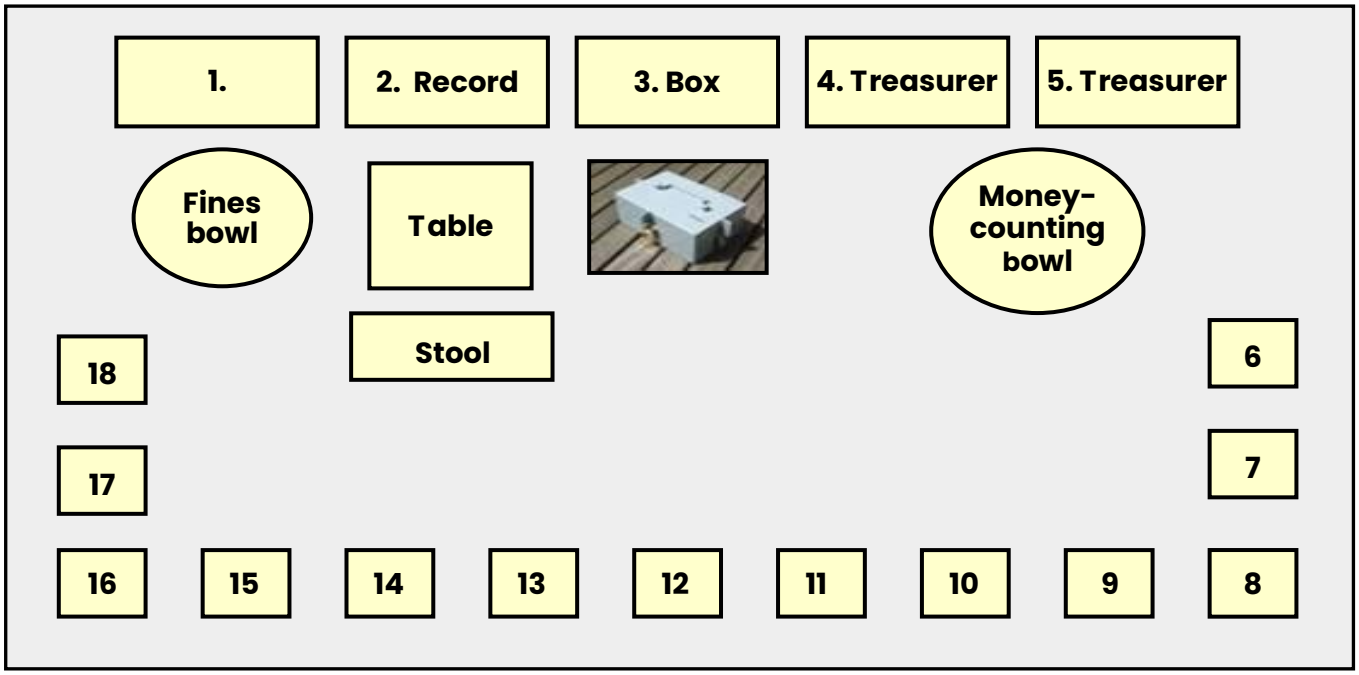


Figure 2: Layout of SG meeting place

- ## Social Fund (10 min)

  - Explain to the members:
    - The group will create a Social Fund to provide grants or no-interest loans to members who encounter serious problems or challenges, and priority may be given to those women who have special needs including those who are pregnant, have small children, lactating, divorced or widowed (single mothers), old, are differently abled, and diverse women.
    - Grants or no-interest loans are often made to help with expenses related to:
      - Continuing education, if not supported by parents
      - Delaying marriage and to stop Child Early & Forced marriages
      - Accessing health including costs related to reproductive health services such as Antenatal, childbirth, and postnatal, family planning services
      - To access referral services in cases of gender-based violence/intimate partner violence
      - To access Child protection services
      - Funeral costs
      - Catastrophes, such as fire, floods or loss of livestock
    - The Social Fund can also be used for group activities, such as a celebration.

- The Social Fund is kept separately from the Loan Fund, in its own bag.
- At each meeting, every member makes the same contribution to the Social Fund.
- Each group decides the priorities of its Social Fund, and the amounts that it will provide members for different types of emergencies. These decisions are written in the group's Constitution.

- **Ask the group:**
  - At every meeting, every member will make the same contribution to the Social Fund. What should be the contribution amount to the Social Fund?
  - The regular contribution to the Social Fund must be an amount that is suitable for all members, at all meetings.
  - If the amount is too low, then the benefits from the Social Fund will also be low; if the amount is too high, then it may be difficult for all members to contribute at all meetings.
- Once the group has decided on the Social Fund contribution, write the amount in your notebook.
- **Ask the group:**
  - For what purposes should the Social Fund provide a grant to group members? What amount should be provided for each purpose? (not to be returned)
  - For what purposes should the Social Fund provide a no-interest loan to group members? What amount should be provided for each purpose? In how many instalments is the lended funds to be returned and what is the size of each instalment.
  - If the support provided by the Social Fund is too small, it may not be useful; if the support provided by the Social Fund is too large (too many purposes or large amounts), the group may not be able to meet all the needs of its members.
  - Once the group has decided on the type and amounts of support provided by the Social Fund, write the purpose amount in your notebook.

KEY MESSAGE

If the support provided by the Social Fund is too small, it may not be useful; if the support provided by the Social Fund is too large (too many purposes, large amounts), the group may not be able to meet all the needs of its members.

Box 7: SGs and the Social Fund

Youth Savings Groups and the Social Fund

Some SG projects are reluctant to promote the Social Fund, as young men and women may have fewer resources and perhaps (for those living with parents at least) less responsibility for emergency needs. However, Plan International has retained the Social Fund in its global SG programming; and experience demonstrates that SGs maintain a Social Fund for a range of social purposes, including school fees, health emergencies and funeral expenses – with an average balance of sh. 211 per youth group, compared to an average balance of sh.279 for adult Savings Groups.

SGs should be encouraged to establish a Social Fund, as it provides a useful safety net for the group and individual members. Each group should decide how to use its Social Fund: purpose, type of support (grants and/or no-cost loans) and pay-outs. And a group can decide to terminate its Social Fund at any time, if it wishes, by returning the balance of the fund to all members, in equal amounts.

Adapted from Youth Savings Group Model, Plan UK

Share-purchase rules (20 min)

- Explain to the group:
  - Members save in a SG by buying shares.
  - At each meeting, each member has the opportunity to purchase between 1 to 5 shares.
  - The price of one share is decided by the group. It can be whatever amount you want. But it cannot change during the cycle.
  - If the amount is too big, then the poorest member will have trouble saving at least one share.
  - If the amount is too small, then the group's funds will grow more slowly.
- Ask the group members: What should be the share price in your group?
  - Remember: If the amount is too small, then the group fund will grow slowly; if the amount is too big, some members may have trouble to save, especially during the low season.
- Once the group has decided on the share price, write the amount in your notebook.

KEY MESSAGE

The Facilitator should provide at least two examples, using a different share price.

For example:

- *If the group decides on a share price of sh. 100 : at every meeting, each member can save 100, 200, 300, 400 or sh. 500 .*
- *If the group decides on a share price of sh. 200 : at every meeting, each member can save 200, 400, 600, 800 or sh. 1000 .*

- **Lending rules (20 min)**
  - Explain to the group:
    - Members can save every week, but they can only borrow once every four weeks.
    - Borrowing once every four weeks:
      - Keeps most meetings short
      - Keeps record-keeping simple (loans in every meeting make records very complicated)
      - Allows the Loan Fund to build, so that members can borrow useful amounts
      - The group should decide on a number of SG members borrowing, to allow other members enough access at subsequent group meetings.
  - Explain to the group:
    - The maximum amount that can be borrowed by any member is three times their savings. For example, if a member has sh. 500 in savings, the most that they can borrow is sh.1,500; if a member has sh. 1,000 in savings, the most that they can borrow is sh. 3,000
      - This ensures everyone has fair access to loans, and that loans are not too risky.
    - The maximum loan duration should not be more than 3 months.
      - This ensures everyone has fair access to loans, and that loans are not too risky.
    - When a member takes a loan, (s)he has to pay a service charge every 4 weeks. This is a fee paid to the group for being able to borrow. The money stays in the group, and ends up back in members' pockets at the annual share out. The group must decide how much the service charge should be. The monthly service charge is:
      - A percentage bas ed on the loan amount
      - Decided by the group – it can be any amount the members want (it can even be zero)
      - The same amount every month until the loan is fully repaid
      - Paid every 4 weeks

KEY MESSAGE

The Facilitator should provide an example, using four different service charges. For a loan of sh.1,000 :

- *If the group decides on a service charge of 0%, the borrower will not pay any service charge*
- *If the group decides on a service charge of 1%, the borrower will pay a service charge of sh.10 every month, until the loan is fully repaid.*
- *If the group decides on a service charge of 5%, the borrower will pay a service charge of sh. 50 every month, until the loan is fully repaid.*
- *If the group decides on a service charge of 10%, the borrower will pay a service charge of sh.100 every month, until the loan is fully repaid.*

- Ask the group members: What should be the monthly service charge in your group?
- If the members are unsure what monthly service charge the group should choose, give the following guidance:
    - A service charge which is too high will discourage members from borrowing, and make the SG less useful. It will also marginalise those who might be most in need of these loans. For this reason, it should not be more than 10%.
    - A service charge of 0%, 1%, 5% or 10% is easy to calculate.
- Once the group has decided its monthly service charge, write the amount in your notebook.

The SG cash-box and key-holders (10 min)

- ***Explain to the group:***
    - The SG cash-box contains all the materials of the SG (use Annex 3 to describe all the materials).
    - The Box-keeper is responsible for the safety of the kit and (s)he must carry it to every meeting.
    - All the group's money and member passbooks are kept in the box. The box is locked between meetings; SG transactions take place only at group meetings, in front of all members.
    - The box has three locks and the group must appoint three Key-holders, who will keep the keys, so that the box can only be opened in meetings. The three Key-holders can be identified by discussion. The Key-holders must be appointed by nominate by the SG on a rotational basis at every group sitting. They must:

- NOT be members of the Management Committee
- NOT be members of the same family
- Be SG members who can be relied upon to attend and will always be on time

- Ask the Chairperson: Can you please remind the group of the payment system for the SG cash-box and materials?
- Hand over the cash-box to the Box-keeper.
- Tell the Box-keeper to give the keys to the three Key-holder.

IMPORTANT

SGs must use a cash-box with three locks. This system keeps member money and records safe, and makes sure that transactions cannot take place privately between meetings.

A SG must have a complete cash-box, with all SG materials (as described in Annex 3: The SG Kit) before moving forward.

Key-Holders must be selected on rotational basis at each meeting.

- Ask the group members to reflect on the day's meeting:
  1. Why do you think SGs use a cash-box with three different locks?
  2. How did we agree on the Social Fund contribution? Do you feel the contribution amount is right?
  3. How did we agree on the share price? Do you feel the share price is right?
  4. What else did we decide today?

KEY MESSAGES

1. *It is important to set up the seating for each meeting in the same way.*
   - *It allows everyone to be involved in the meeting*
   - *It makes meetings more efficient*
2. *The group can support you and your family in case of an emergency. This is why we have a Social Fund. The Social Fund is set up to help you to address unexpected events in your life.*
3. *You can save every week! You can save between 1 and 5 shares each week.*
4. *You can only borrow once every four weeks. You can borrow any amount up to three times your savings.*

Module 4: Development of group constitution

Overview

Groups are made up of individuals with diverse behaviour patterns. To ensure that there is dignity and singleness of purpose, it is important for each group to develop a constitution to guide the conduct of group members. A Group constitution serves as a legal document that controls group behaviour. This module will help you to facilitate the preparation of a group constitution for your groups.

Objectives

- *The group develops its constitution*
- *Members define the terms "rights" and "responsibilities"*
- *Members understand the importance of rules and process*

Duration:

Variable. The SG should not rush these discussions or feel pressured to finalise its constitution in one meeting. Experience has shown that sometime this module can take two, or even three, meetings to complete.

Before going to this meeting, make a copy of the blank Constitution form (**Annex 2**) and take it to the meeting.

The blank constitution form in **Annex 2** allows you to write down group decisions. Part of it is already fixed, because experience has shown that some things should be common to all SGs. Decisions that the group needs to make for itself are shown as underlined blank spaces.

Purpose of the meeting (2 min)

- ***Explain to the group:***
  - The purpose of the meeting is to develop the group's constitution - the group's rules.
  - This meeting will concentrate on rules that help the group govern itself, including the decisions already made about the Social Fund, share purchase and loans.

Structured group discussion – Rules (15 min)

- Ask the group members:
  1. What other groups do you belong to?
  2. Do these groups have rules? What are they?
  3. What rules are important for a successful group?
- Read the scenario:
  - Peter is a 17-year-old boy. He is a member of the local SG. Peter needs money and has asked the group for a loan that is five times his savings. What should the group do? Why? This is an example to help guide them on the rational for the constitution.

Development of group constitution (variable duration)

- Go through the blank constitution form, item by item, and help the members to reach agreement on each clause.
- Help the Secretary to fill in the blank spaces.
- Once the form is filled, all the members will then sign/thumbprint the constitution to show that they agree.

IMPORTANT

The Facilitator should never think that (s)he knows what the group will decide and fill out the form before going to the meeting.

The SG should not rush these discussions or feel pressured to finalise its constitution in one meeting. Experience has shown that sometimes this module can take two, or even three, meetings to complete.

Structured group discussion (10 min)

- Ask the group members to reflect on the day's meeting:
    1. How do you think the Constitution will help your group?
    2. How do you feel about what happened at today's meeting?

KEY MESSAGES

1. *You are all responsible for the success of your savings group.*
2. *You must all be committed to the constitution that you have agreed upon as a group, and ensure that the group rules are respected.*
3. *It is important that you feel good about the constitution. Do not continue until all members of the group agree on the constitution.*

Module 5: First savings meeting

Overview

SGs are established mainly for savings, credit and insurance. Once decisions have been completed on share purchases, groups can start saving money through share purchases. This module will take you through all the processes of saving money including records keeping and meeting management.

Objectives

- *The group conducts its first Savings Meeting*
- *All members have the opportunity to purchase between 1 to 5 shares*
- *All members are familiarised with the savings records in the member passbook*
- *Each member makes a concrete savings goal*

Step 1: Purpose of the meeting (1 min)

- ***Explain to the group:***
  - This meeting will be the first chance members have to buy shares. Each member can purchase between 1 and 5 shares.

IMPORTANT

The Facilitator should ask the group to recall the share price and the different amounts each member can save.

- I will guide the group through the steps.
- From now on, I am only here to support the Management Committee, which is now in charge of meetings.

Step 2: The Kit and Key-holders

- *Explain to the group:*
  - The safety of the kit will be the responsibility of the Box-keeper and that s(he) must carry it to every meeting of the group.
  - The facilitator should tell the group to appoint three people as key-holders (rotationally at every meeting) and the box can only be opened in meetings.

Managing a meeting: General (75 min)

- Explain to the group:
  - At this point, the Management Committee will be learning only how to conduct a Savings Meeting. The first Loan Meeting will occur in 3 weeks.
- Use **Table 8**, below, to facilitate the first Savings Meeting; and refer to **Annex 5** to demonstrate to the group the savings records in the member passbook.

IMPORTANT

- *The three key holders cannot be members of the same family.*
- *They should be members who can be relied upon to attend and will always be on time.*
- *The key-holders should keep the keys in a safe place and bring one to the meeting all the time.*
- *In case they will be absent they should give the key to a responsible person in the group to present on their behalf.*
- *At this point, the Management Committee will be learning only how to conduct a Savings Meeting. The first Loan Meeting will occur in 3 weeks.*

Table 8: Procedures for first Savings Meeting

COSME Project Savings Groups (Sgs)

GROUP NAME .....

GROUP NO. .....

MEMBER NAME .....

MEMBER NO. .....

Single Share Value ..... (price of 1 stamp)

Cycle No. .....

Meeting No.	Number of shares purchased				
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					

Starting Number of shares (stamps) brought forward	0
Number of shares (stamps) on this page	
Number of shares (stamps) cancelled on this page	
Total number of shares (stamps) left to be carried forward	

Managing a meeting:

General

At this point, the Management Committee will be learning *only* how to conduct a Share-purchase meeting and record the shares. *Explain again that the first loan meeting will not occur for another 4 weeks.*

Meeting step	First savings meeting - Procedures
1. Meeting opening	• The Chairperson calls the meeting to order • The Secretary performs a roll call • The Key-holders open the box, which remains in front of the Box-keeper • The Fines bowl is placed in front of the Chairperson, so that fines can be collected during the meeting • The Secretary calls each member in number order to the front and gives them their number card and tells them that they must always bring it with them to all meetings • The Secretary writes their name and number on a passbook but does not give the passbook to the member
2. Social Fund *(if the group does not have a Social Fund, skip to step 3)*	• The Chairperson announces that contributions will be made to the Social Fund • The Secretary calls each member, by number, to give their Social Fund contributions to the Treasurers • When the member comes forward, they give their Social Fund contribution to the Treasurer and are given their passbook • The Treasurers confirm that each member has given the right contribution and place it in the Money-counting bowl • The Treasurers count the total amount in the Money-counting bowl and announce this to the members • The Secretary says that everyone should remember this amount for the next meeting • The Secretary records this amount in the note book • The Social Fund money is then replaced in its draw-string bag and put back in the cash-box

Meeting step	First savings meeting - Procedures
3. Share-purchase/ savings	• The Chairperson announces that members will now buy shares • The Secretary calls each member to the front by their number • Each member comes to the front and buys between 1 - 5 shares, giving the money to the Treasurer and their passbook to the Secretary • The Treasurer count the money, place it in the Money-counting bowl and announce the number of shares that have been purchased by the member • The Secretary stamps the correct number of shares into the passbook and crosses out any unused blocks • The member then checks that the number of new stamps in the passbook is correct: *the passbook remains with the Secretary for the rest of the meeting*
4. Expenses	• The Chairperson asks the Secretary if there will be any necessary expenses before the next meeting. If any expenses are approved by all of the members, the Chairperson instructs the Treasurer to remove the necessary amount from the Money-counting bowl and give it to the member who is responsible for paying the expense.
5. Calculating the Loan Fund balance	• The Treasurers combine the money in the Fines bowl and the Money-counting bowl • The Treasurers count the money and the Secretary announces the total to the Group • The Secretary then tells the Group that this money constitutes their Loan Fund • The Secretary records this amount in the note book • The Treasurers place the Loan Fund in its draw-string bag and put it in the cash-box

Meeting step	First savings meeting - Procedures
6. Closing Balance	• The Secretary announces the total of the Social Fund once again, and the Chairperson instructs all members to memorise the Social Fund balance for the next meeting • The Secretary announces the total of the Loan Fund once again, and the Chairperson instructs all members to memorise the balance of the Loan Fund for the next meeting • The Key-holders are called by the Chairperson to lock the box
7. Closing	• The Chairperson invites members to discuss any other subject that may be of interest • The Chairperson announces the date and time of the next meeting and reminds everyone to come with their Social Fund contributions and Share-purchase money • The Chairperson tells the members that they will be able to request a loan at the first loan meeting, three weeks from the date of this meeting Once the discussion is complete, the Chairperson closes the meeting

Step 4: Recording the weekly balances

Help the Secretary to enter the balances into the exercise book provided in the kit at the end of every meeting as follows.

The Secretary enters the following data in his/her notebook at the end of every meeting:

Table 9: Weekly record of balances – Example

Weekly record of balances

Date	Cash in the Loan Fund bag sh.	Cash in the Social Fund bag sh.
13:1:2023	220.00	12.00

Step 5: Conclusion

Ask if there are any questions. Announce the topic for the next meeting. Thank participants and close the meeting.

Note: For the two visits after this meeting (between Module 4 and Module 5) the Facilitator should use Annex 4: Facilitator's consolidated guide to meeting procedures.

KEY MESSAGES

1. *Congratulations on completing your first Savings Meeting!*
2. *At every weekly Savings Meeting, all members have the opportunity to purchase between 1 and 5 shares. You can purchase 1, 2, 3, 4, or 5 shares – as you wish!*
3. *You can purchase a different number of shares in different meetings.*
4. *Each member can purchase a different number of shares. You do not have to purchase the same number of shares as other members.*

Individual exercise – Making a savings goal (12 min)

- Ask the group members:
  1. What is a savings goal?

> ***KEY MESSAGES***
>
> *A SAVINGS GOAL is the amount of money we plan to save, over a period of time, for a specific purpose.*
>
> ***For example:***
> - *Zuweira plans to save sh. 50 this month, to repair her bicycle*
> - *Abena plans to save sh. 500before the planting season, to purchase seeds and fertilizer*
> - *Mary plans to save sh. 800 over the next year, to pay her school fees*

  2. Why is it important to make a savings goal?

> ***KEY MESSAGES***
>
> *Making a concrete savings goal can help you build your savings.*

  3. What is your savings goal for the next year? Take a few minutes to think about why you want to save, and how much you want to save over the next year. Do not share it with anyone; for now, just try to remember it.

Homework – Making a savings goal (3 min)

- Tell the group:
  - Talking to your family about your savings goal can help you reach your goal.
  - Before next week's meeting, talk to your family members about your savings goal:
    1. What do they think about your goal?
    2. How can you plan to achieve your goal?

Next week, each member will write their savings goal in their individual passbook.

Module 6: Life goals

Objectives

- ***Each member reviews their personal savings goal***
- ***Members distinguish between a "goal" and a "dream"***
- ***Members describe a personal dream, and the steps to achieve it***

Purpose of the meeting (1 min)

- *Explain to the group:*
  - Last week, each member made a savings goal.
  - Today we will talk about your savings goals; and we will also talk about life goals.

Review – Making a savings goal (15 min)

- *Explain to the group: Last week we talked about making a savings goal*
- *Ask the group members:*
  1. What is a savings goal?
  2. Why is it important to make a savings goal?
  3. Raise your hand if you discussed your savings goal with your family. Was it helpful?

KEY MESSAGES

1. *A savings goal is the amount of money we plan to save, over a period of time, for a specific purpose.*
2. *Making a concrete savings goal can help you build your savings.*
3. *Talking to your family about your savings goal can help you reach your goal.*

- *Instruct the group members:*
  - In the inside cover of your passbook, write your savings goal for the next year.
  - Remember to write
    1) How much you plan to save over the next year; and
    2) Why you want to save [For non-literate groups, ask group members to share their savings goals in pairs]
- After about 5 minutes, ask volunteers to share their savings goal with the group.
- Congratulate each volunteer for making a savings goal.

IMPORTANT

The Facilitator should periodically – every 2-3 months – ask the members to examine their savings goal. Do they think they are on track? Do they want to change their savings goal? In pairs, instruct the members to reflect on their savings goal and their progress towards achieving it.

- Ask the group members:
  1. What is a goal?
  2. Why is it important to set goals?

KEY MESSAGES

1. *A goal is something you want to have or do in the future.*
2. *A goal could be related to your education, business, career, family, relationships, or other important part of your life.*
3. *Setting concrete goals can help you focus on what is important to you, and makes you feel good about your accomplishments.*

3. What is the difference between goals and dreams?

KEY MESSAGES

1. *Goals are achievable, even if they take hard work and sacrifice. They are something you actually intend doing.*
2. *Dreams are more like fantasies – you often enjoy thinking about them without ever making firm plans to achieve them.*
1. *Dreams are important too!*

Play the game – Fantasy Island (40 min)

- Give the instructions:
  - We will now play a game called "Fantasy Island".
  - Close your eyes.
  - Think of a personal dream of yours – something you would love to achieve or experience. It doesn't need to be realistic. It can be modest or ambitious.
  - It could be passing an exam or walking on the moon.
- Arrange the SG in groups of at least five people each.
- Give the instructions:
  - One group member explains her dream – a dream, which she would like to act out. For example; a scene where the she is a famous singer, gets her own house, gets a degree, etc. Or act as successful Woman Business

leader, got elected to head the chamber of commerce, own a nice car and a house, appear on a TV program and inspire other young women to become businesswomen.

- The group member then creates a scene with her group, demonstrating her dream until. The group acts out the scene with the participant in charge taking the role of herself. Everyone should have a role to play.

(For example, one participant's dream is to win a gold medal in the 100 metres sprint at the Olympics. In the race she beats two famous athletes. Everybody in the group must be given a part. One participant provides an excited radio commentary. Another participant acts as a cameraman following the race for national television. Another is given the role of sports photographer. Others acted as the excited crowd. When everyone knows their role, the race is acted out in slow motion. Perhaps the scene finishes with the winner receiving her medal on the podium. It is important the participants are given complete freedom to act out whatever dream they chose.)

- The group should act out the dream of each member.
- After about 25 minutes, bring the entire SG back together.

KEY MESSAGE

Dreams can become real if you set a series of realistic, achievable goals. Dreams will not come true unless we make plans.

- Ask the group members:
  - Think of your own dream. What are three goals you could set to help make that dream come true?
- Divide the group into pairs.
- Give the instructions:
  - Tell your partner your dream, and the three goals you could set to help make that dream come true.
- Finish by asking some volunteers to share their answers with the entire group.

KEY MESSAGE

1. *Dreams can become real if you set realistic and achievable goals.*
2. *Set small steps to achieve your goals.*

Module 7: Borrowing wisely

Objectives

- *Members understand the characteristics of a good borrowing decision*
- *Members differentiate between good and bad borrowing decisions*

Purpose of the meeting (2 min)

- This meeting takes place the week before the first Loan Meeting (see Figure 1, page 10).
  - *Explain to the group:*
    - We have discussed using your savings to achieve your goals and to help you face unexpected expenses.
    - But sometimes, you do not have enough savings to respond to the needs or difficulties in life, or you do not want to use your savings. You may have to borrow.
    - Today, we are going to discuss good borrowing decisions.

Play the game – Lending and borrowing (15 min)

- *Ask the group to stand in a circle and show them a stone*
- *Tell the group:*
  - We are going to play a game. I am going to ask a question and throw this ball (if a ball is not available, a pebble can be passed around instead).
  - The person who catches the ball must answer the question and throw the ball to another person.
  - Then that person will answer the same question and throw the ball to another person, who will also answer the same question. Let us begin.
- *Play the game with the following question:*
  - How did you feel when you lent something—anything—to someone that was not returned to you?
  - After 4 or 5 participants have answered, repeat the game with the following question:
  - How did you feel when you failed to return something you borrowed?
  - After 4 or 5 participants have answered, thank them
- *Tell the group: You can avoid those bad feelings by borrowing wisely. Today we are going to talk about how to borrow wisely.*

Play the game – Good borrowing decisions (10 min)

- *Explain to the group:*
- *To make good borrowing decisions, you must be sure that:*
    - ou have a reasonable purpose for borrowing [put your hands out to your sides with your palms facing up]
    - You can afford the amount [rub your thumb and forefinger together]
    - You have a plan to repay [tap your index finger on your forehead]
- *Tell the group:*
    - Now, let us play a game to remember the characteristics of good borrowing decisions.
    - I am going to make the gesture of either:
        1. The purpose [put your hands out to your sides with your palms facing up]
        2. the amount [rub your thumb and forefinger together] or
        3. the plan to repay [tap your index finger on your forehead]
    - hen I make the hand gesture, you must shout out its meaning.
- *Play the game. After the game, praise everyone for participating.*

Play the game – Lending and borrowing (30 min)

- *Tell the group:*
    - Now, let us play another game about good and bad borrowing decisions.
    - First, let us remember how you make good borrowing decisions.
- *Ask the group:*
    - What **3 things** must you do in order to make good borrowing decisions?

KEY MESSAGE

To make good borrowing decisions, make sure that:

1. *Your purpose is reasonable*
2. *You can afford the amount*
3. *You have a plan to repay*

- Thank the participants. Then ask all the group members to stand in a straight line, facing you.
- *Tell the group*:
  - I am going to read statements about borrowing.
  - For each statement I read, you are going to indicate whether you think the borrower has made a good or bad decision to borrow.
  - If you think that it is a good decision, jump forward. If you think it is a bad decision, stay where you are.
  - Let us start with a practice statement. When I count to 3, jump forward if you think it is a good decision to borrow, or stay where you are if you think it is a bad decision to borrow.
- Read the practice statement in the box below, twice, then say "1, 2, 3!" Make sure the participants give the correct answer.

PRACTICE STATEMENT	
Statement	**Answer**
You borrow sh. 500 to buy seeds for cultivation. Do you think you can sell all your farm produce and make a total of sh. 700?	**Good decision – Jump!** You can afford the amount (rub your thumb and forefinger together)

- *Tell the group*:

  Now that we all understand the game, let us play!
  - Read the first statement in the box below, twice, then say "1, 2, 3!"
  - If all the participants give the correct answer, congratulate them. If some participants think the statement is a good borrowing choice and others think it is a bad choice, ask someone who answered correctly to explain her/his answer, tell the group the correct answer and, finally, clarify any questions. If all participants give the wrong answer, facilitate a discussion to explain the correct answer.
  - After each discussion, give participants time to get back into a straight line before you read the next statement.
  - Repeat the exercise for each of the remaining statements.
  - Thank everyone for participating.

Practice Statement	
Statement	**Answer**
1. You borrow money to buy a goat you are going to sell next year. You must repay your loan next month. You do not know where you will get the money	**Bad decision – Do not Jump!** You do not have a plan to repay (tap your index finger on your forehead)
2. You borrow money to help buy food during the rainy season. You do not have to repay until after the harvest.	**Good decision – Jump!** **Your purpose is reasonable** (put your hands out to your side with your palms facing up)
3. You borrow money to prepare and sell rice. But instead you buy a nice dress you see in the market. Now you are not sure how you will pay back your	**Bad decision – Do not Jump!** **You cannot afford the amount** (rub your thumb and forefinger together)
4. Your aunt gives you money to buy your supplies for school. In return your are going to help her sell in the market every week-end for 1 month	**Good decision – Jump!** **Your purpose is reasonable** (put your hands out to your side with your palms facing up)
5. Your borrow money to fix your broken sewing machine. You will repay your loan with the money you make assisting other seamstresses	**Good decision – Jump!** **Your have a plan to repay** (tap your index finger on your forehead)

KEY MESSAGES

1. *To make good borrowing decisions, make sure that:*
   - *Your purpose is reasonable*
   - *You can afford the amount*
   - *You have a plan to repay*
2. *Making good borrowing decisions can help you achieve your goals.*

Module 8: First Loan Meeting

- ***Objectives***
- *The group conducts its first Loan Meeting*
- *All members have the opportunity to request a loan*
- *All members are familiarised with the loan records in the member passbook*

Duration: 90 minutes

Purpose of the meeting (1 min)

- This meeting takes place 3 weeks after the first Savings Meeting (see **Figure 1**, page 10).
  - *Explain to the group*:
    - This meeting will be the first chance members have to request a loan, after Social Fund and share purchase activities are completed.

First disbursement of loans (90 min)

- *Explain to the group*:
  - Loans will be taken and repaid only at the monthly Loan Meeting, every four weeks.
  - Monthly Loan Meetings:
    - Keep most meetings short
    - Keep record-keeping simple and understandable for the members and the Secretary
    - Allow the Loan Fund to build between Loan Meetings

IMPORTANT

The Facilitator must NOT permit a group to make loan transactions (disbursements or repayments) outside the monthly Loan Meeting.

- Use **Table 10** to facilitate the first Loan Meeting and refer to **Annex 5** to help the SG understand the loan record-keeping system.

IMPORTANT

The Facilitator should study the meeting procedures and the SG loan records (before this meeting. If the Facilitator has any questions or concerns, these must be resolved before this meeting.

Table 10: Procedures for first Loan Meeting

Meeting step	First Loan Meeting-Procedures
1. Meeting opening	• The Chairperson calls the meeting to order. • The Secretary performs a roll call. • The Key-holders open the box, which remains in front of the Box-keeper. • The Fines bowl is placed in front of the Chairperson, so that fines can be collected during the meeting.
2. Social Fund *(if the group does not have a Social Fund, skip to step 3)*	• The Secretary asks the Group to recall the balance of the Social Fund from the previous meeting • The Treasurers then remove the money from the Social Fund bag, place it in the Money-counting bowl, count it, and announce the amount to the members • The Chairperson announces that contributions will be made to the Social Fund • The Secretary calls each member, by number, to give their Social Fund contribution to the Treasurers • When the member comes forward, they give their Social Fund contribution to the Treasurer and are given their passbook • The Treasurers confirm that each member has given the right contribution and place it in the Money-counting bowl • The Secretary then asks if any member has missed a payment to the Social Fund in the last meeting. If so, they are asked to pay it now. • The Secretary then asks if anyone needs a grant from the Social Fund. Members in need make their request to the Group. • If a majority of the members approve the grant, the money is provided to the member according to the Constitution • The Treasurer count the total amount remianing in the Money-counting bowl and announce this to the members • The Secretary says that everyone should remember this amount for the next meeting • The Secretary records this amount in the note book • The Social Fund money is then replaced in its draw-string bag and put back in the cash-box

Meeting step	First Loan Meeting-Procedures
3. Share-purchase / savings	• The Secretary asks the members to recall the balance of the Loan Fund from the previous meeting • The Treasurers then remove the Loan Fund from its bag and count it, announcing the amount to the members • Once it is agreed that the amount remembered and the amount counted are the same, the money is placed in the Money-counting bowl • The Chairperson announces that members will now buy shares • The Secretary calls each member to the front by their number • Each member comes to the front and buys between 1 - 5 shares, giving the money to the Treasurer and their passbook to the Secretary • The Treasurers count the money, place it in the Money-counting bowl and announce the number of shares that have just been purchased by the member • The Secretary stamps the correct number of shares into the passbook and crosses out any unused blocks • The member then checks that the number of new stamps in the passbook is correct: *the passbook remains with the Secretary for the rest of the meeting* • (If a member needs to make a withdrawal, they will ask for it instead of buying shares. When a withdrawal is needed, the Secretary will cross out the number of shares from the member's passbook that corresponds to the value of the withdrawal and the Treasurer will give the money from the Money-counting bowl. The value of a share paid back to the member will be equal to its original purchase price.)
4. Expenses	• If any money was given for expenses in the previous meeting, the person who made the expenditure gives an account and returns any change to the Treasurer, who place it in the Money-counting bowl • The Chairperson asks the Secretary if there will be any necessary expenses before the next meeting. If any expenses are approved by all of the members, the Chairperson instructs the Treasurer to remove the amount needed from the Money-counting bowl and give it to the member who is responsible for paying the expense.

Meeting step	First Loan Meeting-Procedures
5.Calculating the new Loan Fund balance	• The Treasurer combine the money in the Fines bowl and the Money-counting bowl • The Treasurer count the money in the Money-counting bowl and the Secretary announces the amount to the Group • The Secretary then tells the Group that this is the money available for lending in this meeting
6. Loan taking	• The Chairperson invites loan requests, reminding members of the maximum loan term and loan amount (three times the member's savings) • Each member who wants a loan then makes a request out loud to the Group, announcing the amount requested, the purpose of the loan and over what period of time they expect to repay • The Secretary then calculates the total value of the requests and announces it • If the total value of loans requested is more than the money available in the Loan Fund, the Group must discuss adjustments to the individual loan amounts until all members are satisfied • Once it is decided how much each borrower will receive, the Secretary calls each borrower to the front in order of their number • The Secretary then enters the loan number, loan amount and service charge due in the borrower's passbook • The Secretary instructs the Treasurer to give the borrower the loan amount from the Money-counting bowl • The borrower then counts the money, and signs the passbook • The Secretary then instructs the borrower to announce out loud the total amount due and the date it is due • This process is repeated until all loans have been issued • The Treasurer then count the money remaining in the Money-counting bowl and announce the amount to the Group • The Secretary then tells the Group that this money constitutes their Loan Fund • The Secretary records this amount in the note book • The Treasurer then place the Loan Fund in its draw-string bag and put it in the cash-box

Meeting step	First Loan Meeting-Procedures
7. Closing balances	• The Secretary announces the total of the Social Fund once again, and the Chairperson instructs all members to memorise the Social Fund balance for the next meeting • The Secretary announces the total of the Loan Fund once again, and the Chairperson instructs all members to memorise the balance of the Loan Fund for the next meeting • The Key-holders are called by the Chairperson to lock the box
8. Closing	• Before closing the meeting, the Chairperson invites members to discuss any other subject that may be of interest • The Chairperson announces the date and time of the next meeting • Once discussion is complete, the Chairperson closes the meeting

KEY MESSAGES

1. *Congratulations on completing your first Loan Meeting! Today every member had the opportunity to request a loan.*
2. *All members have learned how to record a loan in the member passbook. With practice, this will become easier.*
3. *Loan Meetings will occur every four weeks. Loans will be taken and repaid only at the monthly Loan Meeting.*

Module 9: Planning and budgeting - Part I

Objectives

- *Members understand the concept of a budget*
- *In small groups, members develop a household monthly budget*
- *Members understand the importance of financial planning*

Duration: 60 minutes, following a regular Savings Meeting

Purpose of the meeting (2 min)

- *Explain to the group:*
  - Today we will talk about budgets and the importance of financial planning.

Structured group discussion – What is a budget? (10 min)

- Ask the group members:
  1. What are the three most important things that you have to spend money on each month?
  2. How do you make sure there is enough money for these things?
- If they haven't mentioned the word 'budget', introduce the word. Explain that:
  1. A budget is a list that shows where we plan to spend our money, over a period.
  2. In this meeting, you will learn how to prepare a budget.

Play the game – Family budget (30 min)

- Split the SG into small groups (5-8 individuals per group).
- Give each group 10 balls. If you do not have access to balls, use pebbles or recycled materials.
- Give each group three baskets. If you do not have access to baskets, use containers of a suitable size or recycled material
- *Tell the group:*
  - Each basket is worth a different amount of points [Assign a suitable amount of points so that the groups can translate their points into money].
  - The players must throw the balls in the baskets to win points.
- Give one group the extra instruction that they can only use their left hand. Take note of their reactions to these extra instructions.
- Groups should form a line at least three metres away from their baskets.

- *Tell the group:*

  When I say "Go", throw as many balls as you can into the baskets in two minutes, making sure that each group member has a chance to throw at least one ball.
- When the time is up, ask the participants to add up their points.
- *Now, explain to the SG:*
  - Each group is a family.
  - The points that you have won represent the money available to cover all of your family's expenses for one month.
  - Each group (family) must decide as a group how they will spend their money.
    - First, your group (family) needs to make a list of items they need each month.
    - Then, you must decide how much money to spend on each item.
    - Each group (family) must make sure that their total expenses are less than their income (money available)

- After the exercise is complete (10-15 minutes), ask for a volunteer from each group to present their decisions, and invite comments from the other groups. Remind the participants that there are no right or wrong answers.

Structured group discussion – Planning and budgeting (10 min)

- Ask the group members:
  1. What is a budget? Why is it important?
  2. Why should your expenditures (the money you spend) and your income (the money you earn or receive) balance?
  3. If your expenditures are greater than your income, what does it mean?
  4. If your expenditures are less than your income, what does it mean?
  5. What challenges could you face when you prepare your budget? How can you overcome these challenges?

- Explain to the group members: each of us have different spending habits based on our needs, wishes and personality. It is important to understand your needs and wishes.

KEY MESSAGES

1. *A budget is a list of where we plan to spend our money.*
2. *A budget helps us ensure that our expenditures (the money we spend) and our income (the money we earn or receive) balance.*

There is not one way to create a budget. It is important to figure out what your needs and wishes are.

Homework – Preparing a personal/household budget (5 min)

- Explain to the group:
  - Budgeting takes practice. The more you practice, the easier it is.
  - Discuss with your family what you learnt today about planning and
  - budgeting.
  - With your family, prepare a family budget for the next month.
  - On a simple piece of paper, write down:
    - A list of planned expenses for the next month (ex. food, clothing, transport, school fees, business expenses, etc.)
    - For each item, indicate how much your family plans to spend during the next month. Then calculate the total amount of money your family plan to spend next month.
    - At the end of the month, indicate how much your family actually spent on each item. Then calculate the total amount of money your family actually spent over the month.

IMPORTANT

Provide a simple example. If writing material is available, a flipchart, notebook or hand-out can be used. If not, a stick or stone may be used to write on the ground.

1. *Make a list of typical household expenses.*
2. *Next to each item, indicate how much your family plans to spend on this item over the next month. Then calculate the total amount you plan to spend next month.*
3. *At the end of the month, indicate how much your family actually spent on each item over the month. Then, calculate the total amount of money your family actually spent over the month.*

IMPORTANT

This exercise needs to be adapted to the SG. For older or out-of-school youth, the preparation of a personal budget may be more relevant; whereas for younger or in-school youth, a family budget may be more appropriate.

If the preparation of a family budget is requested, the Facilitator should discuss how members can:

1. *Engage their families in the exercise*
2. *Invite their families to the Savings Meeting one month from now*

Module 10: Planning and budgeting - Part II

Objectives

- *Members review the concept of a budget*
- *In small groups, members review and discuss their experience in preparing a personal/household monthly budget*

Duration: 30 minutes, following a regular Savings Meeting

Homework Review – Planning and Budgeting (5 min)

- Explain to the group: Last month, we discussed planning and budgeting.
- Ask the group members:
  1. What is a budget?
  2. Why is a budget important?

KEY MESSAGES

1. *A budget is a list of where we plan to spend our money, over a period of time.*
2. *A budget helps us ensure that our expenditures (the money we spend) and our income (the money we earn or receive) balance.*

3. How many of you discussed what you learned with your family? Raise your hand if you discussed what you learned with your family.
4. How many of you prepared a family budget for the last month? Raise your hand if you prepared a family budget for the last month.

Small group exercise – Planning and Budgeting (20 min)

- Invite the members to form small groups (3-5 individuals per group).
- If any family members are present, invite them to join a group.
- Ensure that the members who have completed the exercise are spread evenly across the groups.
- Explain to the group:
- Tell your group how you prepared your family budget
  1. Was it easy or difficult?
  2. Did you do it alone or with other members of your family?
  3. How did you decide what to spend your money? Who decided?
  4. How did you decide how much to spend? Who decided?
  5. During the month, did you spend more, less or the same amount that you had planned?

6. During the month, did you have any unplanned expenses that were not in your budget?
7. How do you feel about the experience?

- Rotate around the groups to remind the participants the questions, encourage the participation of all members, and praise them for their effort.
- After about 20 minutes, bring the entire SG back together.

Structured group discussion – Planning and Budgeting (10 min)

- Ask the group members: Does anyone want to share their experience with the group?
- Ask for volunteers. Do not force any members to participate.
- Allow for 4-5 members to share their experience with the group.
- If any family members of the volunteers are present, invite them to join and share their experience as well.
- Thank the volunteers and their families for their participation.

Module 11: First loan repayment

Objectives

- *The group receives and records its first loan repayments*
- *All members are familiarised with the loan records in the member passbook*

Duration: 30 minutes, following a regular Savings Meeting

Purpose of the meeting (1 min)

- This meeting takes place 4 weeks after the first loan disbursement (see Figure 1, page 10).
  - *Explain to the group:*
    - This meeting will be the first time that the group will receive loan repayments.
    - I will guide you through the steps; and we will review the loan records, in the member passbooks, together.

First repayment of loans (90 min)

- Remind the group
  - SGs meet every week, but loans will be taken and repaid only at Loan Meetings.

IMPORTANT

The group must only receive loan repayments at the monthly Loan Meeting.

Use **Table 11** to facilitate the first meeting with loan repayments and refer to **Annex 5** to help the SG understand the loan record-keeping system.

IMPORTANT

The Facilitator should study the meeting procedures and the SG loan records before this meeting. If the Facilitator has any questions or concerns, these must be resolved before this meeting.

Table 11: Procedures for a Loan Meeting with first loan repayments

Meeting step	Loan Meeting with First Loan Repayments – Procedures
1. Meeting opening	• The Chairperson calls the meeting to order • The Secretary performs a roll call • The Key-holders open the box, which remains in front of the Box-keeper • The Fines bowl is placed in front of the Chairperson, so that fines can be collected during the meeting
2. Social Fund *(if the group does not have a Social Fund, skip to step 3)*	• • The Secretary asks the Group to recall the balance of the Social Fund from the previous meeting • The Treasurers then remove the money from the Social Fund bag, place it in the Money-counting bowl, count it, and announce the amount to the members • The Chairperson announces that contributions will be made to the Social Fund • The Secretary calls each member, by number, to give their Social Fund contribution to the Treasurers • When the member comes forward, they give their Social Fund contribution to the Treasurer and are given their passbook • The Treasurers confirm that each member has given the right contribution and place it in the Money-counting bowl • The Secretary then asks if any member has missed a payment to the Social Fund in the last meeting. If so, they are asked to pay it now. • The Secretary then asks if anyone needs a grant from the Social Fund. Members in need make their request to the Group. • If a majority of the members approve the grant, the money is provided to the member according to the Constitution • The Treasurer count the total amount remianing in the Money-counting bowl and announce this to the members • The Secretary says that everyone should remember this amount for the next meeting • The Secretary records this amount in the note book • The Social Fund money is then replaced in its draw-string bag and put back in the cash-box

Meeting step	Loan Meeting with First Loan Repayments – Procedures
3. Share-purchase / savings	• The Secretary asks the members to recall the balance of the Loan Fund from the previous meeting • The Treasurers then remove the Loan Fund from its bag and count it, announcing the amount to the members • Once it is agreed that the amount remembered and the amount counted are the same, the money is placed in the Money-counting bowl • The Chairperson announces that members will now buy shares • The Secretary calls each member to the front by their number • Each member comes to the front and buys between 1 - 5 shares, giving the money to the Treasurer and their passbook to the Secretary • The Treasurers count the money, place it in the Money-counting bowl and announce the number of shares that have just been purchased by the member • The Secretary stamps the correct number of shares into the passbook and crosses out any unused blocks • The member then checks that the number of new stamps in the passbook is correct: *the passbook remains with the Secretary for the rest of the meeting* • (If a member needs to make a withdrawal, they will ask for it instead of buying shares. When a withdrawal is needed, the Secretary will cross out the number of shares from the member's passbook that corresponds to the value of the withdrawal and the Treasurer will give the money from the Money-counting bowl. The value of a share paid back to the member will be equal to its original purchase price.)
4. Expenses	• If any money was given for expenses in the previous meeting, the person who made the expenditure gives an account and returns any change to the Treasurer, who place it in the Money-counting bowl • The Chairperson asks the Secretary if there will be any necessary expenses before the next meeting. If any expenses are approved by all of the members, the Chairperson instructs the Treasurer to remove the amount needed from the Money-counting bowl and give it to the member who is responsible for paying the expense.

Meeting step	First Loan Meeting-Procedures
5. Loan repayment	• The Chairperson asks borrowers to identify themselves • By referrring to the member passbooks, the Secretary confirms the identity of the borrowers and the amount due by each borrower • Each borrower is then called to the front to give their payment to the Treasurer. It must not be less than the service charge due. • The Treasurer count the payment, announce the amount and place it in the Money-counting bowl • The Secretary enters the payment amount in the member's passbook in the 'Paid' box • The Secretary then calculates the remaining balance due and enters it in the 'Balance' box in the member's passbook • If the remaining balance due is zero, the Secretary signs the passbook and announces that the loan is repaid, cancelling the loan with a diagonal red line drawn through the page • If a balance is remaining, the Secretary then calculates the service charge due in the next meeting and enters it in the appropriate space. The borrower then signs in the space provided.
6. Calculating the new Loan Fund balance	• The Treasurer combine the money in the Fines bowl and the Money-counting bowl • The Treasurer count the money in the Money-counting bowl and the Secretary announces the amount to the Group • The Secretary then tells the Group that this is the money available for lending in this meeting
7. Loan taking	• The Chairperson invites loan requests, reminding members of the maximum loan term and loan amount (three times the member's savings) • Each member who wants a loan then makes a request out loud to the Group, announcing the amount requested, the purpose of the loan and over what period of time they expect to repay • The Secretary then calculates the total value of the requests and announces it • If the total value of loans requested is more than the money available in the Loan Fund, the Group must discuss adjustments to the individual loan amounts until all members are satisfied

Meeting step	First Loan Meeting-Procedures
	• Once it is decided how much each borrower will receive, the Secretary calls each borrower to the front in order of their number • The Secretary then enters the loan number, loan amount and service charge due in the borrower's passbook • The Secretary instructs the Treasurer to give the borrower the loan amount from the Money-counting bowl • The borrower then counts the money, and signs the passbook • The Secretary then instructs the borrower to announce out loud the total amount due and the date it is due • This process is repeated until all loans have been issued • The Treasurer then count the money remaining in the Money-counting bowl and announce the amount to the Group • The Secretary then tells the Group that this money constitutes their Loan Fund • The Secretary records this amount in the note book • The Treasurer then place the Loan Fund in its draw-string bag and put it in the cash-box
8. Closing balances	• The Secretary announces the total of the Social Fund once again, and the Chairperson instructs all members to memorise the Social Fund balance for the next meeting • The Secretary announces the total of the Loan Fund once again, and the Chairperson instructs all members to memorise the balance of the Loan Fund for the next meeting • The Key-holders are called by the Chairperson to lock the box
9. Closing	• Before closing the meeting, the Chairperson invites members to discuss any other subject that may be of interest • The Chairperson announces the date and time of the next meeting • Once discussion is complete, the Chairperson closes the meeting

KEY MESSAGES

1. *Congratulations! Today, your SG collected its first loan repayments and earned its first profits.*
2. *All members have learned how to record a loan in the member passbook. With practice, this will become easier.*
3. *Loan Meetings will occur every four weeks. Loans will be taken and repaid only at the monthly Loan Meeting.*

IMPORTANT

*In all meetings from now on, the Facilitator uses the Facilitator's consolidated guide to meeting procedures (**Annex 4**). The consolidated guide to SG meeting procedures should be laminated in plastic and carried by the Facilitator to all group visits.only at the monthly Loan Meeting.*

Module 12: Decision-making – Part I

Objectives

- *Members understand the difference between active and passive decisions*
- *Members are familiarised with the three steps to make good decisions*

Purpose of the meeting (1 min)

- *Explain to the group:*
  - Today, we will talk about the types of decisions women face, and the three steps for good decision-making.

Structured group discussion – three steps for good decision-making (30 min)

- *Explain to the group:*
  - A decision is a choice that we make between two or more possible options. We all make decisions every day.
  - We will need to make more and more decisions as we go through life and some of these decisions will affect us the rest of our lives.
  - One of the most important parts of decision making is looking ahead to see what might happen if you do something. This is called predicting outcomes or understanding consequences. The better you are at predicting outcomes, the better you will be at making decisions that result in the outcomes or consequences you want.
- *Tell the group:*
  - Now, I would like you to think about your day, from when you woke up to right now.
  - We make decisions all day but we often don't think about them. [Use some of your own examples – perhaps you decided to walk to work, eat breakfast, etc.]
  - We will go around the circle, and each member will share one decision they made today.
- After you have gone around the circle, tell the group:
  - Now, think about a time when you've made a difficult decision.
  - Think about that decision and what the consequences were.
- After about one minute, explain to the group:
  - In order to make good decisions, it is important to follow three steps [write them on a flipchart, blackboard, or on the ground]:
    1. **Stop and think**
    2. **Consider the consequences of your decision**
    3. **Know the facts**

- **Explain each of the 3 steps for good decision-making:**

1. Stop and think

- Some decisions are easy and don't really need that much thought – like what to have for dinner, or whether to wear a hat outside or not.
- But many decisions are important and need to be thought about – like whether to finish school or engage in sexual activities or early marriage
- The first thing we should do when faced with an important decision is to STOP and THINK.
- Taking time to decide allows us to look at all the important factors, including the following two steps.

2. Consider the consequences of your decision

- Every decision has consequences – if you don't wear a hat outside and it rains, your head will get wet.
- Some consequences are not very important – your head will dry! But others can make a big difference in your life – for example deciding to engage in unhealthy relationship or marrying a partner who doesn't support your work.
- Although something might seem like a good idea at the present moment, when we consider the consequences we might see that it is not what we want – or that the pleasure that we get from the action is not worth the consequences we might face as a result.
- It is also important to remember that there could be many consequences to a decision – some more obvious and some less obvious. In order to make a good decision, we should think of all the consequences of a decision – how it will affect other people as well as ourselves.

3. Know the facts

- A good decision is an informed decision. We always need to look at all the information that we have before deciding.
- Sometimes we have only a little information, and that can be an important factor in our decision-making too. For example, going along with someone we don't know might not be a good decision because we don't have enough information.
- It is important to look at all the facts that we know as we weigh a decision – and not just the facts that we want to see.

- **After presenting each step, ask the group members:**
  1. What do you think this step means?
  2. How might this step help you make better decisions?

IMPORTANT

Take the time to make sure that each step is clearly explained to the group – give examples if you think it will be helpful. Try to make connections between some of the goals that were mentioned in the previous modules.

- Explain to the group:
  - Following these three steps will help participants to make decisions.
  - Decisions are also influenced by the expectations of the people around us.
    - The opinions of family and friends are an important factor in weighing different choices – and they can often offer valuable advice.
    - But as women in marriages, they should make increasingly collective decisions with your partners based on priorities and goals.

Structured group discussion – two types of decisions (15 min)

- *Ask the group members:*
  1. Can you provide some examples of decisions you have made this week? [If the group is literate and writing material is available, record the answers on a flipchart or blackboard; if not, record the answers in your notebook] If they are illiterates, try to sketch the activities/decisions they made
  2. What kinds of decisions do young men and women have to make? Some examples are: whom to choose as friends; what business to do; whom to choose as a partner; whether to have sex; which career or profession to choose; whether and when to marry; whether and when to have children; and how many children to have, What kind of job can give me earnings to cater for the children etc. [If the group is literate and writing material is available, record the answers on a flipchart or blackboard; if not, record the answers in your notebook]

IMPORTANT

Keep this list! You will need it for the next module:

- Explain to the group: there are two types of decisions.
  1. Active decisions
     - Active decisions involve thinking about options and making a choice based on the careful consideration of the consequences of each alternative.
  2. Passive decisions
     - Passive decisions are made by allowing time, chance or someone else to decide for you.
- Return to the list of decisions identified earlier
- Read each decision, and ask the group members: Was this decision made actively or passively?

KEY MESSAGEs

1. *These are the kinds of decisions many young people face, especially as they become older and more independent. Young people must make decisions and learn to live with the consequences of their choices.*
2. *To make good decisions, we should follow three steps:*
   - *Stop and think*
   - *Consider the consequences of your decision*
   - *Know the facts*

Module 13: Decision-making – Part II

Objectives

- *Members recognise the connection between choices and consequences*

Duration: 60 minutes, following a regular Savings Meeting

Purpose of the meeting (1 min)

Explain to the group:

- Last week, we talked about the three steps to make good decisions:1) stop and think; 2) consider the consequences of your decision; and 3) know the facts.
- Today, we will continue to talk about decision-making, and the connection between choices and consequences.

Small group exercise – choices and consequences (45 min)

- Use a fun way to divide the members into four groups. E.g.' Assign oranges, pineapple, banana and apple to the 4 numbers. Participants will count orange, pineapple, bananas and apples. Alternatively, use the crops they will be farming in the project to do the numbering like soya, bees, grasscutter, mushroom
- Using the list of decisions faced by women (identified by the group last meeting, assign one important challenge to each group.
- Tell the group:
  - In your teams, discuss the challenge
    - List all the possible choices.
    - For each choice, identify all the possible consequences, positive and negative.
    - Agree on the best choice.
  - After your team has made its decision, prepare a short role-play to demonstrate the challenge and how you made your decision.
- After about 30 minutes, invite each group to present its role-play
- After each presentation, thank the participants and ask other group members if they have any questions or comments.

Structured group discussion – choices and consequences (45 min)

- Ask the group members:

  1. Is it hard to make good decisions? What makes it hard?

KEY MESSAGE

Deciding can be difficult because of pressure from peers or a partner, the effects of drugs or alcohol, or not realizing a decision has to be made

2. What would make it easier to make good decisions?

KEY MESSAGE

It is easier to make good decisions if we know how to resist pressure, and we are sure about our values and goals.

3. In reality, how are most decisions made?

KEY MESSAGE

In reality, most decisions are not made consciously, and events just happen.

4. In the past, have you made a decision that affected other people? What happened?

Module 14: Entrepreneurship

Objectives

- *Members identify and describe business and income-generating activities in their community that are suitable/unsuitable for young women and men.*

Duration: 60 minutes, following a regular Savings Meeting

Purpose of the meeting (1 min)

- *Explain to the group:*
  - Today we will talk about income-generating activities and business opportunities in our community

Play the game – Suitable businesses (15 min)

- Ask the participants form a circle.
- Give one pebble to five random participants.
- Tell the group: We will play a game called 'Pass the Pebble', to start thinking about livelihood/business opportunities in our community.
- Explain the following instructions to the participants:
  1. You will need to pass the pebbles around the circle
  2. When I say "Stop", the five participants holding a pebble will (one by one) need to answer a question I ask.
- Ask the participants to start passing the pebbles around, and use one of the following questions each time you say "Stop":
  1. Name a business/income-generating activity in this area that would be appropriate for young women and men.
  2. What are some of the businesses/income-generating activities in this area that would not be appropriate for young women and men? Why?
- Continue with the game for 5-10 minutes, and then summarize their answers back to them.
- Ask the participants: Was anything new or surprising to you? Why?

Structured group discussion – Evaluating business opportunities (15 min)

- Explain to the members:
  - You will work in small groups.
  - Each small group will develop an idea for an income-generating activity or business.
  - We will then evaluate the ideas and decide which one is the best.
  - You first have to decide the criteria for choosing the best ideas.

- Ask the members: What would make an income-generating activity or business ' great'?
- Note the responses of the members. Organize the responses such that there are five clear criteria.
- Repeat their criteria back to them so they can remember them easily later.

> ***IMPORTANT***
>
> *Encourage the participants to consider criteria beyond economic returns, including:*
> - *Flexible: allows for time with family*
> - *Safe: not hazardous for health and safety of the individual*
> - *Environmentally responsible: not hazardous for the environment etc.*
> - *Social norms: young men and women should have a realistic assessment of the resistance they may encounter in particular sectors, and plans to address social and cultural constraints.*

Small group exercise – Business opportunities (15 min)

- Divide the members into small groups of 5-7 people.
- Explain to the members:
  - Each group must identify and describe the best income-generating activity or business opportunity for young women and men in the community, using the 5 criteria. [Remind the group of the 5 criteria]
  - After, we will evaluate our ideas and decide which one is best

Structured group discussion – Evaluating business opportunities (15 min)

- Bring the entire SG back together.
- Ask the group members:
  - Can you remember the criteria that we chose to evaluate a business idea?
  - (Remind the group of the selected criteria)
- Ask for a volunteer from each group to present their business idea. Congratulate each group for their presentation.
- Ask the SG to rate each of the proposed business ideas from 1 to 5 for each of the criteria (with 1 being the lowest score, and 5 being highest).
- Allow the participants to calculate the total points awarded to each business idea.
- Note the results in your notebook.
- After all the presentations are completed, announce the business idea with the highest score. Congratulate the winner!
- Ask the group members:

1. Do you agree with this evaluation? Is this the best business idea?
2. Are there other criteria we should include?
3. Are some criteria more important than other criteria?

KEY MESSAGES

1. *There are income-generating activities and business opportunities in our community; some are suitable for youth and some are not.*
2. *There are several factors to consider when evaluating a business opportunity [remind the group of the factors that they identified]*
3. *If you have a business idea, share it with your group: a SG is a good place to discuss business ideas.*

Module 15: Employment

Objectives

- *Members understand the value of work at the levels of the individual, household and community*
- *Members identify their professional strengths and interests*
- *Members understand the importance of balancing employment/entrepreneurship with personal goals*

Duration: 45 minutes, following a regular Savings Meeting

Purpose of the meeting (1 min)

- *Explain to the group:*
  - Today we will talk about employment, and identify our personal strengths, skills and interests.

Play the game – Pass the pebble (25 min)

- Instruct the group to form a circle.
- Hand out the five pebbles to random participants.
- Explain to the group: We will play a game called 'Pass the Pebble'
- Give the instructions to the group:
  1. Pass the pebbles around the circle.
  2. When I say, "Stop!", the five participants holding a pebble will (one by one) need to answer a question.
- Ask the participants to start passing the pebbles around, and use one of the following questions each time you say "Stop!:"
  1. What are your strongest skills?
  2. What type of work are you interested in doing? Why?

Structured group discussion – Employment and personal goals (25 min)

- Ask the group:
  1. Different jobs require different types of skills, responsibilities and training. Can you give an example of a job in your community, and the skills, responsibility and training it requires? [Allow 3-4 answers]
  2. Different jobs also involve different levels of safety and health risks. Can you give an example of a job in your community, and any associated safety and health risks? [Allow 3-4 answers]

3. In some jobs, young men and women may encounter social constraints: unfair firing practices, unequal pay, stereotypes or discrimination. Can you give an example of factors that restrict access to job opportunities, by young men and women, in your community? What are some ways to overcome these constraints [Allow 3-4 answers]?

4. As you look for a job or to start a business, what personal goals are important for you?

KEY MESSAGES

1. *As you explore an employment or business opportunity, it is important to consider your personal strengths.*
2. *Different employment opportunities require different skills, responsibilities, and educational background; and involve different risks.*
3. *As you explore a job opportunity, it is important to understand the constraints that you may encounter, and plan to overcome these constraints.*
4. *As you explore an employment or business opportunity, it is important to consider how it will affect your personal goals.*

Module 16: Resilience to Climate Risk

Objectives

- *Members define the term "resilience"*
- *Members describe a time when they overcame a challenge or climate-induced situation such as drought, flood, famine, soil erosion, or strong winds*
- *Members describe how they manage stressful situations*

Duration: 45 minutes, following a regular Savings Meeting

Purpose of the meeting (1 min)

- *Explain to the group:*
  - Today we will talk about climate change impact on livelihoods and how to build resilience to manage climate risk.

Structured group discussion – Resilience (25 min)

- Ask the group members: What are some climate change impact on their livelihoods?

KEY MESSAGE

- *Climate Change Impacts are drought, famine, floods, soil erosion, and strong winds, etc.*
- *Resilience is managing and overcoming a challenging situation in your life.*

- *Ask the group members to form pairs*
- *Give the instructions:*
  - In pairs, discuss the following questions:
    1. Give an example of when you overcame a challenging climate-induced situation in your life.
    2. How did you manage and overcome the situation?
    3. How did it feel?
- After 10 minutes, bring the entire SG back together
- Ask the group members:
  - Can you share a story about a time when you overcame a challenging situation in your life?
- Allow 4-5 participants to share their answers.

KEY MESSAGE

Overcoming challenging situations can make us stronger.

Play the game – The Boxing Match (15 min)

This game involves participants improvising the roles of two different characters in a conflict. It allows participants to experiment with different lines of argument if they are finding themselves in regular conflict with one person. This works well where the play illustrates an evenly weighted conflict, especially if the audience loyalty is split down the middle.

- Tell the group: we will play a game called **The Boxing Match.**
- Remind the group of one of the stories a participant shared earlier that involved a conflict. Otherwise, you can invent a story. For example, a son who wanted to leave home because of drought but whose father thought he should stay. Or a girl who wanted to stay in school but whose parents needed her to earn money.
- Randomly assign a group member to portray each of the characters in the conflict. Place each character at opposite ends of the meeting space.
- Give the instructions:
    1. Please stand up and stand next to the character you sympathise/agree with
    2. In each group, develop arguments to support the character in the conflict.

3. After about 5 minutes, tell the characters:
    - Please come to the center of the meeting space.
    - Face the other character(s).
    - Present your arguments to each other like in a real conflict.
    - Other members can shout advice or encouragement from the corners [the crowd can get very excited, participating as at a real boxing match]

Structured group discussion – Resilience (5 min)

- Ask the group members: What are some other ways you can deal with a challenging situation in your life?

KEY MESSAGES

1. *Climate Resilience is managing and overcoming a challenging situation in your life as result of climate change.*
2. *Overcoming challenging situations can make us stronger.*
3. *You can deal with a challenging situation in your life by taking a break from the problem that is causing you stress and reaching out to your supporters – friends, family, teachers, and your SG - to help you overcome the situation.*

Module 17: My skills and talents

Objectives

- *Members describe their personal strengths, and identify new skills and talents they would like to obtain*
- *The group identifies its strengths, and identifies new skills and talents it would like to obtain*
- *Members understand that identifying our personal and group strengths can help us achieve our goals*

Duration: 45 minutes, following a regular Savings Meeting

Purpose of the meeting (2 min)

- *Explain to the group:*
  - Today we will talk about personal and group strengths, and we will also identify new skills and talents we would like to obtain.

Personal strengths (2 min)

- *Explain to the group:*
  - A strength is something you are good at, or a quality that you are proud of.
  - Everyone has strengths.
  - Strengths help us get through all the positive and negative events in our lives; they make us the person we are today.

Small group exercise – Personal strengths (15 min)

- Invite the group members to form pairs.
- Ask the members to tell their partner:
  1. What your strengths are and why you are proud of your strengths.
  2. One new strength that you would like to obtain.
- After about 10 minutes, bring the entire SG back together.

Ask volunteers to share their answers with the group.

IMPORTANT

Society's expectations impact how young men and women develop and perceive their personal strengths. Often, qualities are considered positive or negative depending on who is displaying them. For example, leadership in a young man may be perceived as positive; but the same attitudes displayed by a young woman may be perceived as negative.

Gender norms – society's expectations of how women and men should behave – are discriminatory and need to be challenged, for girls and boys to realize their rights and full potential.

The Facilitator should congratulate responses that challenge gender norms and defend young men and women from potential ridicule.

Structured group discussion – Personal strengths (5 min)

- Ask the group members: What are strengths?

> **KEY MESSAGES**
>
> 1. *A strength is something you are good at, or a quality that you are proud of.*
> 2. *For example, a strength can be a skill, like drawing, cooking, mathematics or sports; or a personal quality, such as honesty, curiosity, empathy or loyalty.*

- Ask the group members: Why is it important to know your personal strengths?

> **KEY MESSAGE**
>
> *Identifying our strengths can help us achieve our personal goals.*

Small group exercise – Group strengths (15 min)

- Explain to the group:
  - Groups – like individuals – also have strengths.
  - We are going to think about the strengths of our Women Savings Group
- Divide the SG into small groups of 4-5 people.
- Instruct each group to:
  1. Make a list of all the things that your SG does well [if the group is literate and writing material is available, the list should be written down].
  2. Make a list of all the things that your SG can improve [if the group is literate and writing material is available, the list should be written down].
- After about 10 minutes, bring the entire SG together.
- Ask a volunteer from each group to share their answers.

Structured group discussion – Group strengths (5 min)

- Ask the group members: Why is it important to know the strengths of our SG?

> **KEY MESSAGE**
>
> *Identifying our group strengths can help us achieve our group goals.*

Module 18: Learning

Objectives

- *Members understand the importance of learning opportunities*
- *Members identify and describe learning and training opportunities in their community, including formal education and vocational training*

Duration: 45 minutes, following a regular Savings Meeting

Purpose of the meeting (1 min)

- *Explain to the group:*
  - Today we will talk about learning opportunities in our community.
  - Education – formal education and professional training – determines much about the rest of our lives.
  - We will start with a game to help each member focus on what s/he would like to gain from learning opportunities in our community.

Play the game – Time machine (25 min)

- Divide the SG into small groups of 5-7 individuals.
- Place three chairs in front of each group [If there are no chairs, simply put three markers (such as stones) in a row on the ground].
- Explain to the group:
  - We will all imagine ourselves at different ages – past, present and future
  - Each chair represents a period in your life – past, present and future.
  - The first chair represents who you were five years ago, the second represents the person you are today and the third the person you hope to be five years in the future.
- Give the instructions to the group:
  1. One by one, each group member will come to the front.
  2. The participant will sit in the first chair. Very briefly, she talks about her life in the past, identifying the things she liked doing and was good at.
  3. Then she moves to the second chair, doing the same for the present.
  4. Finally, she sits in the third chair and describes the person she hopes to be in five years, and the skills and/or qualifications she would need to get there.
- After about 25 minutes, bring the entire SG back together.

Small group exercise – Institutions (15 min)

- Explain to the group:
  - In our game, we described the person we hope to be in five years, and the skills and qualifications we need to get there.

- One by one, quickly shout out the institution you need to go to, in order to gain these skills and qualifications
- Note the answers given by the members.
- Put participants into groups according to the institution they named. For example, if some members mention a local catering college, try and form them into one group; if others mentioned a local high school, group them accordingly. And so on.
- Ask the group members:
    1. What do we know about the entrance requirements to this institution?
    2. What expenses need to be met by the students at this institution?
    3. What other challenges might be preventing students from attending this institution (ex. travel, accommodation, social barriers, etc.)?
    4. What role can your SG play in supporting group members to accessing the institutions? [Encourage participants to explore beyond financial support]

Play the game – My best bet (5 min)

- Arrange the members in a circle
- Give an object (for example, a ball, stick or stone) to a random member.
- Give the instructions to the group:
    1. The whole group will clap.
    2. While the group claps, we will pass the object around the circle, from member to member.
    3. When you stop clapping, the person holding the object has to say which educational opportunities would be best for him/her.
- Try to solicit answers from as many members as possible in the remaining time.

KEY MESSAGES

1. *There are learning opportunities in our community; including formal education, vocational training, and informal learning.*
2. *These opportunities can help you develop skills and qualifications, to better achieve your personal and professional goals.*
3. *There are also barriers and constraints that young women and men face in accessing these opportunities.*
4. *The decisions you make about education are important; this will influence the person you will be in the future.*

Module 19: Preparation for share-out

Objectives

- *Members are familiarised with the share-out procedures*
- *Members understand and describe their personal and collective achievements as a Gender Responsive Savings Group*
- *The group commits to plan a celebration at the first annual share-out*

Duration: 90 minutes

Preparations for the first annual share-out must begin at least one month before the share-out. This module is delivered one month before the first share-out; but if the group has questions, doubts or concerns about the share-out, this module may be delivered earlier.

Purpose of the meeting (1 min)

- *Explain to the group:*
  - Today, we will begin to prepare for a very important event: the share-out

Share-out – An overview (10 min)

- Remind the group:
  - SGs operate in an annual period, or cycle
  - At the end of every cycle, all loans are repaid to the group
  - The group's Loan Fund is then distributed to the members; this is called the share-out
  - Each member will receive a pay-out in proportion to the amount s/he saved during the cycle. If a member saved more, s/he will receive more; if a member saved less, s/he will receive less.

KEY MESSAGE

All loans must be repaid before the share-out. Any unpaid loan at the moment of the share-out is a loss for the group.

IMPORTANT

All loans must be repaid before the share-out meeting. The share-out is a long process (up to 2 hours) and requires the full attention of the members. Collecting loan repayments on the day of the share-out and resolving outstanding issues will lengthen the meeting and increase the possibility of errors.

It is strongly recommended that a SG collects all outstanding loans and resolve any outstanding issues before the share-out; and arrive at the share-out meeting ready to initiate the share-out process.

- The share-out is mandatory
- The share-out:
  - Allows all members to access a useful sum of money: all their savings plus the profits earned
  - Is a verification that the system is safe and profitable?

Summarised share-out procedures (50 min)

> ***IMPORTANT***
>
> *The Facilitator should study the share-out procedures before this meeting. If the Facilitator has any questions or concerns, these must be resolved before this meeting.*

- Explain to the group:
  - There are 4 steps in the share-out
  - We will review these steps together and write each step on the flipchart/ground

> ***IMPORTANT***
>
> *It is extremely helpful to write each step for all members to see. Visual aides are very useful and can be prepared by the Facilitator beforehand, and used with all groups. If writing material is not available, the share-out procedures and calculations can be written in the ground using a stick.*

Use the Summarised share-out procedures below to explain each step.

Module 20: Share out session - Celebration

Overview

This is the last meeting in this cycle for the group. The share-out is a simple procedure, but must be done with care. The principle is to allocate the money amongst the members proportionate to the amount that they have saved. It is only necessary to count up the total number of shares and divide the number of shares into the amount to be distributed, to arrive at a single share value - and then to multiply the value of a single share by the number of shares owned by each member.

The timing of the end of the cycle will normally coincide with a time of the year when either there is a need for money that is common to most people, such as an important religious holiday, or some naturally re-occurring event that affects everyone in the Association, such as seasonal migration or annual flooding. The timing of this share-out should be predicted well in advance and should be borne in mind as loans are issued close to the end of the cycle. Loans should only be issued late in the cycle if they can be repaid before the share-out.

Remember that the social fund is not shared out.

Objectives

By the end of the training meeting:

- *Everyone will have received their share of the Association's Assets*
- *Those who intend to continue as members of the Association into the next cycle will have been accepted*
- *The value of the next cycle's share value and social fund contribution will have been agreed*
- *The number of shares to be bought by all continuing and new members, to seed the Association's loan fund at the start of the next cycle, will have been agreed upon.*

Duration **2 hours**

Materials **Member passbooks**

Procedure

Step 1 Introduction

Introduce the topic and explain the objectives to participants.

Using the table below facilitate the session on the action audit or share-out

The group should follow the procedures in the table below after they have done all financial transactions – social fund, share purchase and loan repayment.

Meeting step	Share-out procedures
1. Share-out	• The Social Fund is counted, announced and put away. It does not get shared out. • Loan repayment and fines money for the meeting are combined with the Loan Fund. • If any member still owes the Group money, that amount is recovered by cancelling the number of shares in his/her passbook that equal the value of the amount owing. • The Treasurers start counting the Loan Fund. • While the Treasurers are counting, the Secretary takes each of the members' passbooks and counts the total number of shares. • Once the Treasurers are finished, the Secretary uses the calculator to divide the total of the Loan Fund by the total number of shares. This determines the new share. It should be written down to two decimal places (for example, sh.75.50).

Meeting step	Share-out procedures
1. Share-out	• Next the Secretary multiples the number of shares in each passbook by the new value of one share. (S)he then announces the number of shares and the amount, ignoring any fractional amount. (S)he then asks the Treasurers to put that amount into the passbook, which is set aside. • The Secretary then cancels all of the members shares by drawing a large cross on each page of the passbook on which there are share stamps • *All passbooks are done the same way before anyone receives any money*. • Once the process is complete, there may be a small amount of money remaining, but there should not be a shortfall. If there is a shortfall, the process is repeated until the amounts are correct. Any small amount remaining is put in the Social Fund. • All members are given their passbooks with all the money. *It is very important that every member's money is placed in their hand.*
	• Any member who wishes to leave the group should be free to do so. • New members can now be allowed to join, if all remaining members agree. • The continuing members now decide on the share value for the next cycle. • If the group wishes to provide seed capital for the next cycle, they should now do so. Everyone must contribute the same amount, including new members. It can be more than 5 shares on this one occasion. • The seed capital is then put in the Loan Fund bag, after being counted by the Treasurers and announced by the Secretary. • The box is now locked and the cycle is now formally ended. • The FO then explains to the Group that in their next meeting, they must hold elections and then revise their Constitution, which new members must sign. (S)he then offers to attend the next meeting to assist with elections and the Constitution, for the standard fee

APPENDIX

Annex 1: Election procedures

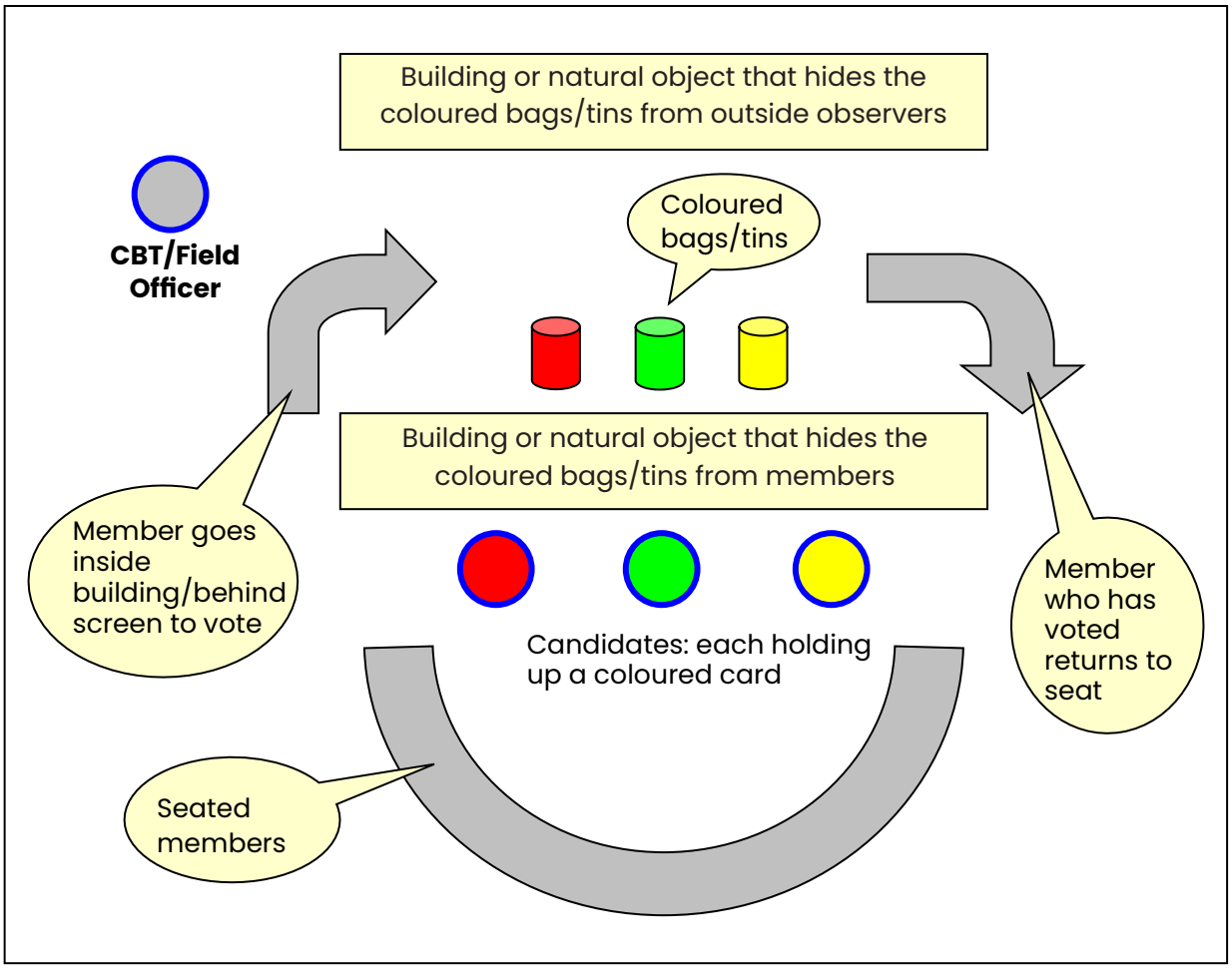
The CBT prepares the members for the election and explains the process (see Figure 4, below). (S)he brings three bags to the Group meeting, each in a different colour, with a matching card (red bag with red card, etc). (S)he also provides one small stone for each member.

Each of up to three candidates is given a coloured card. The coloured bags are placed behind a screen (or inside a building) some distance from the gathering and sheltered from view of members and passers-by. Each person in turn goes behind the screen (or into the building) and, hidden from the members but under the eye of the CBT, deposits a token in the bag of his/her choice.

When all of the members have voted, the CBT counts out the votes in front of the members by removing the washers from each bag. (S)he ensures that no additional stones have been put in the bags – the total should equal the number of members voting.

At the end of the elections, the CBT explains that in the next cycle, a trusted member shall be the observer, and agrees not to vote.

Figure 4: Diagram of election procedure



Annex 2: Constitution

Part 1: How the Group will govern itself

I. BASIC INFORMATION ON THE GROUP

- Name of the Group: _____
- Address: _____
- The Group was formed on: _____
- Date of official registration: _____

II. OBJECTIVE OF THE GROUP

- The purpose of the Group is to be an independent, profitable provider of financial services to the members
- The services the Group provides to its members in order to achieve this objective are: _____

_____

III. RELATIONSHIP TO EXTERNAL SOURCES OF FINANCIAL SERVICES

- The group will not borrow from financial institutions during the first cycle of savings and lending. If it does so in the next cycle it will follow these rules:
- The loan to the group will not exceed the value of the previous cycle's share-out amount
- The group will take the loan, not individual members.
- The group will on-lend the money to its members, and will not provide information about this to the lender.
- If the group borrows from a financial institution, members agree that their individual borrowing may never exceed 5 times their shares (without an outside loan from a financial institution, the rule remains 3 times)
- If a group borrows from a financial institution, it will not allow member savings to be deposited in that institution as a security deposit

IV. WHO MAY BE A MEMBER OF THE GROUP?

- Lower age limit: _____
- Gender: _____
- Residence: _____
- Other common circumstances: _____

V. COMPOSITION OF THE MANAGEMENT COMMITTEE

- Chairperson: _____
- Secretary: _____
- Box-keeper: _____
- 2 Treasurers: _____
-

VI. ELECTION PROCEDURES

- Elections must be held at the beginning of each new cycle.
- The minimum number of people that must stand for each position is 2.
- A member can only be re-elected to the same position once.
- The minimum number of members who must be present to hold an election is:
- The election procedure will use a system that allows everyone's vote to be secret.
- A candidate for any position must be proposed by another member.

VII. REMOVAL OF OFFICERS FROM THEIR POSITION BETWEEN ELECTIONS

- The membership can remove a Committee member at any time.
- The Committee member must resign if the majority of members decide to remove him/her
- Filling the position again requires the election process

VIII. MEETINGS

- To buy shares the Group will meet every week
- Shares will be bought at every meeting but loan/repayment meetings are every 4 weeks.
- The Group will share out every year.
-

IX. MEMBERS LEAVING THE GROUP

If a member leaves before the cycle is finished, the money they have used to purchase shares will be returned to them, minus any loan and service charge they owe

X. EXPULSION FROM THE GROUP

The reasons for which a person should be expelled from the Group are:

_____

_____

XI. FINES

The following table lists the fines that will be charged.

Offence	Amount
Failure to attend a meeting	
Late to a meeting	
Not remembering Group rules	
Forgetting key	
Chatting through the proceedings	
Showing disrespect to a fellow member	
Not remembering decisions or balances from the preceding meeting	
Failure of a member of the Management Committee to perform their duties	
(other)	
(other)	

Part 2: Services offered by the Group

I. SAVINGS

- Members may buy 1 – 5 shares in each meeting
- The purchase price of a share will be: _____
- Members may contribute an equal agreed-upon amount at the start of every future cycle to speed up the growth of the loan portfolio. This can be more than 5 shares if all members agree

II. LENDING

- The maximum amount that anyone can borrow is three times the value of their shares
- The maximum length of loan term is 24 weeks, but only 12 weeks during the first cycle
- A member must repay a loan before (s)he can take another
- The service charge rate to be charged every four weeks (month) is:_____ %
- If a member dies and has a loan remaining unpaid, it will be treated as follows:

  _____

  _____

- If a member is unable to repay a loan before share out time, the group shall:

  _____

  _____

- If a member dies, his/her shares shall go to the following nominees in the family:

  _____

  _____

- The highest priority for loans will be given for:
- The second highest priority for loans will be given for:
- The third highest priority for loans will be given for:

III. SOCIAL FUND

- The Social Fund is for grants only. No loans will be made.
- The contribution to the Social Fund per meeting will be:
- The uses of the social fund will include:-

_____

_____

_____

_____

·Name: _____ Signature: _____

Name: _____ Signature: _____

Name: _____ Signature: _____

Name: _____ Signature: _____

Name: _____ Signature: _____

Name: _____ Signature: _____

Name: _____ Signature: _____

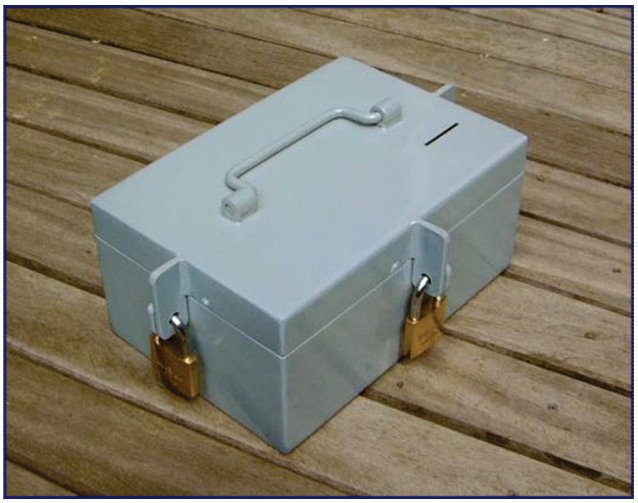
Name: _____ Signature: _____

name: _____ Signature: _____

Name: _____ Signature: _____

Name: _____ Signature: _____

Annex 3: The Kit



The kit consists of:

- Lockable cash box able to be closed with 3 locks
- Three *good quality* padlocks, each with two or more keys
- 25 Passbooks
- 25 Member number cards
- Rubber stamp for marking shares
- Rubber stamp ink pad and spare bottle of ink
- Ruler
- Two ball point pens: one black or blue, the other red.
- Good quality calculator
- 2 plastic bowls in different colours, at least 30 cm in diameter and at least 15 cm deep (one for fines and one for managing contributions to the Social Fund, collection of Share-purchase and loan repayments)
- 2 fabric money-bags, with draw strings: one in one colour for the Social Fund, one in another colour for the Loan Fund

Annex 4: Consolidated guide to meeting procedures

This guide should be copied and laminated in plastic for reference in the field and routinely used for Group meetings, after the completion of the training.

Meeting step	Procedures
1. Meeting Opening	• The Chairperson calls the meeting to order. • The Secretary performs a roll call. • The Key-holders open the box, which remains in front of the Box-keeper. • The Fines bowl is placed in front of the Chairperson, so that fines can be collected during the meeting.
2. Social Fund	• The Secretary asks the Group to recall the balance of the Social Fund from the previous meeting. • The Treasurer then remove the money from the Social Fund bag, place it in the Money-counting bowl, count it, and announce the amount to the members. • The Chairperson announces that contributions will be made to the Social Fund. • The Secretary calls each member, by number, to give their Social Fund contributions to the Treasurer. • When the member comes forward they give their Social Fund contribution to the Treasurer and are given their passbook • The Treasurers confirm that each member has given the right contribution and place it in the Money-counting bowl. • The Secretary then asks if any member has missed a payment to the Social Fund in the last meeting. If so, they are asked to pay it now. • The Secretary then asks if anyone needs a grant from the Social Fund. Members in need make their request to the Group. • If a majority of the members approve the grant, the money is provided to the member according to the Constitution. • The Treasurers count the total amount in the Money-counting bowl and announce this to the members • The Secretary says that everyone should remember this amount for the next meeting • The Social Fund money is then replaced in its draw-string bag and put back in the cash-box.

Meeting step	Procedures
3. Share-purchase / savings	• The Secretary asks the members to recall the balance of the Loan Fund from the previous meeting. • The Treasurer then remove the Loan Fund from its bag and count it, announcing the amount to the members. • Once it is agreed that the amount remembered and the amount counted are the same, the money is placed in the Money-counting bowl. • The Chairperson announces that members will now buy shares. • The Secretary calls each member to the front by their number. • Each member comes to the front and buys between 1 - 5 shares, giving the money to the Treasurer and their passbook to the Secretary. • The Treasurer count the money, place it in the Money-counting bowl and announce the number of shares that have just been purchased by the member. • The Secretary stamps the correct number of shares into the passbook and crosses out any unused blocks. • The member then checks that the number of new stamps in the passbook is correct: *the passbook remains with the Secretary for the rest of the meeting.* • (If a member needs to make a withdrawal, they will ask for it instead of buying shares. When a withdrawal is needed, the Secretary will cross out the number of shares from the member's passbook that corresponds to the CVlue of the withdrawal and the Treasurer will give the money from the Money-counting bowl. The CVlue of a share paid back to the member will be equal to its original purchase price.)
4. Expenses	• If any money was given for expenses in the previous meeting, the person who made the expenditure gives an account and returns any change to the Treasurer, who place it in the Money-counting bowl. • The Chairperson asks the Secretary if there will be any necessary expenses before the next meeting. If any expenses are approved by all of the members, the Chairperson instructs the Treasurer to remove the amount needed from the Money-counting bowl and give it to the member who is responsible for paying the expense.

Meeting step	Procedures
5. Loan repayment *(if this is not a loan meeting, skip to step 6 and then to step 8)*	• The Chairperson asks borrowers to identify themselves. • The Secretary confirms the amount due by referring the borrowers' passbooks • Each borrower is then called to the front to give their payment to the Treasurer. It must not be less than the service charge due. • The Treasurer count the payment, announce the amount and place it in the Money-counting bowl. • The Secretary enters the payment amount in the member's passbook in the 'Paid' box. • The Secretary then calculates the remaining balance due and enters it in the 'Loan Amount' box in the member's passbook • If the remaining balance due is zero, the Secretary signs the passbook and announces that the loan is repaid, cancelling the loan with a diagonal line drawn through the transactions. • If a balance is remaining, the Secretary then calculates the service charge due in the next meeting and enters it in the appropriate space. The borrower then signs in the space provided.
6. Calculating the new Loan Fund balance	• The Treasurer combine the money in the Fines bowl and the Money-counting bowl. • The Treasurer count the money in the Money-counting bowl and the Secretary announces the amount to the Group. • The Secretary then tells the Group that this is the money available for lending in this meeting
7. Loan taking	• The Chairperson invites loan requests, reminding members of the maximum loan term and loan amount (three times the member's savings). • Each member who wants a loan then makes a request out loud to the Group, announcing the amount requested, the purpose of the loan and over what period of time they expect to repay. • The Secretary then calculates the total value of the requests and announces it.

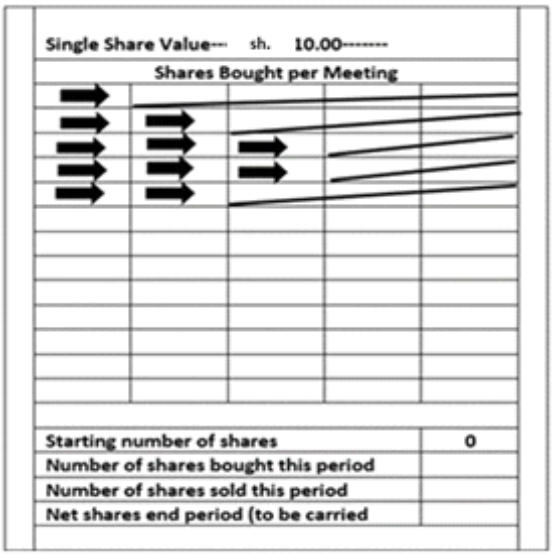
Meeting step	Procedures
	• If the total value of loans requested is more than the money available in the Loan Fund, the Group must discuss adjustments to the individual loan amounts until all members are satisfied. • Once it is decided how much each borrower will receive, the Secretary calls each borrower to the front in order of their number. • The Secretary then enters the loan number, loan amount and service charge due in the Member's passbook. • The Secretary instructs the Treasurer to give the borrower the loan amount from the Money-counting bowl. • The borrower then counts the money, and signs the passbook. • The Secretary then instructs the borrower to announce out loud the total amount due and the date it is due. • This process is repeated until all loans have been issued. • The Treasurer then count the money remaining in the Money-counting bowl and announce the amount to the Group. • The Secretary then tells the Group that this money constitutes their Loan Fund. • The Treasurer then place the Loan Fund in its draw-string bag and put it in the cash-box.
8. Closing Balances	• The Secretary announces the total of the Social Fund once again, and the Chairperson instructs all members to memorise the Social Fund balance for the next meeting. • The Secretary announces the total of the Loan Fund once again, and the Chairperson instructs all members to memorise the balance of the Loan Fund for the next meeting. • The Secretary notes down these two balances in the notebook provided in the kit and encourages members who are able to also note them down. (See Table 8, page 19) • The Key-holders are called by the Chairperson to lock the box.
9. Loan taking	• Before closing the meeting, the Chairperson invites members to discuss any other subject that may be of interest. • The Chairperson announces the date and time of the next meeting. • Once discussion is complete, the Chairperson closes the meeting.

Annex 5: Use of passbooks

Savings

Members save in the form of shares, stamped into the front part of their passbooks as follows.

Figure 5: Passbook with 11 shares stamped in



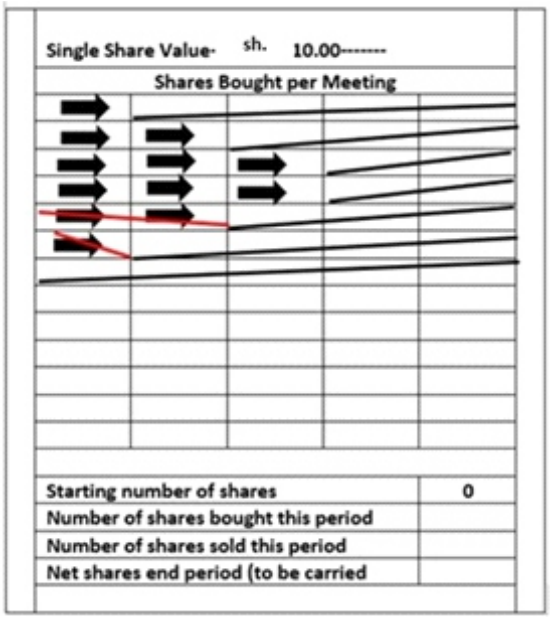
Explanation: The illustration shows that there have been five meetings and this member has bought 11 shares.

As members make their contributions, the Box-keeper will stamp the correct number of shares in their passbooks, making sure that the Secretary and the member watch this and confirm that the amount is correct.

Empty spaces are then crossed out on each line to prevent fraudulent entry of shares at a later date.

This member's shares have cost her 11 x sh.10 = sh.110

Figure 6: Passbook showing sale of three shares



Explanation: Two meetings later, at the time of the 7th meeting, the member explains that she had a personal problem and needs money.

The member asks to cancel three shares and receives sh. 30. Thus, (10 x 3 = sh.30).

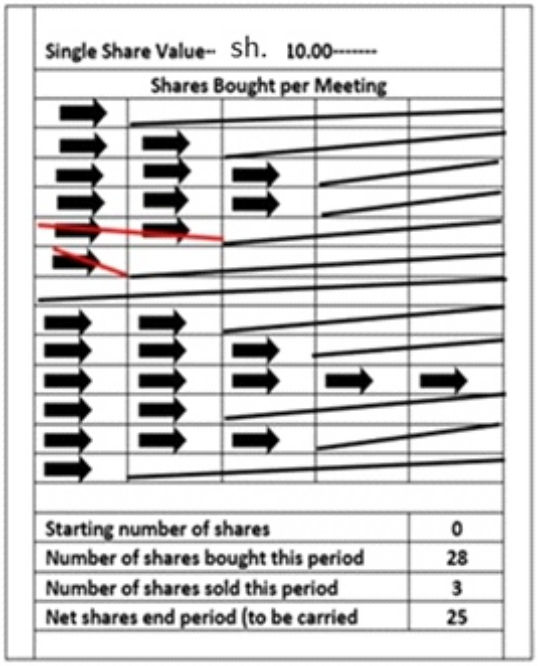
So, the three shares she bought in meetings 5 and 6 are crossed out.

In addition, the line for meeting 7 is cancelled.

Being able to sell shares gives members access to their savings, *but all members should understand that they will lose future earnings when profits are shared out. Once shares are sold, they cannot be put back in.*

Figure 7: Shares at the end of 13 meetings

Figure 7: Shares at the end of 13 meetings



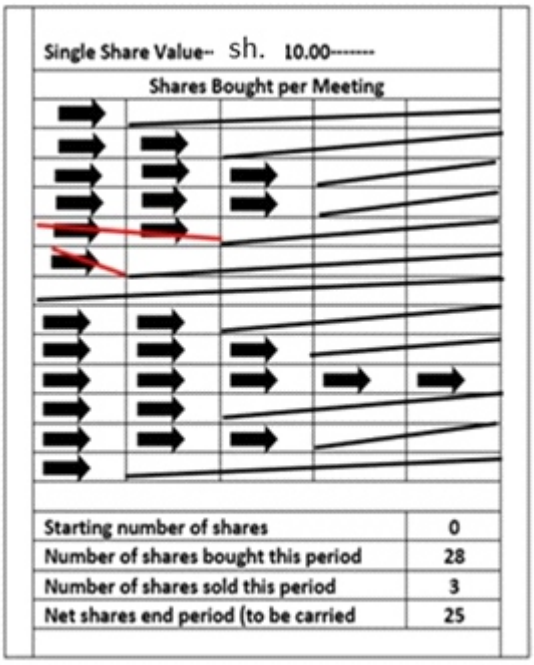
Explanation: Figure 7 shows what a passbook looks like when a page is filled. By the time of the 13th meeting (indicated because 13 rows of shares have been stamped in on this page), the member had bought a total of 28 shares. In the box below the share stamps, this number was entered on the line 'Number of shares bought this period',

But, as we have seen, in meeting 7 she cancelled three shares bought in meetings 5 and 6. At the time of the 13th meeting this is entered on the line 'Number of shares sold this period'. The 'Net shares end period (to be carried forward)' are, therefore, only 25 not 28.

Figure 7 only shows how many shares have been bought and sold after 13 meetings. This is not the same as the end of the cycle which, in the case of this SG, will be after a year. How this is handled is covered in a later training session.

Loans

Loans are recorded in the back of the book. They are not shown in the form of stamps but are written as numbers:



Single Share Value-- sh. 10.00-------

Shares Bought per Meeting

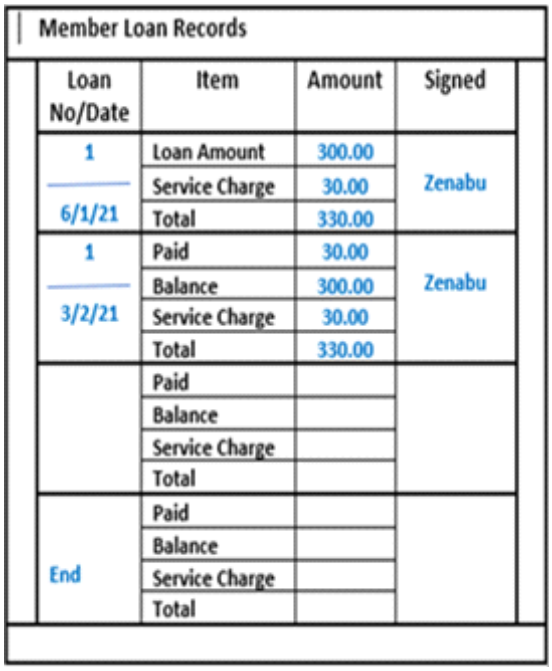
Starting number of shares	0
Number of shares bought this period	28
Number of shares sold this period	3
Net shares end period (to be carried	25

Figure 8: Member loan record (1)

Explanation: The example on the left is a member's (Zenabu) first loan (as shown in the 'Loan No./Date' column). She borrows SH.sh. 300. A date is *shown even though loan meetings follow each other at intervals of 4 weeks*.

The service charge is SH.sh. 30 because her group charges 10% of the loan amount every four weeks. In this case, the loan period is 12 weeks, indicated by the word '*End*' against the 'Paid' row, 12 weeks in the future.

Zenabu signs this to show that she understands that she owes sh. 300 for the loan and sh.30 as the service charge for the first 4 weeks.



Member Loan Records

Loan No/Date	Item	Amount	Signed
1	Loan Amount	300.00	Zenabu
	Service Charge	30.00	
6/1/21	Total	330.00	
1	Paid	30.00	Zenabu
	Balance	300.00	
3/2/21	Service Charge	30.00	
	Total	330.00	
	Paid		
	Balance		
	Service Charge		
	Total		
	Paid		
	Balance		
End	Service Charge		
	Total		

Figure 9: Member loan record (2)

Explanation: At the next loan meeting, four weeks later, she makes the service charge payment of sh.30 but no repayment of the principal sum. The next entry in her passbook appeared as in Figure 9.

This shows that after paying the service charge, the member still owes sh.300 (sh.300 Loan Amount plus sh.30 Service Charge minus Amount paid sh.30) and a service charge of another sh.30 is then added.

The sh.300 is treated as if it is a new loan, which, over the next month, will attract sh.30 in service charge. Thus, the member is told that she will owe sh.330 in the next loan repayment meeting, four

Figure 10: Member loan record (3)

Member Loan Records

Loan No/Date	Item	Amount	Signed
1	Loan Amount	300.00	Zenabu
	Service Charge	30.00	
6/1/21	Total	330.00	
1	Paid	30.00	Zenabu
	Balance	300.00	
3/2/21	Service Charge	30.00	
	Total	330.00	
1	Paid	100.00	Zenabu
	Balance	230.00	
3/3/21	Service Charge	30.00	
	Total	260.00	
	Paid		
	Balance		
End	Service Charge		
	Total		

Explanation: After another four weeks she was able to pay only sh.100. Because she now owes sh.330 (sh.300 principal and sh.30 accrued service charge) this means that she still owes sh.230.

The Secretary receives the sh.100 and writes a new loan of sh.230 (with the same loan number) on the next line. She also adds a service charge of sh.30, which will be owed at the time of the next meeting. Thus, the total the member will owe is sh.260.

Figure 11: Member loan record (4)

Member Loan Records

Loan No/Date	Item	Amount	Signed
1	Loan Amount	300.00	Zenabu
	Service Charge	30.00	
6/1/21	Total	330.00	
1	Paid	30.00	Zenabu
	Balance	300.00	
3/2/21	Service Charge	30.00	
	Total	330.00	
1	Paid	100.00	Zenabu
	Balance	230.00	
3/3/21	Service Charge	30.00	
	Total	260.00	
	Paid	260.00	Akosua
End	Balance	0	
31/3/21	Service Charge	0	
	Total	0	

Explanation: Figure 11 on the left shows that at the next meeting, the member pays the full sh.260 owing. The Secretary enters sh.260 in the 'Paid' row and signs the entry (Akosua).

Once the loan is fully paid the Secretary draws a red line through the whole loan record. This indicates that the loan has been completely repaid.

Annex 6: How a group can find out how much it is worth

Passbook-based record keeping is a complete and accurate system for tracking each member's shareholding and debt, and as long as the movement of cash during meetings is being watched carefully there is no need to record the individual transactions which take place during meetings. For funds to be misused, the Box-keeper and Key Keepers must collude, and the group members must fail to remember the closing balance of the Loan Fund in between meetings.

Nonetheless, passbook-based records do not give groups the ability to calculate how much they are worth during the cycle. Doing so may help increase the new group's motivation to save, and it may also help train groups to calculate their share-out.

If groups are interested, the CBT/FO can teach them to use the following table to calculate their Loan Fund value, and the corresponding value per share at any time during the cycle.

Table 11: Calculation of the Loan Fund value

A	**Cash in Loan Fund**	Count the cash in the Loan Fund. Do not include the cash in the Social Fund.	
B	**Bank balance**	Add the balance in any group bank account	
C	**Loans due from members**	Add the total of all loan amounts due. Do not include service charges due.	
D	**Goods**	The purchase price value of goods (grains, animals, palm oil etc.) that were bought by the group for investment purposes *(this does not include fixed assets such as furniture or kits)*	
E	**Debt**	Subtract any debts owed by the Group	
F	**Value of Loan Fund**	**A + B + C + D -E = F**	

Table 12: Calculation of the value of a single share

E	**value of Loan Fund**	Write the value of the Loan Fund again	
F	**Number of Shares**	Add up the total number of shares bought so far	
G	**Share value**	**E / F = G**	

The FO or CBT should ask the group if it wishes to do these calculations at the end of every meeting. If the group does not show any interest in doing this the FO or CBT *must* do this at every change of phase and during the Share-out, helped by the CBT/FOs.

CBT/FO:_____ No.: _____

Week: _____ Month: _____ Year: _____

Item	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Tasks
Time								Module 1
SG #								Module 2
Task								Module 3
Time								Module 4
SG #								Module 5
Task								Module 6
Time								Module 7
SG #								Supervision
Task								Other