



INTEGRATED
VILLAGE SAVINGS AND LOAN ASSOCIATION
WITH GENDER ACTION LEARNING SYSTEM
VSLA/GALS
PROJECT

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The Integrated Village Savings and Loans Associations (VSLA) with Gender Action and Learning Systems (VSLA/GALS) project is a financial inclusion and gender empowerment scheme that aims to build the financial, economic and social capacities of over 500 cocoa farmers in the Ashanti Region through self-governed savings groups.

The project, which is being implemented by Participatory Development Associates (PDA) in partnership with Nestle Cocoa Plan, Cocoanect and Cocoa Merchants Limited, incorporates a Gender Action and Learning System (GALS) which empowers women and men to overcome gender norms and make prudent financial decisions through gender empowerment and financial literacy training.





Over the years, studies have shown that the excessive spending by farmers during cocoa seasons is most often accompanied by severe cash constraints during the off-cocoa seasons. As a result, many farmers opt for high interest consumption loans to service household expenditures and pay back the loans with proceeds accruing from cocoa sales in the following cocoa season. This vicious cycle not only affects their savings culture but further impairs their ability to raise credit to explore alternative livelihoods.

The introduction of the VSLA/GALS project is an attempt to address this problem through regular savings in the form of shares from which farmers can access credits or consumption loans at low interest rates. The accumulated returns on shares still go to the contributing farmers, thus enhancing the availability of cash during the off-cocoa seasons. The credits obtained can be used by farmers to explore additional income-generating activities to augment earnings from the sales of cocoa.





The project which is still in its pilot stage targets cocoa growing communities in the Asante Bekwai and Nsokote Districts of the Ashanti Region. In August 2018, Community entry and sensitization exercises were conducted in both districts. The participants included Cocoa Purchasing Clerks, association executives and traditional leaders. During the events, the VSLA/GALS concept was explained in detail for the participants to have a better understanding of the methodology, its structure and mode of operation. The communities were further grouped into clusters from which a total of 19 VSLA groups are currently being setup by participants who expressed interest. Surprisingly, many farmers who were not in attendance of the events also expressed interest upon learning about the initiative. Tables 1 and 2 contain the complete list of communities and clusters in both districts.



The groups would be structured similar to other VSLA groups around the country. Each group would consist of between 15 to 30 members who shall collectively agree on their bylaws and elect executives to manage the operations of the group. Savings shall be made in the form of shares and the value of a single share will be agreed upon by the group at the beginning of a cycle (one year). The groups shall meet weekly and members are required to purchase between a minimum of 1 and a maximum of 5 shares at every meeting. With regards to loans, every member would be entitled to a maximum amount equivalent to three times the total of his/her savings. Loans are to be paid back on weekly basis and payments must be completed within three months. This is to allow for loans to be paid back before the completion of the cycle. Like other schemes, the accumulated savings and profits on loans are distributed among members at the end of the cycle and members decide whether to repeat the cycle or not.

DISTRICT	SOCIETY/ GROUP	TOTAL NO. OF FARMERS	NO.OF MALE FARMERS	NO.OF FEMALE FARMERS	COMMENTS
NSOKOTE (A)	FUMSO	28	17	11	(Cluster Communities) Selected
NSOKOTE (A)	ATUAM	30	25	5	
NSOKOTE (A)	KOJO NKWANTA	25	14	11	
NSOKOTE (A)	AHUTUKROM	18	9	9	(Cluster Communities) Selected
NSOKOTE (A)	KOBEN	26	15	11	
NSOKOTE (B)	BOKRO	44	33	11	
NSOKOTE (A)	WURUYIE 1	49	37	12	(Cluster Communities) Selected
NSOKOTE (A)	WURUYIE 2	19	15	4	
NSOKOTE (A)	WURUYIE 3	16	11	5	
NSOKOTE (B)	KONSIWA (A) & B	50	34	16	Selected
NSOKOTE (A)	ANWONA (A)	64	42	22	(Cluster Communities) Selected
NSOKOTE (B)	ANWONA (B)	15	6	9	
NSOKOTE (A)	NEW SOMENYA	16	11	5	
NSOKOTE (B)	MENSAHKROM	17	9	8	
TOTAL		417	278	139	

TABLE 1

DISTRICT	SOCIETY/ GROUP	TOTAL NO. OF FARMERS	NO.OF MALE FARMERS	NO.OF FEMALE FARMERS	COMMENTS
BEKWAI	GYASIKROM	47	35	12	(Cluster Communities) Selected
	KONIYAW	144	84	60	
	NTINANKO	102	62	40	Selected
	TWEAPEASE (A) & B	80	57	23	
	ATIA (16B) & (A09)	66	38	28	
	ABOO	39	23	16	
	EBUNUSO	19	10	9	(Cluster Communities) Selected
	DOMEABRA	22	11	11	
TOTAL		519	320	199	
GRAND TOTAL IN BOTH DISTRICT		936	598	338	

TABLE 2

COMPILED BY:

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FIELD OFFICERS

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