

A better livelihood through Savings- and Credit-clubs

Project title

Self Help Groups and Savings and Credit Development

About the project

Savings- and Credit-clubs lead in the past years to a financial improvement of poor and low-income households. Often such clubs formed the first step towards a life with more financial security for smallholders. In 10 communities in the Lubombo Region the local NGO Swaziland Conference of Churches, an umbrella organization of more than 2000 local Swazi churches is going to establish more than 50 saving- and credit-groups for about 750 members.

A saving- and credit club has a membership of 10 to 15 members. Its members meet once a week and contribute small amounts of money between 0.5 and 5 SZL towards their club. All payments are written in a book. The weekly meetings also serve to exchange news and discuss other than financial problems. After few months clubs have already enough savings to give the first credits to its members. Credits are used to start income-generating activities such as buying agricultural inputs. The advantages of local Savings- and Credit clubs compared to banks are obvious: Interest is paid into the account of the club and each member can benefit from them. The other members have a social control over the one taking the credit and this pressure makes it sure that credits are most often paid back.

The establishment of Saving- and Credit-clubs can be done only through NGOs and staff that are experienced in establishing such grass-root structures. The facilitators not only need good knowledge in finances but also the capacity to communicate with members with varying educational background. Strong groups can be built only over several years and it can take three years and more to make groups working independently and sustainably. Sahee finances 50% of the total cost of this project.

Project site

Eswatini:
Lubombo Region

Beneficiaries

About 600 women, 10 men and 140 youths, in total 750 persons

Project costs

CHF 130'000.–

Project costs and assistance by sahee

whereas sahee takes over CHF 60'000.–.

CHF 60.000; contact with SCC, visits at the sites, regular feedbacks on the reports.

Duration of assistance

1st of March 2008 to 28th of February 2011

Local counterpart

Swaziland Conference of Churches

Project site

www.swazilandcc.org



Meeting of a Women's Saving-Club facilitated by SCC



Another Women's Saving-club supported by sahee



Simple housing shows simple livelihoods of beneficiaries