

REALISE LEARNING BRIEF: Village Savings and Loans Associations and Girls' Education

From 2017 to 2021, Save the Children implemented the REALISE (Réussite et Epanouissement via l'Apprentissage et L'Insertion au Système Educatif) project in the Democratic Republic of Congo (DRC), together with the Institute of Development Studies (IDS) and World Vision, FECONDE, ALPKO and ADJEDEC. The project was funded by the UK Foreign, Commonwealth and Development Office (FCDO) through the Girls' Education Challenge (GEC) and operated in the provinces of Tanganyika, Lomami, Kasai Oriental, Ituri, Haut Katanga and Lualaba. It reached over 60,000 girls across 467 schools (262 primary and 205 secondary) and 16 Accelerated Education Programme (AEP) centres, focusing on girls' well-being, attendance, learning and transition to secondary school.

The greatest barrier for girls' education in DRC is economic. This finding was identified in the [baseline evaluation](#), [midline evaluation](#) and research conducted by IDS¹. REALISE addressed this critical barrier during its implementation through the provision of bursaries and school kits, and the establishment of Village Savings and Loans Associations (VSLAs) among parents and caregivers in the school communities.

What are the VSLAs and why are they important?

The VSLAs (AVEC in French) emerged in 2014 as one of the critical innovative interventions included in phase one of the project, called 'Vas-Y-Filles' ('Go Girls!'). Their success in phase one, as well as in other World Vision programming in DRC, led to their integration into the REALISE project. Providing a savings mechanism for vulnerable groups traditionally excluded from both the formal banking sector as well as micro-finance institutions, VSLAs were implemented to enable families to plan for education costs for girls. VSLAs and the subsequent income generating activities they initiate would not only contribute to addressing the economic barriers facing families during the lifetime of the project but also provide a sustainable solution to addressing this endemic barrier.

REALISE's financial support package for girls included bursaries and covering other related costs (school kits, uniforms and cost of national exams). However, while vital in the short term, providing direct financial support is not sustainable in the long term. As part of the VSLAs model, REALISE provided training on income generating activities (IGAs), so parents and caregivers could set up businesses to improve the household income and to help pay for their loans. 277 VSLA groups were established and 90% of these were functioning, with 37% mature, at the end of the project. In normal circumstances this is a strong outcome for VSLAs but in light of the COVID-19 pandemic and growing economic hardship it is a great success.

The global literature² on education highlights the importance of family networks and extended social networks to support access to education. Global evidence shows that women's and girls' vulnerability in crises are further exacerbated by the lack of access to their regular social networks and sources of social support.³ Research conducted by REALISE in partnership with IDS affirmed the critical role that social networks play in ensuring access to and success in education for girls in DRC, especially for those who have been most marginalised.



This women-led VSLA in Namisongo has an annual return of 75%.

As research suggests '*social networks are conducive to higher enrolment rates as well as staying enrolled in school*' for girls. Social networks and social relationships play a key role in ensuring access to education and can

¹ <https://www.ids.ac.uk/projects/realise-project-understanding-marginalisation-from-education-in-civil-war/>

² Todd and Wolpin 2003; Rosenzweig and Schultz 1982; Strauss and Thomas 1995; Behrman 1988; Behrman 1997; Angelucci et al., 2017; La Fave and Thomas, 2017; Lowes 2018 - referenced in REALISE WP 1

³ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7262171/>

serve as a mitigating factor from economic marginalisation for girls.⁴ This further affirmed the importance and value of VSLAs for ensuring girls have the social networks and relationships they need to access and succeed in school.

Were the VSLAs successful?

A 90% rate of functioning VSLAs groups across the six REALISE provinces demonstrated their impact and value. In the three provinces of Haut Katanga, Lualaba and Tanganyika – which were supported by World Vision – VSLAs were particularly effective despite the impact of COVID-19. In the final year of implementation, 96% (129) of VSLAs in the three provinces were functioning, and 70% (94) of these had reached maturity.⁵ These groups have 2,672 active members, with 64% of these members being women. This was an intentional emphasis as part of the intervention to ensure greater gender financial equity.

Across these groups, a total of \$180,296.99 were saved during the second cycle, raising a credit fund of \$259,657.19, which is an average rate of return on the portfolio of 44%. The 6,477 outstanding loans were invested in 37 income-generating activities in association with members, mainly in agriculture, micro-business, pastoral and artisanal activities. The replication rate for these associations was 86% representing 115 spontaneous VSLAs and the retention rate was 98%.

The success of these VSLA groups demonstrates their importance and value to families and communities. The findings from the endline evaluation found that VSLAs were effective in raising household incomes. Teachers and government leaders identified VSLAs as a contributing factor to supporting girls to attend school regularly and successfully transition through school. Parents explained that the groups fostered a savings mentality that was not present in the community before. Several parents reported that the savings share outs or credit taken from the groups supported the payment of school fees and the buying of school materials that they would not have otherwise been able to afford. If it were not for these groups, many parents reported they would not be able to send all of their children to school. VSLA leaders reported that they used the VSLA meetings to remind the members of the value of their children, and most notably their daughters', education.

The sustainability of these VSLAs was also affirmed in the endline evaluation. The members of some of these groups – including groups in conflict zones – took steps to establish their organisations into a legal institution and to have their groups formally recognised by the government. A total of 44 groups (14 REALISE groups and 30 spontaneous groups) organised themselves into six federations and registered as associations (more details on this action and its significance are outlined below).

"For three years, we have felt the impact of working in an AVEC, both on children's education and on life improvement. At the end of the project, we felt that it was in our interest to be known by the government.



With the support of REALISE, we have obtained documents for our operation and we will work to realise our projects based on our action plan. Our priority is to drill boreholes to provide our village with drinkable water, to cultivate fields to increase our income, to build an office for our association, and of course, to raise awareness among our girls for their education and to prevent abuse and violence against women. These are our objectives in our Non-Profit Organisation." - Ms Vicky, President of a VSLA

It is important to note that the endline findings affirm that VSLAs were effective in raising household incomes but that the economic constraints of enrolling girls in school remains a substantial barrier for families in DRC. The findings also pointed to some areas for consideration in future programming. The

⁴ P.24., Marchais G., Gupta S., Brandt C., Kuliumbwa E., Kithumba O., Kiemtore I., Bauzi P., Leone M., Justino P., [Marginalisation from education in conflict-affected contexts. Learning from Tanganyika and Ituri in the DR Congo](#) (peer review 2020)

⁵ Maturity is when all members of the group buy more than two shares, demonstrate a strong understanding of the principles, pay their credit within the agreed statutory deadline, know how to refer to the internal regulations for any eventuality without guidance and support from the Field Agent (project staff responsible). It also requires that less than three group members have left the group. 95% of members are regulars and arrive on time for meetings, and all members have good control of meeting procedures.

first of these, was that some communities identified a need for further capacity building in specific skills that would support certain livelihood opportunities. The other was that the poorest households and those families most affected by marginalisation have not had access to these VSLAs opportunities. Thus, an even more targeted approach may be needed in future to ensure these families and households are included.

What were the challenges and lessons learned?

- At first, supporting VSLA groups to become associations seemed like a straightforward process needing engagement and advocacy with the required government services and, if possible, some form of Memorandum of Understanding (MOU). In reality, getting the VSLA groups approved as associations was a much more intense process involving enormous effort.
- Even though the impact of COVID-19 did not stop VSLA groups from functioning, it limited the groups' capacity to reach maturity because many group members lost sources of livelihood and were unable to buy shares or get credit. Some groups became non-functioning (10%) because it was difficult for members to meet and because they had some governance issues.
- In conflict zones of Ituri and Tanganyika, insecurity put some groups at risk.
- The VSLA groups required more training and support on governance, which was critical in the management of the groups, particularly for the IGA and Association registration component. Thus, future programming involving VSLAs needs to ensure more substantive training and support on VSLA governance.
- The maturity of the VSLA groups and process to become established associations or federations happened towards the end of the project, which limited the time available to strengthen their sustainability.

How were and can VSLAs be supported towards sustainability?

While many VSLAs initiated and implemented by REALISE reached maturity and successfully generated savings and income-generating activities, the VSLA structure does not meet the legal requirements of an association in DRC. The need to be registered at the government level was deemed essential by some participants in certain VSLAs. Members who participated in VSLAs saw their activities blossoming but felt limited and were concerned because these associations were not protected within formal institutional and legal structures. They had come to understand that the sustainability and viability of their actions depended on the standardisation of their statutes and legal registration.



"I am touched, even flattered, to see that the most vulnerable families are able to ensure the survival of their households and in particular the education of young girls according to MDG 4.

This model of grouping members into associations pushes us, as a government, to capitalise on the approach because I am impressed to see a group of 25 people achieve \$6,000 in a farming environment. This is an opportunity for me to invite other partners to join us as a government to support other villages. Our role as a government is to supervise all these ASBLs that have just acquired the statutes, and above all, to advocate so that the model can be transposed elsewhere and in other provinces."

-John K. Zeno, Head of the DIVAS Planning and Design Office

REALISE worked with the Ministry of Social Affairs to support six associations in two provinces (Lualaba and Haut Katanga) to obtain the required statutes and the status of non-profit associations. These associations gather 44 VSLAs – 14 of which were formed under REALISE and 30 were additional spontaneous VSLAs – and a total of 808 members. Their objective is to mobilise funds and to promote girls' education. These statutes allow them to establish be recognised as official bodies and build sustainable partnerships with the government, international partners and financial institutions.

Case Study 1

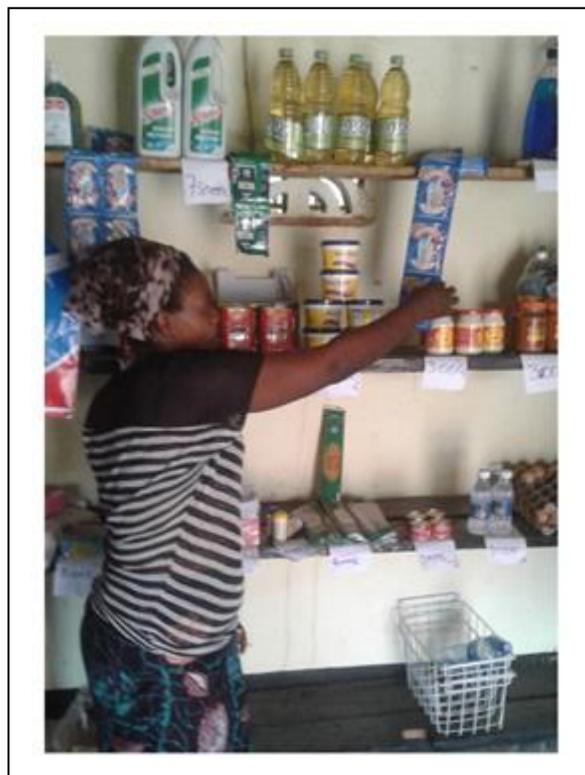
Ms Faustine is a widow and mother of six children. After the loss of her husband, Ms Faustine was left alone with no income to raise and take care of her children. She is a member of the Village Savings and Credit Association of the school EP MANO in Kasenga. Ms Faustine said that she benefited from a training on entrepreneurship for socio-economic capacity building provided by World Vision as part of the REALISE project.

Thanks to the savings system, after sharing the first cycle funds, Ms Faustine received the sum of eight hundred thousand Congolese Francs, equivalent to four hundred US dollars. "With that money, I have created a small store and restaurant," she says.

"Kasenga is being increasingly visited and the port opening on the Luapula River, which separates us from Zambia, came at the right time to make my business flourish," she explained.

"From October 2020 to January 2021, my capital has considerably increased, from eight hundred thousand Congolese francs to two million Congolese francs, or one thousand U.S. dollars."

Now, with a capital of one thousand U.S. dollars, Ms Faustine can take out a loan of one million Congolese francs and be able to pay it back on time. Thanks to these two activities, she can take care of her children and pay for their education easily.



Case Study 2

Fatuma Ngunga Sarah is married and has six children. She is a trader and sells second-hand clothes at the Kamukolobondo market in Kalemie.

"Before joining the village savings and credit association (VSLA) YOTE MEMA of EP FARADJA, my business was not doing well. I had the feeling that I was turning in circles and that I was not making any profit from my sales.

"From the moment I joined VSLA and thanks to the training I received from the World Vision agents, I learned a lot. These various trainings brought me another way of undertaking and allowed me to apply the notions of income management, to understand the usefulness of savings and credit but also the importance of the creation of an income generating activity (IGA).

"As I already had a business, I decided to put into practice the information received during the training and the results were soon visible. At the beginning, I had launched my business with only one bundle of second-hand clothes. Now, with the savings and credit system, I am on my third loan and this has allowed me to travel to Goma (capital of the province of North Kivu) to buy five other bundles. My business is growing.

"The VSLA (AVEC) is a great help for our community. Recently, I bought a plot of land and gradually, I am building. My grandchildren are living there and going to school thanks to the profits of my business, and this would not have been possible without the AVEC and without the participation to all the trainings we received from the GEC Kalemie team."