

# A Story of a Savings Group: What we can Learn from Them

**Cooperative Innovation  
Session**

**Mount St. Vincent  
University**

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# First, attendance and by-laws





Then, enforce the rules





# Members contribute to the social fund



Each member saves according to their capacity





Keep books that members can handle

Mkutano wa	Hisa Zilizouzwa			
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7				
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# Ground in community ownership





# Manage risks with transparency





# What is Community-Based Microfinance?

- Member capital
  - Profits to members
  - Savings. Focus on building income but particularly assets and equity
  - Access where there is very little
- Member control
  - Ownership, decision-making, governance
  - Capacity of members to make informed decisions

# Innovative in Any Context

## **Both the results....**

- Enormous scale and outreach
- Access in remote, rural areas
- Higher returns on assets
- Higher savings to loans ratio

## **and the process....**

- Hot money is internal funds (members' own savings and shares).
- Studies and experience show that members safeguard own money more than external funds (cold money)
- Relationship between hot and cold money is critical for social cohesion and business model



# Some Developments to Watch

- Group accounts through mobile banking
- Savings groups linked to banks
- Producer associations and linking to markets
- Savings groups as a base for social programs such as mosquito nets, solar lamps, literacy, HIV-Aids programs
- Oral bookkeeping

# Thank you

- <http://thesavix.org/projects/search>
- [www.microfinancegateway.org](http://www.microfinancegateway.org)
- <http://coady.stfx.ca/education/>
- [nancilee@eastlink.ca](mailto:nancilee@eastlink.ca)
- [www.nancilee.ca](http://www.nancilee.ca)