

Village Saving and Loan Associations (VSLAs)

Village Saving and Loan Associations (VSLAs) are groups of 10 to 25 people who meet regularly, usually weekly, for a year. They save money together and use that money to give small loans to members who need it. VSLAs are popular all over the world and have 12 million members in 73 countries in Africa, Asia, and Latin America. Organizations like Oxfam, CARE, Plan, CRS, Aga Khan, World Vision, and ZSL use VSLAs because they are easy to set up and follow a structured method. VSLAs are persistent and independent after one year, with 89% of groups still operating five years later. They can be replicated through the Village Agent model, which is low cost, with an average cost of \$22.2 per member (as low as \$8 in some cases)



► Why use VSLAs in ZSL conservation?

Village Savings and Loan Associations (VSLAs) are an effective tool in creating the necessary conditions for conservation. They serve as a great platform for involving communities in conservation efforts with low transaction costs, building social capital, and establishing trust in ZSL staff within communities. VSLAs also provide opportunities for people to diversify their livelihoods and reduce dependence on activities that are of conservation concern, such as fishing and hunting. This tool can help to overcome opportunity costs of conservation where they exist. Additionally, VSLAs can be utilized to manage internal sources of finance for community-based management through the Environment Pouch innovation. Social marketing, education, and awareness raising are also benefits of using VSLAs. Ultimately, VSLAs are an easy, effective, and fun approach to conservation efforts.



► Why use VSLAs in ZSL conservation?

- When you want to build trust within communities.
- When you want to undertake community-based conservation.
- When there is a development component required.
- When you want to introduce an "alternative livelihood".
- When you want to train the community to be self-sufficient.
- When you have a gender component (globally, women form 78% of membership)
- When you want to create a sustainability mechanism.

► Considerations?

Village Saving and Loan Associations (VSLAs) are not just limited to developing countries, as there are even VSLAs in London. One of the benefits of VSLAs is that they can be adapted for individuals with low literacy rates, as there are no prerequisites for literacy. To successfully implement VSLAs, one year of support is required, and one field staff member can support up to 10 VSLAs over the course of a year, depending on their other responsibilities. For added value, the implementation of the Village Agent model can be supported in Year 2, after the community has experienced one full cycle. However, it is important to note that there are some golden rules that should not be broken to ensure the success of VSLAs:

- Group size 10-25
- Principle of self-selection
- Never be late to a meeting
- Never change share value mid-cycle
- Never put external/project/NGO funds into the box
- Never touch the money – only ever observe
- Never do other business when the box is open
- Follow the manual/guide to the letter – NEVER INNOVATE the process without seeking advice first! The guide has been revised following the experience of success and failure implementing with millions of participants in many countries across three continents. Trust it!
- Ensure the group are upholding the rules as per the constitution and the manual / training guide.
- Avoid project staff membership

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► Considerations?

- Get training from other organisations already doing them within the country (CARE, Plan, Oxfam, World Vision, Feed the Children, CRS...)
- They can be used for transient/itinerant communities (as we have demonstrated in Mozambique). Often harder, but very effective. Must be that the group can stay together for 36 weeks.
- Enjoy them – they are fun and rewarding and will change your relationship with the community in a positive way forever.
- Warning: they will train and empower the community to be self-sufficient. **DO NOT UNDERMINE THIS** by offering things for free (e.g. t-shirts etc).

► Okay I'm interested. How do we start?

Discuss with the Conservation for Communities team in ZSL's Marine & Freshwater Programme. Go and experience one first hand: find and observe other groups operating within your country/area. CARE, Plan, Oxfam, World Vision, Catholic Relief Services and many others use them all over the world! Download the VSLA Field Officer Training Guide. When you're ready to implement, get training from one of the core organisations (listed above) implementing them within your country if possible. They may also already have a locally adapted guide in the relevant local language. Beware of other groups though – some have made adaptations that do not work. If no local groups operating, discuss with Conservation for Communities team as above.