

The Savannah Integrated Rural Development Aid (SIRDA), an Africa Lead grantee, is a local non-profit committed to social and economic development in Northern Ghana, which has utilized the Village Savings and Loan Associations (VSLAs) model in its Integrated Farm Management and Value-chain Development (IFMVD) project. IFMVD seeks to increase the capacity of women farmers and cooperatives and to enhance value chain development through capacity building.



Members of the Savanna Integrated and Rural Development Aid Village Savings and Loans Association (Africa Lead Grantees) at Kaligu-Ghana excited after receiving their share of Savings.

According to Hajia Alima Sagito, the Executive Director of SIRDA, "Because of the attractiveness of the VSLA concept to the rural settings, more communities and

even Assembly persons from the local government tendered in requests to SIRDA to be supported technically to start similar savings and loans schemes." In 2016, Africa Lead awarded SIRDA an organizational capacity-strengthening grant to scale its IFMVD project throughout four districts in the Northern region of Ghana.

The VSLA groups supported by SIRDA are made up of 20 to 30 self-selected members, who meet regularly to oversee savings or lending transactions, agree upon group governance rules, and network and share ideas. To ensure successful implementation, SIRDA not only facilitated the formation of association groups and provided sensitization on the VSLA methodology, but also provided the women with training on leadership, group dynamics and group management skills, which has been shown to be critical to the sustainability of well-functioning VSLAs.

Since the start of the IFMVD project, SIRDA has established and trained eighty four (84) VSLAs in project communities as compared to the target of 40 that was planned. As of March 2017, the association secured a total membership of 2,356 women, and SIRDA trained three hundred and ninety elected VSLA leaders in leadership and group management skills so that they are functioning management teams for the associations. A total of GHC 476,348 (approximately \$106,653) has been mobilized as savings from the VSLAs. Through this training, the members have utilized leadership skills to prevent or effectively resolve conflicts within the groups. For example, a VSLA group in Kadia, a community in Savelugu District, encountered conflicts during the election of leadership and the group managed to resolve the conflict without involvement from the SIRDA facilitators. The group leader, Mma Fati notes, "*Group members have started paying fines for going contrary to the constitution and this is bringing discipline to the groups and contributing to shape some members positively.*" Through both the VSLA model and group dynamics training, the associations have improved social cohesion and reduced potential social conflict in the project communities.

The VSLAs have served as a key loan source for agribusiness capital investments and expansion. In the past, many of the women in these communities were unable to get loans without collateral security. The

association has also served as a platform to engage traditional authorities to improve access to and control over productive resources like land with some of the VLSA beginning to negotiate with the traditional authorities and property owners for productive land to farm. Members are also able to use the VSLA as a guarantee to access extension and tractor services for their farming activities. Due to regular meetings, increased knowledge on the value chain process, and strong VLSA governance, some groups have registered as certified cooperatives.

The grant has also helped to build the institutional capacity of project staff and improved staff skills in areas such as project design and fundraising. Building from the success of the IFMVD project, these women-led groups will continue to meet, save and loan in order to invest in viable business opportunities.

Due to increased empowerment, access to savings, and financial literacy, the groups now engage with service providers directly and negotiate the right prices for required services to improve their agribusiness in ways that are “conscious of value for money”. The women agripreneurs manage their groups knowing from personal experience how each cedi saved, loan provided can, and will reap larger dividends for them, their businesses, and their communities.