

Beyond the Box: Village Savings and Loan Association

ANNUAL REPORT 2023

Beyond the Box:

How Zemzem transformed her life

My name is Zemzem Nori, I live in Arerit Kebele in the Amhara region of Ethiopia. I am a mother, a farmer, and an entrepreneur.

We have faced many crises in recent years – the pandemic, locust invasions, severe drought, and armed conflict. Before I joined my VSLA, I was just a farmer growing sorghum. I struggled to feed my family and send my kids to school. We had to limit our aspirations because there was no money. During these difficult times my husband and I separated. It's not that we didn't have the energy, or we didn't want to work. We just didn't know how.

Now, I can buy what I need, and what my children need. I can send my children to school. I can buy nutritious food and clothes for them. Now, I can buy oil, potatoes, tomatoes, sugar, and lentils. I can also buy sanitary pads. These are all things that I could not buy before, but I can now. Now I have an income.

I have completely changed since joining the VSLA and CARE's Livelihoods for Resilience project. I have gained a lot of knowledge from this project.

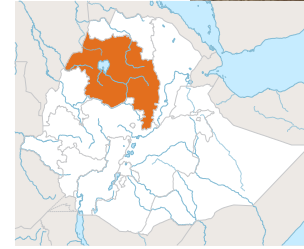
Just a few days before the war, I had taken a loan of 3,000 birr (\$60 USD) for my business from my savings group. I used that money to survive. When things started to calm down, I still had a little bit of that money left. I used it to bake bread, since that had been one of my businesses before. But it was harder during the war as all the roads were closed,

so I couldn't get any flour. But we didn't stop. We used camels and took back roads and small paths to get flour so I could bake again. I repaid that whole loan, and I am still running my business.

After the conflict, I took another loan, which I topped up with my own money. With that, I bought two donkeys. I take the donkeys to the river and bring back water for the village. I can earn 40 birr (80 cents) a day selling that water. Before, maybe I could earn 5 birr (10 cents) a day. I have already paid back that loan, so now I own those donkeys completely.

People who aren't in the VSLA, they live like I was living before. They are barely surviving. They live hand to mouth. They can't do any business activities. They can't spend money. During the conflict, people who had no money just had to run into the desert to hide. I didn't have to do that. I used my savings and my loan to survive. It was like I took a shortcut. I was able to buy things and keep going during the crisis. So, when the conflict was over, I didn't have to start from zero.

Now I see what I am capable of, which motivates me. It means I can do more. I want to keep going and keep moving forward. It was God's will for me to survive all these crises. The project showed me



a path through the crisis, but I am the one who had to take that path.

I am so proud that now I have harmony with my husband. Through the VSLA, I saw a path. We could save money and come back together. We are moving forward together and solving our problems.

I don't expect anyone to just give me money or give me things. I don't want to beg. That's not what I want or need. I am most proud of the way I think now. I have plans for the future.

We will never go back. We will never be what we were before. We will always go forward. That is what we want, to go forward.

Zemzem Nori

VSLA member, entrepreneur & farmer
Amhara Region, Ethiopia



“Now I see what I am capable of, which motivates me. It means I can do more. I want to keep going and keep moving forward. The VSLA showed me a path through the crisis, but I am the one who had to take that path.”

Introduction

We have called this report Beyond the Box because the impact of a [Village Savings & Loan Association \(VSLA\)](#) far extends beyond simply learning to save. By joining a VSLA, a woman can improve multiple areas of her life including educating her children, increasing her income, improving her access to healthcare, engaging in collective action, and so much more. The savings box is just the beginning of her journey towards resilience.

Women in savings groups have faced multiple crises, from COVID to natural disasters to conflict. Understanding their urgent needs and responding to their priorities will be central to our programming. Over the coming years we will double down our efforts to develop CARE programs in response to community need, responding and adapting to VSLA member needs at every step.

As we reflect on the first four years of the VSLA scaling strategy, our anticipated routes to scale are on track. On the next page you will see how CARE has reached evermore VSLA members globally, including through third party scaling. This shows us that our Scaling Strategy is focused on the most impactful routes to reaching 62 million VSLA members by 2030. Since

the launch of this strategy, we have doubled the membership in VSLAs globally.

Our strategy includes working with governments to scale far beyond our own capacities, deepening our impact through existing CARE programming, improving the sustainability of both VSLAs and the supply chains in which they operate alongside our corporate partners, and by identifying how to bridge our humanitarian work with long-term recovery.

As we look to the year ahead, we will be laser focused on quality and impact. We need to collectively build on the foundations of VSLAs by layering interventions, such as joint decision-making dialogues, microenterprise training or collective investment – to ensure that the savings in the box are invested in the growth (economic, social, and personal) of VSLA members, their families, and communities. Our goal is to open pathways of prosperity for millions of people in VSLAs, supporting them to achieve their own ambitions.

Vidhya Sriram
Director, Global VSLA Team



Vidhya and the team visit a VSLA in Côte d'Ivoire, April 2023

BEYOND THE BOX



VSLA in Numbers



This year, readers will note a significant increase in the number of VSLA members worldwide. This is due to us now including the number of VSLAs formed through CARE influencing third parties to form savings groups.

Concerted, long-term partnerships with government ministries, civil society and non-governmental organizations, financial institutions, and private companies at the local, national, and international levels resulted in important policy and programmatic decisions to expand savings groups in different sectors.

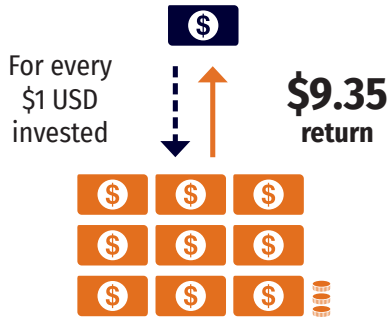
The VSLA Scaling Strategy seeks to expand the potential of group members not only through CARE implementing VSLAs directly in increasing numbers of countries, but also through influencing others to adopt, adapt and scale up the VSLA model beyond our direct footprint.

By serving as a thought partner, convener of civil society networks promoting savings groups, and advisor to and implementor of relevant government programs, CARE has contributed to systemic changes on an institutional level, whereby other development actors have formed and maintained savings groups, reaching many more women and girls than any organization could on their own.

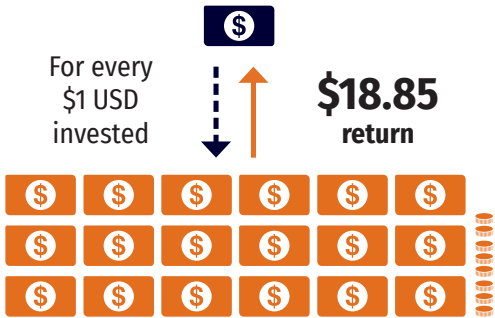


Savings Group Return on Investment

Within Year One



Within Five Years



\$250



For every \$250 invested in setting up VSLAs, **3 children go back to school**



In most cases, an individual's income, savings, and long-term social and economic benefits increase beyond the life of the VSLA



Women in VSLAs are 15% more likely to be in local **leadership roles**



VSLA members are 50-60% less likely to experience **food insecurity** than non-members



A woman in a savings group is **54%** more likely to own an asset and **37%** more likely to be able to sell that asset without asking anyone's permission



In a crisis context, combining cash assistance with VSLA membership contributes to an average additional:

- 30-35% increase in food security**
- 70-85% increase in incomes**
- Twelve-fold increase in savings**



Members of VSLAs are up to **85%** more likely than those not in savings groups to have financial reserves to draw on during emergencies

Strategy Advances 2018-2023

Delivering impact through four VSLA pillars



Integrate VSLAs as a **foundation of CARE's** global development programming



Engage **governments** as scaling partners; embedding VSLAs in policies, regulations and programs



Engage **corporations** as scaling partners; embedding VSLAs in **supply chains** and distribution networks



Adapt VSLAs for **humanitarian contexts** to promote adoption across humanitarian actors

Use **digital solutions** and **real-time data collection** to listen to women so that we can better respond to their needs.

CARE Program Integration

VSLAs are now the foundation of CARE's work on food and nutrition security and are embedded in \$770 million USD worth of current Food & Water System programming. This includes using VSLAs as a platform to promote improved nutrition, access to markets for women farmers, and more.

Scaling Through Governments

We have changed the narrative on how governments work with women to focus on partnerships that ensure high quality, high impact VSLAs. Our engagement varies from: offering Technical Advice to the Government of Uganda and the integration

of VSLAs into two national scale programs; to convening key stakeholders in the VSLA ecosystems in Rwanda and Côte d'Ivoire with gender equity as the foundation for sustainable communities; to working with the Vietnam Women's Union (a quasi-government institution with extensive grassroots reach) to rapidly scale group formation.

Scaling Through Corporate Partnerships

Our partnership with Mars has created sustainable change in communities through VSLAs and has led to a new partnership with Hershey. We anticipate exponential growth in corporate supply chain work over the coming years.



Scaling Through VSLAs in Emergencies

This work is now embedded in \$51.6 million USD worth of current CARE programming and is fast becoming a staple of country office humanitarian portfolios as the nexus between emergency and development programming.

Listening & Connecting

We are listening to, and better connecting, VSLA members to build efficiencies in our scaling activities through: Women Respond and listening to VSLA members (4,185 VSLA members consulted 2020-2022); the Digital CARE Package (launched in 2022) which facilitates access to internet-enabled

phones with relevant apps, associated training, and norms shifting campaigns; broadening the functionality of the Chomoka app, increasing VSLA members' access to formal finance and networks; and a Monitoring & Evaluation dashboard to deepen insights on how VSLAs accrue gains over time.



1. CARE Program Integration

The main objective of integrating VSLAs within CARE programming is to create deeper impact over time through layered, sequenced, and adapted interventions, such as business skills training, nutrition, and addressing normative barriers.

The Collective Investment model, currently being piloted in Tanzania, is one such intervention and is supporting mature VSLA groups, which have limited access to networks and markets, to engage in more profitable enterprise. This model facilitates linkages and trust amongst buyers, enabling members to collectively integrate into profitable value chains, rather than trying to do this alone. Through this model, VSLA members can enjoy economies of scale, higher returns and can more quickly diversify their household incomes.

VSLAs are now embedded in \$770 million USD's worth of CARE's Food & Water Systems programming.

Deeper impact is being delivered in Malawi through the Titukulane program, which provides access to formal finance for VSLA members. Here, women can rarely access loans because they lack credit history and collateral and have limited financial skills. In partnership with financial institutions, and through cash injections to VSLA groups, women have access to financial and business skills training and increased loans with preferable repayment terms and interest rates. This in turn enhances their agricultural productivity and income generating activities to help women build wealth. The program anticipates a 600% return on investment, a win-win situation for both the women and the financial institution.



CARE / Joseph Nyanda

CASE STUDY

Collective Investment in Tanzania

Formed in 2020 with 25 female members, the Juhudi VSLA group is based in the tea growing communities of the Usambara mountains, Tanzania. The group has benefited from the Her Money, Her Life project, funded by Bloomberg Philanthropies and delivered in partnership with the Tea Agency (TSHTDA). Members have received practical agricultural training, including soil fertility management, sustainable weed management, plucking rounds and much more. Members also received collective investment advice and digital training with CARE's Chomoka app. Since then, ten members have decided to work together to produce tea. With support from the project, they accessed ten hectares of an abandoned tea farm and used their collective funds to invest 2.2m TZS (956 USD) in farm management.

Saida Saidi, Group Chair adds: **“By working together, we could earn much more. We are also applying our new knowledge, methods and tools to our individual farms.”**



“VSLAs are the foundation of CARE’s work on Food and Water Systems. They function as our core platform for our work promoting better nutrition, improving WASH services, and supporting women farmers to organize and reach economies of scale, build their capacity (via Farmers Field and Business Schools) and access markets.”

Juan Echanove,
Associate Vice President, Food and Water Systems, CARE

PRIORITIES FOR 2023-24

- Develop new guidance for CARE programs on layering, sequencing, and adapting to integrate VSLAs as an approach that builds a pathway to prosperity for VSLA members.
- Focus on deeper integration of the VSLA in Emergencies model, Women Respond and the Digital CARE Package into CARE programming.



2. Scaling Through Governments

In some countries, our ambition is to move away from directly forming savings groups to working with governments so that they can quickly scale VSLAs. This includes: standardizing approaches from formation through layering of interventions; coordinating different actors in the national ecosystem; and engaging with governments to co-create an enabling environment for the creation and growth of VSLAs.

In Uganda, VSLAs have been integrated into two national scale government programs.

As we build on our long-term success with the Ugandan Government, and rapid scaling with the Vietnamese Government, we are seeing new successes in Côte d'Ivoire and Rwanda. In Côte d'Ivoire, the Ministry of Solidarity has signed a Memorandum of Understanding with CARE to scale VSLAs. The Ministry is supporting the formation of new groups in multiple regions, as well as coordinating savings group implementers to standardize formation, while offering ongoing support. The Ministry is now leading an initiative that aims to form 25,000 VSLAs by 2030.

Through our government partnerships we are also working with bi-laterals and think tanks who fund, or influence funding of, multiple government programs connected to savings groups. Over the past year we have partnered with PEI (Partners for Economic Inclusion), which is hosted by the World Bank, and the think tank CGAP (the Consultative Group to Assist the Poor) to identify new opportunities for the extensive scaling of VSLAs.

PRIORITIES FOR 2023-24:

- Build on our partnerships model with governments, bilaterals, and technical stakeholders to share technical expertise in savings group formation and layering of interventions.
- Engage with regulators and other institutions to build an enabling environment for VSLAs to grow and thrive.

CASE STUDY

Scaling with the Vietnam Women's Union

Nguyen Thi Quynh, is the Treasurer of her savings group in Yen Bai province, Vietnam.

In only six months, Quynh has managed to save and take out a loan of 3,000,000 VND (\$130 USD) to invest in chicks for her chicken farm.

Quynh says: "I feel more confident since joining the VSLA. I can exchange, learn and share knowledge about society and developing the household livelihood, building a happy family."

VSLA groups in Vietnam are being rapidly formed in partnership with a quasi-government entity – Vietnam Women's Union – through a combination of maintaining high quality diverse programming and joined up evidence-based advocacy. We are working together to get VSLAs formally recognized by the government as a method to mobilize financial resources

at the grassroots level, contributing to the National Targeted Program to reduce poverty and increase socio-economic development in ethnic minority areas.

Quality is maintained by providing VSLA groups with hands-on technical assistance. In addition, CARE developed a smartphone application, Quynh adds: "We proficiently use technology applications to track and understand information about savings, loans, interest rates of members, and to schedule group activities."

VSLAs are now considered the platform for financial inclusion and production activities, to which many other CARE interventions are introduced. Quynh concludes: **"Joining this savings group helps women become more confident about their financial competency. After the end of the first year, I will encourage more women to join the group."**





3. Scaling Through Corporate Partnerships

OWUSU SUSANNAH'S JOURNEY

Business Owner & Cocoa Farmer, Ghana

Following the success of our partnership with Mars in Ghana and Côte d'Ivoire through the Women for Change program, we are now engaging with new partners in the cocoa supply chain.

To date, almost 80,000 VSLA members have been supported through our partnership with Mars.

Our model is based on the concept that a healthy and financially stable community is also a productive community. We know that by targeting women in cocoa-growing communities and other sectors, the ripple effect into their families and communities is exponential. Women in VSLAs have made enormous contributions to the health of households and communities. Men tell us that having their wives involved in decision-making, both within the household and on the farm, is having a profoundly positive effect both on the household and farm income, but also on family relationships. If given the opportunity, it will provide similar value to the sustained outcomes at all levels of the supply chain.

While VSLAs can strengthen women's economic independence, addressing gender inequality at various levels of the supply chain will drive business outcomes for agribusinesses by building concrete linkages between social impact and supply chain risk mitigation. This will include embedding gender sensitivity across supply chain actors, beginning with the first mile, so that women can play a more active role throughout the supply chain.

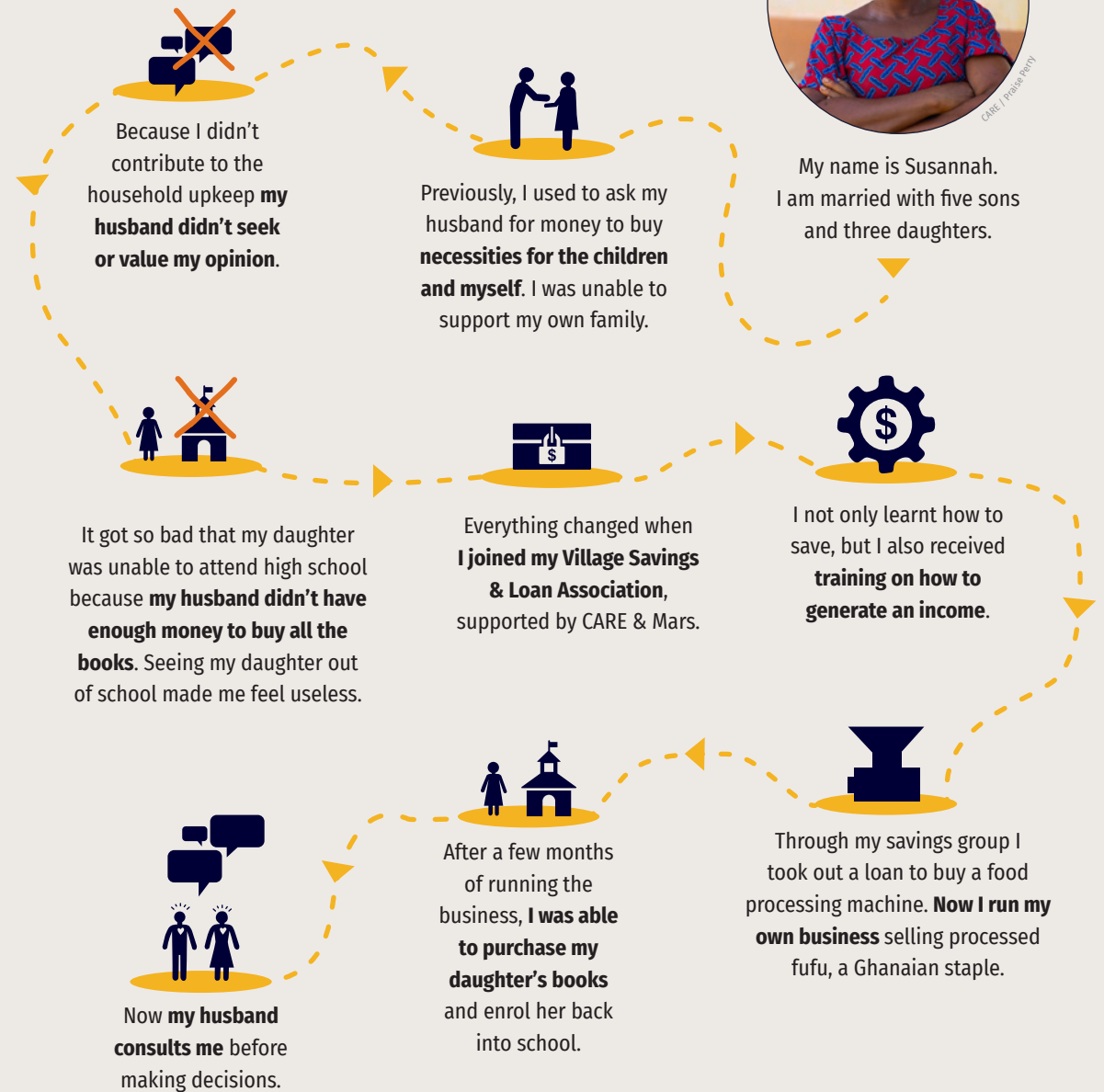
Find out more about the Women for Change program by reading [the booklet](#) and watching [the film](#).

PRIORITIES FOR 2023-24:

- Work with agribusinesses to engage more women in their supply chains and rebalance gender equity to support living incomes.



My name is Susannah. I am married with five sons and three daughters.



“We are excited to work with CARE to support 15,000 VSLA members in our supply chain, particularly women, to improve their economic resilience, support sustainable farming practices, and joint household decision making.”

Angela Tejada Chavez, Head of Sustainable Sourcing, The Hershey Company



4. Scaling Through VSLAs in Emergencies

The VSLA in Emergencies (VSLAiE) approach has been fully piloted and is proving to be the bridge between emergency and development programming. VSLAiE work is now embedded in \$51.6 million USD worth of current CARE programming and is fast becoming a staple of country humanitarian portfolios where it has been piloted over the last two years (Turkey, Jordan, Yemen, Syria) by providing ongoing recovery support for people caught in cyclical crises.

By combining emergency cash assistance with adapted savings groups, VSLA members in crisis settings can build more stability for their futures. Our pilots show the impact of this programming, but also the need for flexibility to adapt the model to the context and meet women’s needs.

In Taiz, Yemen, a follow up study with VSLA groups started in 2022 shows that they are now operating independently and effectively, demonstrating the adaptability of VSLAs in crisis settings. In the first cycle, when cash transfers were integrated with VSLAs, participants saved on average \$220 USD – approximately one third of their cash transfers. One year later, we see that the resilience built in the first phase of the project has been long lasting. Despite the economic turmoil in the year since and the fact that no additional cash assistance has been given to that community, participants had maintained the equivalent of \$194 USD in savings. In Yemen, we also saw a readiness from VSLA members to engage in business training through their VSLA group, which resulted in an increase from 22% to 44% in loans

for business purposes. Many of those businesses continue to succeed today. However, flexibility in adapting the approach was needed in the context of economic instability when members reverted to using loans to pay for food, rent, or medical care.

In Syria, the amount of VSLA members with acceptable levels of food security, measured by the Food Consumption Score, rose from 30% to 96%. We also found that groups were using their social fund to support those in need outside their group, for example orphans and other at-risk groups. In Syria, our partners are so inspired by the impact of VSLAiEs in their local communities that they are requesting more funding to scale their activities.

The VSLA in Emergencies work is now embedded in \$51.6 million USD worth of current CARE programming and is becoming a staple of each country’s humanitarian portfolio.

PRIORITIES FOR 2023-24:

- Continue to scale VSLAiEs in new regions beyond the Middle East, including Latin America & the Caribbean, East & Southern Africa.
- Publish and share the VSLAiE toolkit and model with other humanitarian stakeholders to scale beyond CARE.

CASE STUDY

Supporting Venezuelan migrants in Ecuador

Wendy Figueroa Bonella, from Venezuela, arrived in Ecuador four years ago. She is 40 years old and a single mother with three daughters. She is a clinical laboratory assistant by profession. When she arrived in Ecuador she had to sleep on the street with her daughters. She managed to get a job so she could rent a small room but was exploited for being Venezuelan. She now works in a restaurant and is starting to establish a therapeutic spa and massage business. Wendy is the founder of her VSLA, comprising 13 Venezuelans and 1 Ecuadorian, which

she runs from her home. She says it has helped her to be organized, disciplined, listened to, and valued by her group. She has taken out a loan from her group to buy items to develop her business venture. She now feels strong and empowered and is ambitious for the future of her business. She also wants to see more VSLAs in her community and the reduction of high interest rates from loan sharks.

The VSLAiE approach in Ecuador specifically supports migration.



“VSLAs in Emergencies are fast proving to be the nexus between emergency and development programming. I see huge potential with this model, and we are excited to share it with others so that this can be significantly scaled into more emergency settings.”

Sofia Sprechmann Sineiro, Secretary General, CARE International



Listening & Connecting

Across all our VSLA scaling activities we are listening to, and connecting, VSLA members to build efficiencies and ensure that VSLA members' needs are better met. This includes:

- Listening to women through [Women Respond](#)
- Driving digital inclusion through the Digital CARE Package and Chomoka
- Improving monitoring systems to better track VSLA member growth over time

We are continuing to listen to women through our vital Women Respond work, both digitally and in-person, so that we can better respond to women's needs and support their actions. Between 2020 and 2022, through Women Respond, we collected the views of 4,185 (78% women) VSLA members in six countries. The data shows us that women in VSLAs, compared to those that are not, show greater resilience and solidarity, especially during times of crisis. The data is being shared with the women so that they can advocate for their own needs, and with global audiences to influence policies and programming. This work continues to grow and has expanded into seven countries.

In December 2022 we launched the Digital CARE Package pilot with 3,300 VSLA members in Uganda and Rwanda. Thanks to our partnerships with private sector partners, such as MTN - the largest mobile network operator in Africa, we are paving a path to access to affordable devices for women in savings groups through tailored asset financing that meets

women where they are. This is being coupled with digital literacy training to support device use and digital confidence. We are also looking to provide access to relevant digital tools that are developed to cater to the needs of the women, introducing tools such as the CARE-developed Chomoka app that allows them to digitally track their savings activities, leading to better credit history which, in turn, allows them to connect to the formal financial sector. We are utilizing applications like WhatsApp to build peer-to-peer networks for sharing and exchanging information. Lastly, we are using carefully tailored Social Behavioral Change campaigns that will take advantage of mass media and local influencers to address gender norms and normalize women's mobile phone ownership.

Over the past year, CARE has developed a new monitoring solution 'the VSLA Dashboard' that digitally collects information on savings, income-generating activities, collective action, and empowerment, as well as group locations and contact information. This new solution is already being used in ten countries and will help CARE and our partners receive valuable information that we can use to adapt and innovate programming.

While recognizing the varying needs and digital capabilities of women, our ultimate goal is to move the needle from the digital exclusion of women in VSLAs to confident engagement of women, including in emergency contexts.

[Watch the film about digitalization in Uganda](#)



Digital onboarding with VSLA members in Uganda

Through Women Respond, Chomoka, and the VSLA Dashboard, CARE has collected data on 141,702 VSLA members, including their saving habits and priority needs, building a powerful information and insights platform.

PRIORITIES FOR 2023-24:

- Continue strengthening data on VSLAs experiences through Women Respond, the Digital CARE Package, the VSLA Dashboard, and Chomoka.
- Roll out the Digital CARE Package, carefully listening to women's feedback, and identify long-term solutions and sustainability of the model through partners.
- Continue to test new methods to better connect women in VSLA groups to new markets and support networks.
- Develop a broader digital strategy that responds to the needs and capacities of people across contexts and with varying access to technology.

For more information please contact:

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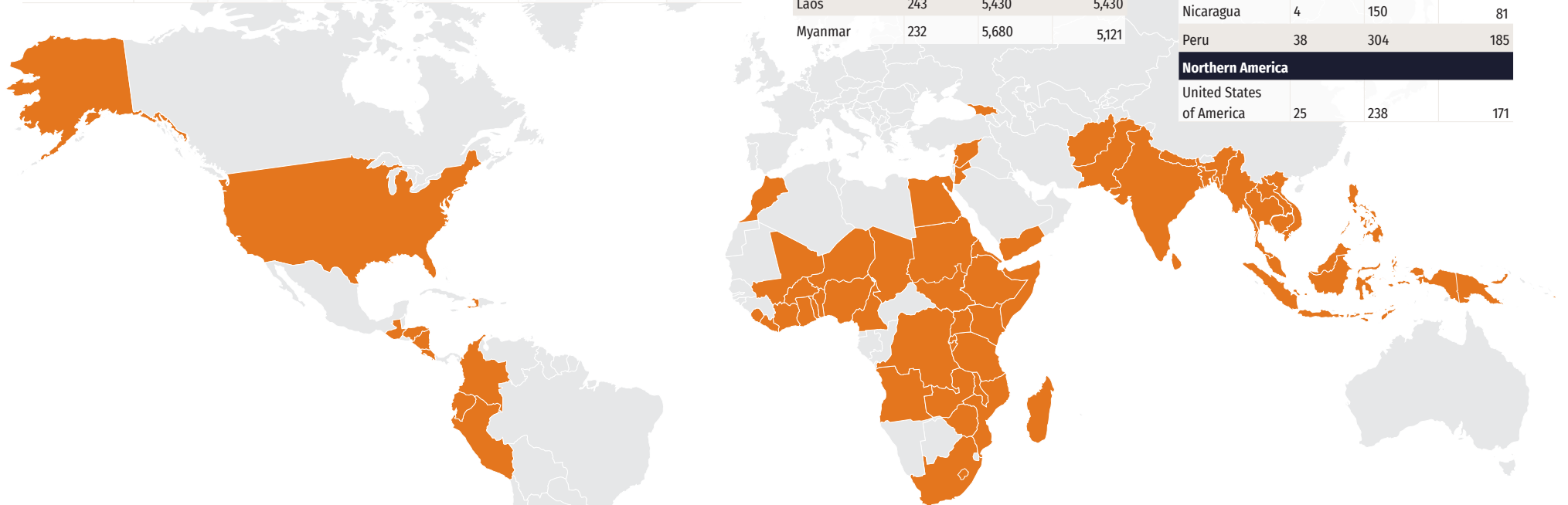
CARE's Cumulative VSLA Footprint

Country	# of Groups	# of Members	# of female Members
Africa East and Central			
Burundi	35,394	850,925	381,516
DRC	7,719	185,846	95,132
Ethiopia	26,753	579,179	261,006
Eritrea	245	4,000	3,120
Kenya	42,178	821,610	19,586
Rwanda	38,765	1156,249	846,567
Somalia	4,308	71,373	61,139
South Sudan	739	19,565	8,528
Sudan	2,689	66,797	39,192
Uganda	38,007	1053,363	210,650
Africa - Western			
Benin	2,870	62,771	29,709
Burkina Faso	442	11,096	9179
Cameroon	1,686	38,876	22,048
Chad	1,872	46,767	45,334
Côte d'Ivoire	13,568	343,637	253,695

Country	# of Groups	# of Members	# of female Members
Ghana	6,238	155,062	60,473
Liberia	229	5,663	216
Mali	18,349	482,742	259,447
Niger	33,795	864,757	488,952
Nigeria	5044	81,751	72,621
Sierra Leone	2,594	72,156	18,010
Togo	345	7,120	2,873
Africa - Southern			
Angola	634	9,115	7,110
Lesotho	3,500	85,180	66,440
Madagascar	6,753	112,131	56,365
Malawi	33,899	564,360	271,435
Mozambique	11,314	218,753	75,737
South Africa	1,570	13,395	10,448
Tanzania	31,075	729,938	130,644
Zambia	4,417	83,172	65,740
Zimbabwe	29,533	207,725	35,498

Country	# of Groups	# of Members	# of female Members
Middle East, North Africa and Europe			
Egypt	3,384	78,041	50,386
Georgia	18	234	234
Jordan	67	1,231	941
Morocco	203	4,183	3,584
Syria	29	519	251
Syria North West Hub	49	912	482
West Bank and Gaza	.	300	230
Yemen	178	3,801	2,485
Asia and the Pacific			
Afghanistan	592	11,500	8,836
Bangladesh	15,616	435,351	242,623
Cambodia	300	4,763	3,219
India	22,142	288,235	44,123
Indonesia	11	220	172
Laos	243	5,430	5,430
Myanmar	232	5,680	5,121

Country	# of Groups	# of Members	# of female Members
Nepal	1,213	34,832	21,585
Pakistan	10	197	125
Papua New Guinea	38	843	429
Philippines	75	1,170	845
Sri Lanka	38	284	284
Thailand	16	97	97
Timor-Leste	261	6352	3,677
Vanuatu	7	175	134
Vietnam	1,625	32,311	22,492
Latin America and the Caribbean			
Colombia	8	132	114
Costa Rica	1	23	18
Ecuador	59	1,294	1,028
Guatemala	371	518	518
Haiti	4,133	119,995	42,825
Honduras	294	6,807	2,520
Nicaragua	4	150	81
Peru	38	304	185
Northern America			
United States of America	25	238	171



64
COUNTRIES

802,400
VSLAs

17,652,806
MEMBERS

13,743,129
WOMEN

35%
YOUTH

Numbers include all VSLA groups created directly and indirectly up to FY22, including 4,984,434 members reached through influencing third-party group formation.