



# Story from the Field

## COMMUNITIES WELCOME VILLAGE SAVINGS AND LOANS ASSOCIATIONS

A significant number of residents in 16 communities of Ghana’s Western Region have warmly welcomed the Village Savings and Loans (VSL) model and are eager to start implementation. The concept was introduced to the communities by the 3-year USAID funded Coastal Sustainable Landscapes Project (CSLP). Over 75% of the interested people are women engaged in farming, fish mongering/processing and petty trading. According to them, this approach to savings by CSLP is timely and most appropriate as several financial and non-financial institutions have over the years absconded with their savings.

*“My children, look at an old woman like me, I made little susu (savings) each day to a SUSU Group thinking my money is safe but they vanished with the money and all attempts to trace them have proved futile so if your project is to teach and help us to save in our village and lend out to ourselves in times of need, then it’s very good and we’ll gladly form groups and do it.”*

--As expressed by a 62 year old woman in Ayawora, a community in Ellembelle District

Similar experiences of projects and companies absconding with savings of the rural folks was mentioned in almost every community. Based on sensitization by the CSLP team, the Village Saving and Loan Association (VSLA) approach to savings and lending has been welcomed by the communities and observed by many residents as “great sign of relief” following years of financial disappointment from other institutions.



VSLA is a member/community managed group of 15-25 people who save together and take small loans from those savings. Each member has a passbook for the recording of share purchases (savings) and loans. The VSLA normally also establishes a social fund to be used for grants when members are in distress due to unforeseen circumstances. CSLP is hopeful residents in the coastal districts of Ghana’s Western Region will cultivate a better savings culture to enhance their livelihoods through the Village Savings and Loans Association either through sustainable natural resource management oriented activities or by reducing their dependence on unsustainable natural resource extraction activities.