



**SACCOs
&
The Sustainable Development Goals**

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THE GLOBAL GOALS

For Sustainable Development



#GLOBALGOALS

SDG 1.4 Financial Inclusion

By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.

Global Credit Unions Movement



Countries with credit union movements that reported statistical data^a



Other countries

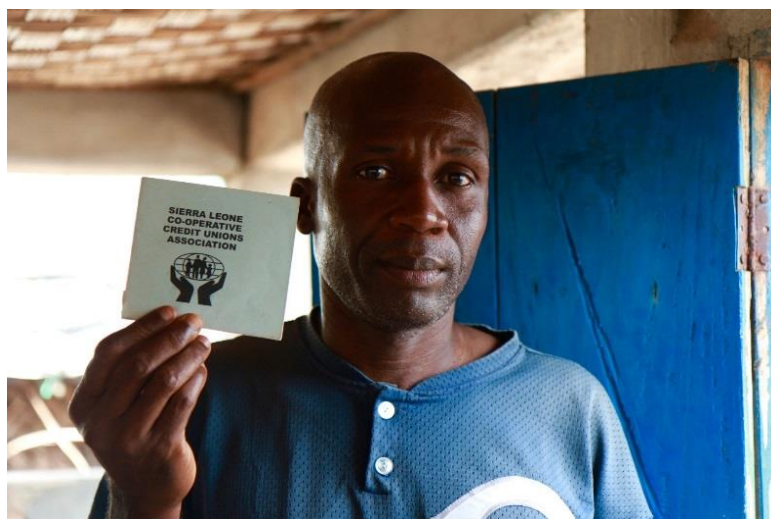
Which other SDGs can SACCOs contribute to?

THE GLOBAL GOALS

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Sierra Leone – Credit Union Membership



Credit Union Member: ☒ Yes ☐ No If 'Yes', for how many years has she / he been a CU member? 3 yrs

A. Individual

1. How did you use the loan? (do not read – answer can be more than one)
☒ Trade ☐ Service ☐ Agriculture ☐ House related ☐ School fees ☐ Consumption ☐ Others (what is this?) _____

2. During last 12 months, has your income (read)
☐ Increased ☒ Increased greatly ☐ Stayed the same ☐ Decreased ☐ Decreased greatly ☐ Don't know

3. What changes have you noticed in your business? (do not read)
☐ Expanded ☐ More profit ☒ Diversified ☐ Selling in more markets ☐ Sales ☐ Other _____

4. Over the last year, what did you spend most of your income on? (do not read – can tick more than one box)
☒ Reinvested in business ☒ Used for consumption ☐ Bought animals ☐ Savings ☐ School fees ☐ House related expenses ☒ Medical ☐ Other (specify) _____

5. How has your position changed in your community? Has it – (read)
☐ Improved ☒ Remained same ☐ Disimproved
 Why I am more of a housewife than community player

B. Household

6. Over the last year what have been significant changes in your household? What are these? (do not read)
☐ None ☐ Repaired ☒ Bought new improved house assets ☐ Improved food in family expenses ☐ Contribute a share ☐ Others (specify) _____

7. Are all the children in your household attending school full time? (read)
☒ Yes ☐ No ☐ Sometimes

8. How has your position changed in your family? Has it – (read)
☒ Improved ☐ Remained same ☐ Disimproved
 Why I am able to contribute to the development of the home

9. In your opinion, who is given priority with regard to getting more or better food in the household? (read)
☐ Males ☐ Females ☒ Both

10. In your opinion, who makes the major decisions on family and other issues? (DoNotRead)
☐ Father ☐ Mother ☒ Both Father and Mother ☐ Elderly children ☐ Other _____

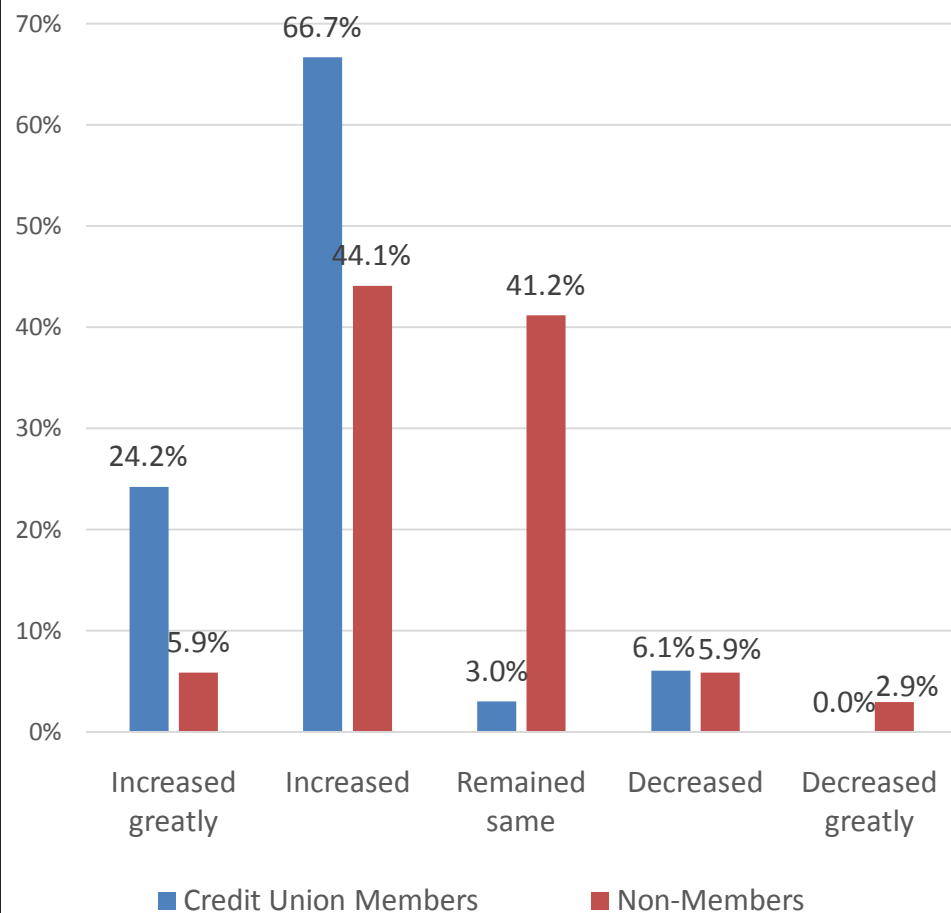
C. Commerce

11. Has the size of your business activity changed? (read)
☒ Increased ☐ Increased greatly ☐ Decreased ☐ Remained same
 Why is this? This is because of the loan I acquire

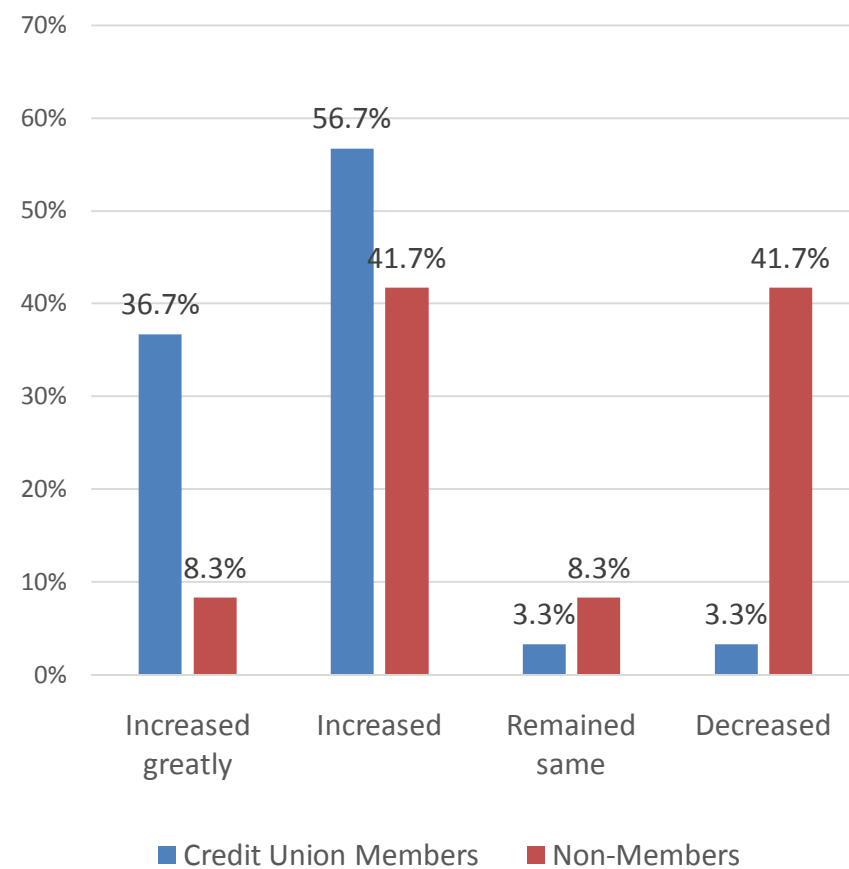
12. Has the type of business activity that you engage in changed? (read)
☐ Remained the same ☐ It has reduced ☒ It has expanded
 Why is this? I also raise capital through savings

Evaluating Impact Contd.

Income change over past 12 months



Business activity change over past 12 months



SPM

(Social Performance Management)

- “ What do you think we mean by social performance?
- “ Can you provide examples of social performance type initiatives in your SACCO / apex?
- “ Why should we be concerned about social performance?

Social Performance Cannot Be Taken for Granted

- “ Member dissatisfaction, distress (and exit)
- “ Over-indebtedness or multiple loans
- “ Lack of understanding of costs related to terms and conditions
- “ Complaints about staff
- “ Limited benefit of financial services for the member
- “ Unserved segments of the community
- “ Unmet needs

What is Social Performance?

“ The effective translation of an institution’s mission into practice in line with accepted social values that relate to:

- reaching poorer and excluded members
- improving the lives of members and their families;
- widening the range of opportunities for communities.



Example of Putting a Mission into Practice

“ The following is a mission statement of a microfinance institution in Cambodia:

To help large number of poor people improve their livelihood options through delivery of appropriate and viable microfinance services

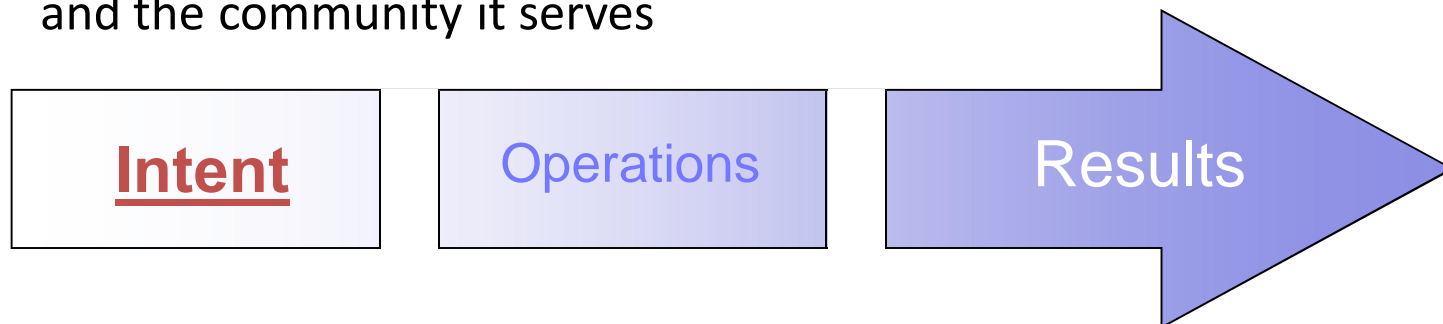
“ They looked to see how they could put this into practice by breaking it down....

Mission/Value Component	Strategic Objective	Performance Measurement Category and Performance indicators
Large numbers	AMK will be the leading MFI in Cambodia in terms of client numbers from the poorest market segments	Breadth of outreach Total number of clients Number of borrowers Number of savers Number of villages Per cent village penetration Per sent HH penetration
Poor people	AMK's new entry clients will be proportionally poorer than non-clients	Depth of outreach Per cent new clients in bottom two quartiles – relative poverty Per cent new clients below rural food poverty line Per cent ID Poor 1 & 2 clients
Appropriate & viable MF services	AMK's products will be continuously evaluated to ensure the appropriate client design, especially for the poorest client segment	Adequacy of products Number of products/product lines Client retention (total and by product) Per cent of loans < UD\$ 300 Per cent group loan clients graduating to individual loans Per cent borrowers with savings accounts
Improve livelihood options	AMK clients' poverty levels, income, and assets will improve & their vulnerability will decrease over time	Change effects Per cent senior clients whose well-being score improves Per cent poor clients on entry whose well-being score improves Rate of wellbeing score improvement – clients v. non-clients

What is Social Performance?

” Intent: Clearly defined mission and objectives

- Reach target market
- Deliver high-quality and appropriate financial services
- Respond to the needs of members their families, and communities
- Ensure responsibility of the SACCO toward its employees, its members, and the community it serves



What is Social Performance?

- ” **Operations: Actions and corrective measures**
 - . Align systems with mission
- ” Leadership
- ” Institutional culture
- ” Human resources
- ” Training
- ” Reward (can be financial and / or non-financial incentives such as recognition, certification etc.)
- ” Marketing
- ” Service Delivery



What is Social Performance?

” Results: Measurable outcomes and benefits

- . Reaching target members
- . Meeting member needs
- . Creating benefits for members
- . Social responsibility



Quick Member Satisfaction Survey

1. Does the SACCO deal with matters in an efficient way? Yes ☐ No ☐ Sometimes ☐

2. Do you find SACCO personnel helpful? Yes ☐ No ☐ Sometimes ☐

3. Do the SACCO products meet your financial needs? Yes ☐ No ☐ Partially ☐

Can you provide us with some suggestions as to how we can improve our products and services?

Service Aspect	Current Practice	Ideal/Recommended Practice	Why?
(Initial) Loan Size			
Interest Rate			
Loan Term			
Savings Service (amount and frequencies of deposit)			
Access to Savings			
Opening hours of SACCO			
Staff interaction (efficiency, helpfulness etc.)			
Face to Face requirements			
Support services (financial literacy, business planning)			

Practical examples of social initiatives

- “ Disaggregated **data** on youth, gender, disability, poverty scoring
- “ Having a **complaints mechanism** in place
- “ Putting in place a **code of conduct** (to set the tone)
- “ Representation of **women** on the board
- “ **Participation** in democratic / volunteer aspects
- “ **Impact** assessment or case studies
- “ Transparency around **cost** of financial services esp. loans APR
- “ **Tidy towns** initiatives (e.g. organising cleaning the market place)
- “ **Financial literacy** initiatives

Universal Social Performance Standards have been established and these can be measured through 'social audits.'

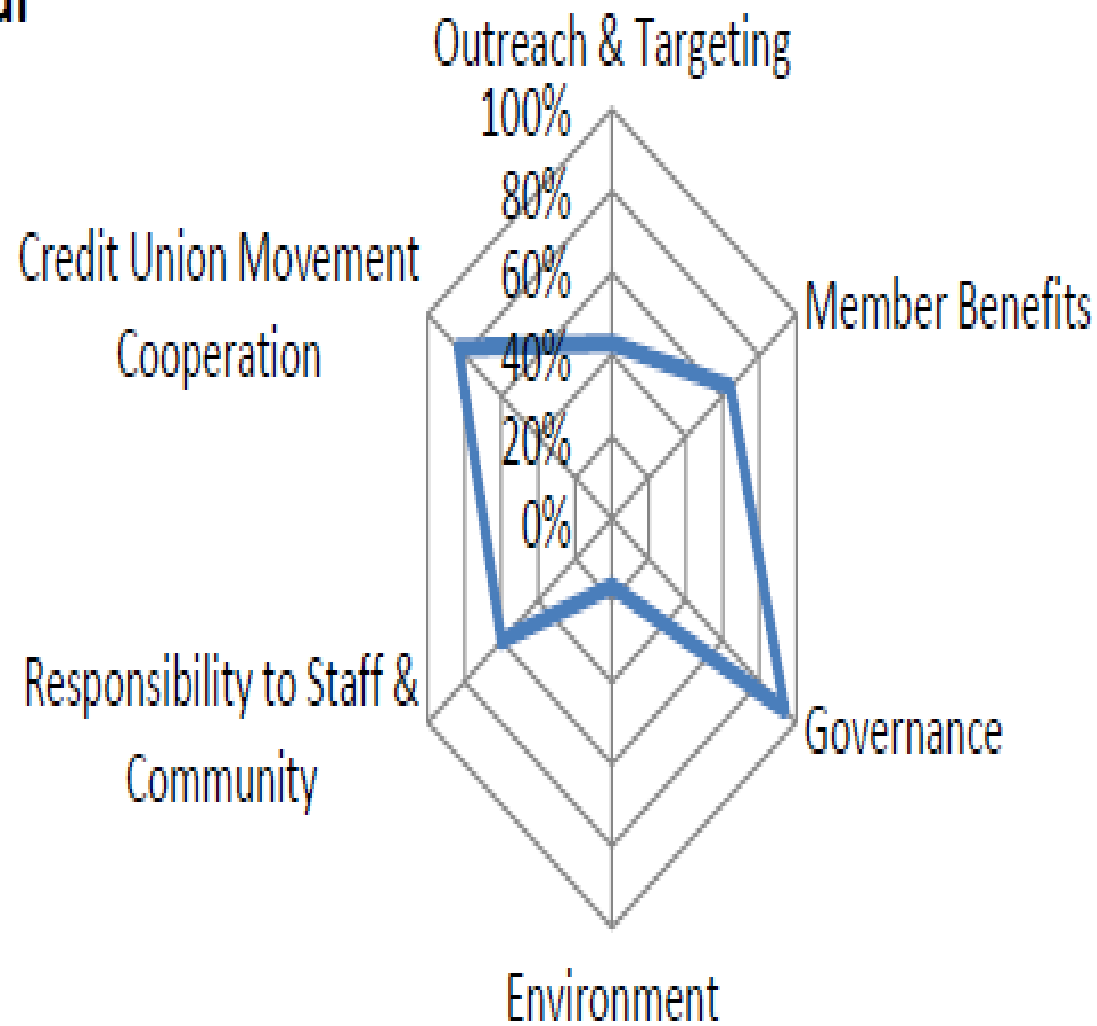
Assessed under six key areas:

- “ Outreach and inclusion : how many and who?
- “ Member benefit and welfare: satisfaction
- “ Governance
- “ Responsibility to staff and volunteers
- “ Community and environment
- “ Cooperation amongst cooperatives

Results of Social Audit in The Gambia

- “ Progress was slow
- “ Progress was not related to how well off the SACCO was
- “ Progress was driven by committed leadership

Overall Social



Social Performance Tools

” Social Performance Task Force

<https://sptf.info/>

” Cerise Social Performance Tool

” Or for simple tools contact
ikidney@creditunion.ie for financial services and
social performance

WOCCU INTERNATIONAL OPERATING PRINCIPLES

Cooperative Structure

- Member Owned
- Member Controlled
- Democratic Control

Service to members

- Financial Inclusion
- Financial Sustainability
- Maximizing Member Economic Benefit

Social Responsibility

- Financial Literacy
- Network Cooperation
- Community Responsibility – Global Vision

In practical terms

- “ Marketing
- “ Financial Product Development
- “ Funding from international donors
- “ Opportunity for partnerships
- “ Lobbying



Thank You