



UNDP/UNV - Liberia

Village Enterprise

Dozens of Liberian women in Bong County, where banks or financial institutions do not exist, now have access to credit and are shareholders of a growing enterprise in their area known as the Volunteers Savings and Lending Associations (VSLA).

So far there are four VSLA in the county in Moipata, Baysah Farm, Totota and Maimu communities. Each VSLA, comprising of about 30 members including a chairlady, financial secretary and treasurer, also has its own constitution and holds regular meetings. “We do not have a bank here but we have organized ourselves and support each other with our own money,” says Fatu Kpakla, the proud chairlady of the association in Totota.

Informal banking schemes are not new

in Liberia. In both rural and urban communities, including offices, Liberians usually form “susu” clubs wherein an agreed amount is collected from members and given to one person during an agreed period and it rotates until every member receives a bulk sum. The VSLA is however different. Members of the association who are mainly women pool financial resources together through voluntary purchase of shares from which loans are taken by individuals and repaid with interest. At the end of the year, members share the profits and begin another cycle.

The aim of the pilot project is to promote the economic empowerment of women and is supported by the United Nations Volunteer programme and a local non-governmental organization, Liberia Initiatives for Development Services

(LIDS). “The association is mainly for rural women who do not have access to financial institutions or do not have the requirements for bank loans,” says Nee-Isaac Duanah, Director of LIDS. All 120 members have benefitted from a month-long training in microenterprise development, club management and operations. Members say the association has strengthened social cohesion in their communities as some members who never interacted with one another or had petty grudges have reconciled and now work together. The women have a committee in the association that settles any disputes that may arise among members thus enhancing peacebuilding.

The United Nations Volunteer (UNV) Programme Officer at the United Nations Development Programme (UNDP) in

Liberia, Rukaya Mohammed, commends the women for their enthusiasm. Most of them are returnees and single mothers. The UNV programme has distributed stationeries, cash boxes, stamp pads, pass books, calculators, among others to the four associations. The programme has also assigned a national volunteer to the VSLAs to assist the women organize meetings and records. "Because the money belongs to the women there has not been any incident of

difficult to pay their fees but this year I have paid their fees through the credit I took and the small business I am doing by belonging to the association," she says. Many women say they were motivated to belong to the club because of the transparent manner in which the finances are handled. "Although I am the treasurer I do not handle money, I just keep the records. There is someone who keeps the metal cash box which has two big padlocks

others offer support through the association's social fund. Members of the associations also undertake group work from time to time and income generated from such activities are saved.

"Initially most of the women thought we were going to give them money to start the business but we said "no", they should contribute themselves. They did not believe they will do it but today they are very happy and are moving forward," says Programme Manager Mohamed, adding that VSLAs have inculcated the habit of savings among the rural women. "Our next plan is to include adult literacy as most of the women are illiterate," she says.

Up to late October, the associations had a total sum of more than 300,000 Liberian Dollar (about US\$5,000). The women say their wish is to expand the programme to other communities as more women are interested in joining the VSLAs. "We are very grateful for this programme. Now we have the experience to take care of our own finances but we need more support from the United Nations and non-governmental organizations in order to be very strong and independent," appeals the Totota chairlady. ♦

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theft or non-payment of loan," says Mohammed. The UNV programme has also organized awareness raising for the women on HIV/AIDS and Sexual and Gender-Based Violence, among others.

Esther G. Kollie, treasurer of the Baysah Farm, notes that the association has been very helpful to rural women. "I have children in school. Before it was very

while the keys are kept by two different individuals," explains Kollie.

Sarah Toukao, a teacher at the Baysah Farm elementary, is also a member of the VSLA. "I joined the association because the members are determined to be united and love one another which are needed for peaceful coexistence." In addition to credit facilities, when one member is sick the

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