Credit Union Revitalization In Liberia:

Against all odds, creating financial institutions that work for rural communities

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The authors take responsibility for any errors or omissions.

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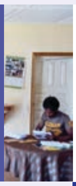
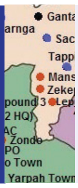
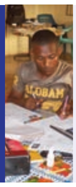






Summary

World Council of Credit Unions received funding via UNCDF's MicroLead programme to revive the credit union system in Liberia through the development of four regional credit unions. This case study takes readers through their development, with a focus on Trust Savings Credit Union, one of the four regional credit unions, as well as examines the challenges and opportunities in expanding access to finance in a post-conflict environment and in the middle of the Ebola epidemic.

Acronyms

CBL	Central Bank of Liberia
CDA	Cooperative Development Agency
CIA	Central Intelligence Agency
CU	Credit Union
DRC	Danish Refugee Council
USAID FED	United States Agency for International Development Food Enterprise Development Program
FSP	Financial Service Provider
GDP	Gross Domestic Product
GNI	Gross National Income
IFDI	Inclusive Finance Development International
LAC	Liberia Agriculture Company
LCUNA	Liberia Credit Union National Association
MCUB	Model Credit Union Building Approach
NGO	Non-Governmental Organization
MNCU	Multi-National Credit Union
MTN	MTN Group Ltd.
PCU	Primary Credit Unions
POS	Point of Service
PPP	Purchasing Power Parity
RCU	Regional Credit Union
ROSCA	Rotating Savings and Credit Association
SG	Savings Group
TSCU	Trust Savings Credit Union
UNCDF	United Nations Capital Development Fund
UNDP	United Nations Development Programme
UPSCU	United Progressive Savings Credit Union
USCU	Unity Savings Credit Union
WOCCU	World Council of Credit Unions

Introduction

Randall Farngalo stood on the site where the new credit union, Trust Savings Credit Union (TSCU), would be built in Ganta City in Nimba County on the border with Guinea. It had been 10 years since the last Liberian civil war ended in 2003, marking an end to two wars that had devastated the country over a 14-year period.

Most people had fled during the civil war to seek refuge in neighboring countries. Many families had returned, but rebuilding had been slow. Illiteracy remained high, with most of the population surviving on subsistence farming and petty and cross border trading. Basic infrastructure, including roads, schools and health facilities, were still being rebuilt with the support of development partners.

Randall Farngalo, a native of Nimba County in Liberia, was the first manager of TSCU, after leaving his job as the Deputy Managing Director of the Liberia Credit Union National Association (LCUNA). He worked with World Council of Credit Unions (WOCCU) and LCUNA through the UNCDF MicroLead programme to establish the credit union in July 2013 and begin operations in September 2013 in a rented space.

Challenges began almost immediately. The credit union was set to begin building its headquarters on land donated by a prominent businessman and LCUNA board member. However, there was a dispute around land rights and alternative land had to be identified quickly. Farngalo also faced significant resistance from the community and its leaders. People in rural areas had been victims of other savings and loans schemes, some referred to as credit unions, and had lost their money after those who came to collect savings never returned.

Standing at the empty site, Farngalo reflected on the challenges ahead.

> "How was he going to build the communities' trust?"

How could he change the mindset of people who had been dependent on aid in the years following the war? How would he find skilled staff to run this new type of credit union, after years of war and internal economic collapse greatly thinned the pool of skilled Liberian personnel? Could local ownership reduce the fraud that had become so commonplace? And, with bad road conditions and the lack of mobility, how would he go beyond the local community to reach rural areas throughout Nimba as well as Bong and Lofa Counties – up to 12 hours away by car and 10 by motorcycle – to capture the impact intended by the programme?

Expected Travel Time

12 HOURS BY CAR

10 HOURS BY MOTORCYCLE

Despite these challenges, one thing was clear to Farngalo—after witnessing the neglect of the financial sector in rural areas, even prior to the war, fraudulent financial schemes and unsustainable initiatives by non-governmental organizations (NGOs)—the only chance for people to gain access to much needed finance was to bring the communities together. Communities needed to build and design their own financial institution, using a model credit union building approach (MCUB) tested by WOCCU throughout the world.

As Farngalo reflected on the road ahead, he went to discuss construction progress with the builder. It was the rainy season. The builder told him that construction would be delayed and was going to take at least twice as long as it would have in the dry season. Disappointed, Farngalo realized they had no choice but to push forward. They could not wait until November for the rains to stop. Getting a permanent structure in place was a critical first step in building community trust. People needed to know the credit union would still be there tomorrow.

Table i
Liberia at a Glance*

Liberia	
Capital	Monrovia
Population	4,195,666 (July 2015 est.)
Gross national saving	Negative 35% of GDP
Inflation rate	7.7% (2015 est.)
GNI per capita, PPP	$700 (2014 est.)
GDP per capita	$900 (2014 est.)
Population below the poverty line	63.8% (2007 est.)
Life expectancy	58.6 years (total population) (56.94 male, 60.32 female, 2015 est.)
Literacy rate	47.6% (total population)
Labor force	1.6 million (2015 est.)
Unemployment rate	85% (2003 est.)
Access to formal financial services	5 - 7%
Human Development Index Ranking**	177 out of 188 countries (2014 ranking)
Labor force by occupation	70% agriculture, 22% services, 8% industry
Industries	Mining (iron ore), rubber processing, palm oil processing, timber, diamonds
Agriculture	Rubber, coffee, cocoa, rice, cassava, palm oil, sugar cane, bananas, sheep, goats, timber
Liberia corruption perception index***	37 points out of 100 on 2015 Corruption Perception Index (0 highly corrupt-100 very clean)

Sources:

*Liberia CIA World Factbook, Liberia UNDP Human Development Report 2015, Trading Economics Liberia

** The Human Development Index is an "average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and have a decent standard of living," UNDP Human Development Report

*** The Corruption Perception Index 2015, https://www.transparency.org/cpi2015/#results-table

Background

TSCU is one of the four regional credit unions (RCUs) developed under the MicroLead Credit Union Revitalization in Liberia programme that faced similar challenges as the programme began in mid-2013.

The programme started in 2011 in the midst of socio-economic problems coupled with a weak Liberian financial system. How to best revitalize a credit union sector that had been ravaged during the civil war? How could it serve lower income earners? WOCCU and local stakeholders including the Central Bank of Liberia (CBL), LCUNA, and the Cooperative Development Agency (CDA) worked with UNCDF to design a programme to revitalize the Liberian credit union movement and support CBL's financial inclusion strategy.

While unregulated credit unions (68 – prior to the war) represented a significant source of microfinance in the country at the time, there were also three NGOs with microfinance portfolios (credit only) and nine banks. The banks, eight of which were expatriate, were based in Monrovia, with a few branches across Liberia's 15 counties. Most rural households relied almost exclusively on informal financial intermediaries like rotating savings and credit associations (ROSCAs), savings groups (SGs), and informal credit providers like "money lenders"[1] that showed varying degrees of sustainability and limited service offerings.

The programme adopted LCUNA and other credit union leaders' strategy of forming four new RCUs. They determined that through the creation of these new regional centers, or RCUs, LCUNA and donor support could be channeled more efficiently and effectively to promote growth and create a more unified credit union structure and movement. LCUNA visited the regions and held discussions with the credit union and community leaders. Programme implementation began in May 2013. RCUs were built in each of the regions to offer services to members as well as wholesale financial services to credit unions, farmer cooperatives and SGs.

Table ii
Location and Coverage of RCUs

Region	Counties served	Headquarters Location
I: Multi-National Credit Union (MNCU)	Montserrado, Bomi, Capemount and Gbarpolu counties	Tubmanburg, Bomi county - an economically active and accessible city that previously did not have any financial institutions.
II: United Progressive Savings Credit Union (UPSCU)	Grand Bassa, Margibi, Rivercess and Sinoe counties	Compound #3, Grand Bassa County - home to over 10,000 workers of the rubber and oil palm plantations with no formal financial institutions within a 100 km radius.
III: Trust Savings Credit Union (TSCU)	Nimba, Bong and Lofa counties	Ganta, Nimba county - a populated city on the border with Guinea with a significant number of informal financial groups, petty and cross-border traders. Prior to TSCU, traders did not have access to adequate financial services from the commercial bank branches in the area due to bureaucracy and collateral requirements on loans.
IV: Unity Savings Credit Union (USCU)	Grand Gedeh, Maryland, River Gee and Grand Kru counties	Zwedru, Grand Gendeh County – a densely populated and accessible business center. Ecobank had a branch in Zwedru; however, it could not meet the needs of the low-income population due to the bureaucracy to access financial services. (The Ecobank branch closed in 2016 due to fraud).

The road for TSCU and the other RCUs has not been easy. From initial management changes with key programme partners to the Ebola outbreak, which paralyzed the project just after a year of implementation, the RCUs have faced many challenges.

[1] Money lenders typically charge 25% for one to three month loans and primarily focus on civil servants

The programme originally set out to reach 40,000 Liberians within four years. This number was later revised downward to 30,000. While this target was not met by the programme's end in June 2016,[2] the four RCUs had established headquarter offices with modern banking halls, eight branch offices and 14 points of service (windows), covering 14 of Liberia's 15 counties (see map below). Many of the branch offices and windows were constructed by the community and are run by volunteers—showing a transformation of rural Liberians, from having a complete lack of trust in formal financial services to involvement in developing a system that is their own.

Over the course of the project, thousands of credit union staff, leaders and members were trained by the project. project. In turn SG members were trained by the RCU staff and leaders. Mobile money was introduced to staff and SG members. Training provided to SGs encouraged SG members to join the RCUs, and a menu of savings and loan products was rolled-out in communities that had been excluded from the financial system. RCUs are serving more than 6,436 members, including 427 groups (SGs, Primary Credit Unions (PCUs), cooperatives, schools and small family businesses) that are counted as a single credit union member. These groups typically range in size from 25 to 35 people, although some have up to 150 people. Small businesses have fewer people. This increases the reach and potential impact of the RCUs to an additional 10,675 Liberians (based on a group size of 25). Finally, in December 2015, the Liberian government passed new credit union regulations that had been developed with support from WOCCU and UNCDF. Passage of this law represented a significant step forward in the delivery of higher-quality financial services to the people of Liberia.

TSCU is the strongest performing RCU, accounting for 50 percent of the total membership of the RCUs, with five branches and nine points of service.

Figure i
Map of RCU Outreach

Region 1 Counties:
Multi-National Credit Union (MNCU)
1. Montserrado
2. Bomi
3. Cape Mount
4. Gbarpolu

Region 2 Counties:
United Progressive Savings Credit Union (UPSCU)
1. Grand Bassa
2. Margibi
3. River Cess
4. Sinoe

Region 3 Counties:
Trust Savings Credit Union (TSCU)
1. Nimba
2. Bong
3. Lofa

Region 4 Counties:
Unity Savings Credit Union (USCU)
1. Grand Gedeh
2. River Gee
3. Maryland
4. Grand Kru

[2] The MicroLead programme was terminated a year early after it did not meet its 2015 target of 12,500 members and it was therefore understood that it would not meet the 30,000 target by the end of 2016.

Project History

As soon as WOCCU landed in-country and was establishing its presence on the ground, LCUNA's general manager, the key driver of the programme's design, was ousted from his position. This stalled startup activities across the country, especially the primary task—working with LCUNA and the existing credit unions, known as primary credit unions (PCUs), to establish an RCU in each of the predetermined regions and construct buildings on the site locations.

During proposal planning, donated land as well as PCU and LCUNA leaders were identified in each region. However, once on the ground, land-related difficulties, such as ownership contestations by the local authorities in Region III, insecure locations and problems with the land owners, slowed progress. New land, sometimes at a cost, had to be identified.

Furthermore, WOCCU discovered that existing PCUs were not operating as credit unions, but rather, operated more as "savings clubs," offering loans to both members and non-members. Traditionally, these PCUs kept money in cash boxes in officials' or sponsors' homes. Monthly share-outs and loans were typically mandatory, in order for members to qualify for the annual dividend/interest. The PCUs also placed high penalties on non-compliance. The PCUs had not been exposed to modern financial management standards or marketing strategies. The difference between the existing model and the new credit union building approach was greater than expected, which slowed progress further.

Table iii
Traditional Liberian Credit Unions vs. MCUB Approach

	Traditional Liberia Credit Union Methodology	Model Credit Union Building Approach introduced through the project
Summary	*Community level clubs that depend on monthly mandatory savings referred to as "hands" that give credit to both members and non-members guaranteed by members. These clubs are 'owned' by a few individuals who invest for high returns*	*Throughout the classical "life cycle savings" trend of members' lives, the new model credit union serves as a financial intermediary between the older savers and the younger or newer borrowers. The credit union is a nonprofit owned by its members with a democratically elected board, and is based on voluntary savings and loans using market rates.*
Source of funds	Group savings, individual group leader contributions and subsidized external credit	Community savings to reduce the dependence on external capital, while strengthening the credit union to become competitive and accumulate institutional capital.
Ownership	"Owned" by a few people who keep money in a box within their business.	One member, one vote, board of directors elected at annual general assembly, board appoints management.
Shares	Mandatory share contributions paid as a membership fee every December, non-refundable, no interest earned.	Mandatory share requirement upon opening account, non-withdrawable until membership ends. Market rates of return for shares.
Savings	Mandatory monthly savings, non-withdrawable until the end of 12 months when the savings are returned and profits from businesses and fines are shared with those who have borrowed. Penalties (including complete loss of savings) associated with those who do not borrow or save regularly result in a high return on savings for others. Interest rates for those who have complied with the mandatory savings and loans can vary, but on average are 25%.	Voluntary and can be made at any time in any amount. Withdrawable at any time. Market rate paid on savings.
Loans	Mandatory loans in order to qualify for interest on mandatory savings. Loans are usually made at 25% interest for three to six month periods. Loans made to non-members at a higher rate. Non-member guaranteed by member. No charge-offs or provisions have been observed. The guarantors lose their savings in case of default, or where there is no collateral to seize	Amount based on specific activity, repayment capacity, collateral, and savings history Interest rates: market rates to cover all costs Creation of bad-loan provisions and write-off of bad loans at the end of the year

Distribution of earnings	All profits distributed at the end of the year, no reserves created.	Provisions made for statutory reserves per regulations; additional surplus used to pay dividends and transferred to retained earnings.
Type of member	All savers are required to borrow, regardless of need. Members come from one geographical location or community.	Diversified to bring in net savers as well as net borrowers, across a range of communities.
Employee compensation	Volunteer, a few primary people responsible	Competitive salaries (the goal)


Community members

Outside of the existing PCUs, skepticism of financial providers ran high within rural communities. Many had been victims of financial schemes, some of which called themselves credit unions, offering similar promises to that of the RCUs. Despite these challenges, progress continued as evidenced by local participation at the core of RCU development. Within each RCU, an interim leadership was selected that included a board of directors and a supervisory committee to manage the operations of the RCUs from the startup phase. The interim leadership was charged with developing governing documents, setting up temporary offices, recruiting staff, identifying suitable land for the construction of the RCU headquarters, building the RCU headquarter branches and initiating awareness campaigns across the regions.

Farngalo, who had been working with LCUNA, relocated to Region III, and would be the first manager of TSCU. Having been a part of the original programme design prior to the LCUNA management change, Farngalo was already on board with the new model credit union building approach—which made all the difference for this RCU.

Building Trust – Actions Speak Louder than Words

Community members had been hurt by prior bad experiences with financial services. This impeded progress in the credit union revitalization process. Because rural communities rely heavily on decisions reached at town hall and community meetings, the initial lack of cooperation from influential community leaders and elders stifled the expected gains at programme start-up. Original programme targets were established based on attendance and perceived interest during proposal design meetings. Now, on the ground, it was clear that significant work would need to be done to establish the baseline of members that had been anticipated to start the RCU operations.

Building this base as quickly as possible was critical, as the entire premise of the programme was designed around local ownership of the credit unions. Subsidies would be provided only for start-up to construct the buildings and to help defray the operational costs, but not to cover all operational costs. To promote sustainability, it would be important for the RCUs to begin operations with a clear understanding that they would need to grow the business through locally generated resources and manage the business properly to attain sustainability. If all operational costs were covered, dependency could develop, and there would be little incentive to generate income to cover expenses just as any other business would need to do. With loans as the key income-generating activity, savings would need to be raised, and this required trust in the institution.

Similar to the approach taken by the other RCUs, Farngalo and his team began to consistently reach out to community leaders and organize community and town hall meetings. But these meetings alone would not be enough. Action was critical for restoring the community's confidence and triggering a change in mindsets. TSCU, along with the other RCUs, embarked upon the following activities:

- Provided access to savings and withdrawals at a secured point of service, which had been an uncommon practice;
- Worked with the communities to train and select volunteers to serve members;
- Worked with SGs to improve their governance, leadership, financial reporting, and internal controls, which generated good-will and respect from community members;
- Established partnerships with LoneStar/MTN for mobile money services which increased credibility with local community members, and;
- Hired outreach staff with knowledge of local languages, customs, norms, and communication styles who were well-known in the communities and were individuals with whom the community members could relate.

As a result of these efforts, over time, city mayors, town chiefs, community leaders, elders, prominent citizens and youth began willingly giving out parcels of land for the construction of branches, donating to construction efforts, pledging work hours to the projects, volunteering to serve members and sacrificing time to provide security for the facilities.

> "We always reminded community members that the savings mobilized in communities will remain in those communities to serve the members. This was a powerful message that made a difference in all four regions across the country."
>
> *- Patrick Muriuki, Chief of Party, WOCCU MicroLead*

Capacity Building and Staffing – Training and Retraining

Finding and retaining leadership and staff would prove one of the biggest challenges. War and internal economic collapse greatly thinned the pool of skilled Liberian personnel, as an entire generation of Liberians missed years of schooling, and workforce experience was lost for many others.

The board members and management teams from the PCUs that had launched the RCUs had less experience in credit union development than anticipated, since they had operated more like savings clubs. Some staff did come from the banking sector, but they still needed training in model credit union operations. Training and retraining to reinforce concepts was conducted in all regions and included residential instruction and on-site follow-up training, including training on computer systems, which are central to ensuring proper internal functions and accurate recordkeeping within a credit union. Board members were trained on duties and responsibilities of management and the board, and on good governance and financial management.

And then, some staff left. After receiving training, they were more prepared to get better paying jobs. With limited subsidies, and time needed to achieve growth to cover the costs, the RCUs could not compete on salaries.

Luckily, Farngalo, with his background and grasp of MCUB methodology, was better able to handle the turnover and retrain staff more quickly. However, the other RCUs would need technicians to come from the Microlead programme office in Monrovia more frequently.

Over time, to reduce the impact of staff turnover, RCUs:

- Cross-trained staff, for example training all staff on the computer system, rather than just the accountant and the teller as originally done;
- Provided peer learning. Strong RCU staff went to other regions to provide hands-on technical assistance to staff on operations, computers, and SG formation and training.

Community member

Local Ownership – It's Complicated

As cooperatives, credit unions are owned and democratically run by their members. At the annual general assembly, the members elect a board of directors from the general membership. The board then designates a manager responsible for credit union operations. A three-member supervisory committee monitors operations on a periodic basis to ensure compliance with credit union bylaws, policies, procedures and regulatory requirements. Governance is distinguished by a one member, one vote rule, implying that voting powers cannot be accumulated on the basis of shareholdings.

TSCU had fewer governance problems in large part due to Farngalo's strong management at the outset and greater acceptance of the MCUB approach. However, challenges arose with ownership across the other RCUs due to the lack of a shared vision and the prevalent culture of corruption.

Where things went wrong, members were reluctant to own or accept the credit union concept due to past negative experiences. Some leaders continued their dependency syndrome—wanting all of the budget for subsidies to pay for board member salaries. Without salaries for the board, in some cases actions were taken by the board which resulted in the board refusing to pay staff or other budgeted expenses.

However, members of UPSCU took a stand in Region II, ousted the initial board members and put new leadership in place. Members of MNCU in Region I followed suit. Members themselves served as external security through community policing of their offices—neighbors were less likely to allow a stranger near a bank that had their money. In comparison, Region III, where TSCU is located, saw a new financial institution open near one of TSCU's branches— the new institution's office was broken into before it had even opened. RCUs also saw people donating land, construction materials, resources and their time to support the expansion of the RCUs when the operating income could not yet support the RCU.

Progress has been mixed. Challenges and governance issues remain and will continue. However, optimists in the sector believe the RCUs will succeed. One dramatic example of RCU success in the face of adversity is the RCUs survival through the Ebola outbreak and hibernation of the MicroLead programme.[3] Was this due to local ownership? Would an outside entity, or another model having recently opened, been able to sustain operations during this tragic period in Liberia's history?

Ebola Outbreak – Progress Hindered, but Not Halted

The Ebola outbreak began in mid-2014, just a year after MicroLead programme start-up. The Ebola crisis severely constrained WOCCU's access to and support of the RCUs' activities from July 2014 to mid-March 2015, when the "hibernation period" ended.

In many cases, RCU staff resigned to work on Ebola response with NGOs as their training under the project had made them marketable to NGOs. Programme technical staff were unable to regularly visit and provide oversight to the RCUs, and RCU staff were also unable to visit rural communities to promote new membership and/or to follow-up on delinquent borrowers. As a result, targets for members, savings and loans outstanding were increasingly difficult to reach. RCU staff also lacked the oversight and guidance to ensure financially sound operations, and progress reports were often delayed and filled with errors.

Farngalo and his team kept their doors open to serve members. At this period, the institution experienced its heaviest withdrawals, shifting the liquidity position of TSCU. However, the stability shown in this time of crisis increased the confidence of its members, some of whom provided their premises to open points of service for TSCU.

The other RCUs also survived during this period with limited support and subsidies per the programme plan. However, lack of reporting from some RCUs resulted in subsidies being cut off during this time, and progress was significantly impacted.

[3] The MicroLead programme was in hibernation from July 2014 to March 2015 due to the Ebola Outbreak as most rural areas where the project was operating were quarantined.

Expansion – Overcoming Financial Limitations with Community Involvement

As the impact of the Ebola outbreak subsided, in mid-March 2015, the MicroLead programme was able to resume operations. Work began immediately to assess the status of the RCUs, re-establish RCU staff and board training programmes and help develop strategic expansion activities. It was a catch-22 for the RCUs in tackling expansion. The RCUs needed resources to expand. Yet to get those resources, they needed more members, but new members would only come through expansion.

TSCU was the first RCU to embark on a campaign to mobilize communities and enter new markets across its designated counties by establishing strategic branches and points of service across the region. Others would follow.

Progress was slow due to deficits of operating budgets and reliance on unpaid staff—but progress would be made. The RCUs continued to face challenges due to negative historical experiences with financial intermediaries, roads that are impassable half of the year, and an inexperienced workforce. The lack of electricity would also hinder communication across the branches.

Construction of branches and points of service

Branch & "Window" Expansion

Farngalo and his team set out to develop an expansion strategy that would involve the construction of branches and points of service, known as "windows," by community members themselves, thus increasing long-term bonds with rural communities. Windows—offering deposits, withdrawals and mobile money—would open in communities with the potential for 100 members, with full-service branches opening (or being converted from windows as interest grew) in communities with the potential for 500 members or more. Most of the window points of service were provided by members, mostly traders of the RCUs to bring services closer to their communities. In return, they too would not have to travel to the RCU headquarters to access services.

TSCU produced jingles that were aired on local radio stations to raise awareness among the population about the credit unions' operations. This awareness created at the grassroots level led to local authorities and community leaders coming together to expand the RCU activities to the district headquarters by donating land for construction and materials and labor to complete the branches. For instance, the TSCU Tappita branch completed last year, and the TSCU Foya branch and Henry town branch of Multinational Credit Union (MNCU) currently under construction, were all funded by mobile money commissions and contributions from community members. The city administration provided the land and security.

As of the end of the programme, TSCU is run by 18 staff, six paid staff and 12 volunteers, spread across the points of service. It is through these points of service, SGs, PCUs and other groups are targeted in order to provide an entry point for financial services into the rural areas. Providing access to these groups is financially sustainable thanks to organized leadership which distributes information and organizes training and loan collection.

TSCU is run by

18 STAFF MEMBERS

6 PAID STAFF MEMBERS

12 VOLUNTEERS

Expanding to SGs, PCUs and other Cooperatives

SGs have been a key target market for the RCUs. In Liberia, SGs are predominantly women—approximately 30 individuals in a group pool financial resources for the sole purpose of financially empowering members for business and/or farming purposes. The transaction cycle is usually six months or a year, and then a new cycle begins, often with new members. Many of the rural SGs are donor driven and supervised sometimes by these donor institutions.

Through initial outreach to the SGs, the RCUs found that the donor-sponsored SGs tended to break apart once the donor left, and that outreach to the remote rural areas, away from the main roads, was limited[5].

As a result, RCUs focused on working with existing SGs to provide a linkage to the financial system and promote the group's sustainability after support from the sponsor had ended. TSCU was contracted by Danish Refugee Council (DRC) to train SGs in Nimba and River Gee counties on financial education, recordkeeping and governance. The project also signed a MOU with Development Alternatives, Inc. (DAI), a US firm, for the USAID-funded Food Enterprise Development (USAID FED) programme to train and pilot its SG transformation programme (see box on next page).

In addition, in areas without SGs, the RCUs promoted the establishment of SGs that would ultimately link to the RCUs for access to financial services. TSCU embarked on the formation and training of SG groups in Gbehlaygeh, Twah River and Buu-Yao Districts in Nimba County starting in 2014 and established more than 50 sustainable farm-based cooperatives and SGs. These SG groups formed and trained by TSCU were encouraged by the management to join the RCU to obtain membership as groups and individuals. The process has been gaining momentum and nearby communities are eager to be trained on how to save and manage their money.

But this approach had its challenges. With NGOs giving money to communities, it was more difficult for the RCUs to educate new members to save and invest wisely to improve their livelihoods as communities had become dependent on this aid. In addition, subsidized loans provided by the Central Bank of Liberia (CBL) to VLSAs have reduced the need for SGs to join the RCUs to gain access to larger loans.

[4] In some cases restrictions to the remote areas were placed on implementers due to the insecurity of travel off of the main roads.

In 2015, the Microlead programme embarked on innovative initiatives aimed at increasing the number of women depositors and borrowers. The Project signed an MOU with USAID DAI's Food Enterprise Development (USAID FED) programme to train and pilot its SG transformation programme. The training was successfully conducted in Ganta and Karnplay in Nimba County and brought together leaders, managers and members of five (5) SGs which amounted to 150 women. The groups were linked to TSCU and the Management Team of TSCU is working with the women to develop internal control documents required to set up their credit union. TSCU has been able to market its products and services and encourage members to join the RCU. This has been effective as most of the women are now members of TSCU in the county.

Partnerships to Increase Women's Participation

Expanding through Partnerships with Local Entities

WOCCU found that even in areas with companies/plantations with an employee base earning a regular income, access to finance was limited in large part due to the remote locations. In all plantations visited, money lenders were exploiting the workers through expensive payday advances with interest rates going as high as 25 percent per month.

The programme worked to lay the foundation for partnerships with these companies/plantations through their workers' unions, providing a model for the RCUs to continue offering affordable financial services once the project ends. However, a significant hurdle has been getting plantation leadership, who have often benefited from providing the financial services themselves, to allow the RCUs to begin providing the financial services. The programme also connected private schools and community colleges to open fee collection accounts in the RCUs and to disburse salaries through their branches.

As of June 2016, TSCU's outreach covers three counties, predominantly farming communities. The credit union has increased outreach to five branches and ten points of service and serves over 90 groups made up of SGs (21), farmers associations (13), churches (4), PCUs (40), schools (6), and savings clubs (5) and a business bureau (1). On average there are 30 members per group and these groups have saved $13,176 through the RCU.

Mobile Money – Service Delivery and Income Breakthroughs

In search of jobs, many people have to travel to different parts of the country, often in locations far from home. Travel even within a region can take up to 12 hours due to poor road conditions which are impassable during parts of the year. The poor transportation infrastructure makes mobile money of paramount importance for Liberians. Without the ability to transfer funds through mobile phones, community members are left to depend on unregulated methods to transport cash in volatile environments. Access to money transfer systems through commercial banks such as Money Gram and Western Union has been available for some time now. However, branch outreach is limited and most Liberians cannot afford to pay the associated fees for the services. The provision of mobile money through RCU points of service throughout the country, in some cases being the first to offer the service, has increased security and helped people avoid the need to travel long distances to remit money.

Money transfers are generally flowing from Regions I and II to Regions III and IV. With cash-out transactions earning a fee, Region III has had the opportunity to not only provide a key service, but also to generate an additional income stream.

For TSCU, the mobile money transactions first began at TSCU Central Branch in Ganta, Nimba County and gradually spread out to other locations, including Tappita, Gbarnga, Foya and Saclepea branches, where the service is in active use. Since February 2014, TSCU has served more than 100,000 individuals, both members and non-members. To date, TSCU is recognized as the most active mobile money merchant in Nimba county, transacting more than 1.5 million Liberian Dollars (approx. $16,480) on a monthly basis. The TSCU Tappita Branch carries out the most transactions monthly, transacting at least 900,000 – 1,000,000 Liberian Dollars.

TSCU found that non-members were coming in regularly to conduct mobile money transactions. This was both due to the convenience factor and the additional confidence that the RCU would charge the approved fee from LoneStar without adding additional charges, which was common practice at other agents. With this influx of non-members, management of TSCU developed a restriction to ensure that members of TSCU are given priority in mobile money services. This has been working effectively in the membership recruitment drive at all RCUs.

"Before the Credit Union could come here, we use[d] to pay the mobile money fees and pay extra money again to the boys who [were] doing the Mobile Money before we get our money. They use[d] to charge us double for our own money. And sometimes you come, if they don't want [to] give you money, they will tell you that the service is not working. But for Trust [TSCU], anytime I come, I get my money and get it correct."
(Michael Tozaye, Timber businessman in Tappita)

The success in Tappita has been in large part due to the Jackson F. Doe referral hospital, the largest hospital in that region that caters to patients from all over Liberia. Patients depend on funds from family and friends sent through mobile money to help cover medical costs at the hospital. In some cases, there has been a ripple effect on the other mobile money agents, who have lowered their prices as a result of the competition from the RCUs.

Since its inception, a combined commission of 500,280.25 Liberian Dollars (approx. $5,500) has been generated from the TSCU's five branches which offer the mobile money service. This commission has been used to support the construction of the Tappita Branch and the Foya branch, complementing community donations.

A key area of opportunity across all RCUs is paying civil servants, which has been a significant issue faced by the government due to the lack of formal financial services in rural areas. Teachers and government employees have to incur huge transport costs in order to travel to cities to receive payment, which is often not available for weeks. In some cases, bank workers have colluded with businesses to cash the teachers' and civil servants' checks for a 25 percent commission. Recently, TSCU and MNCU, with the help of LoneStar Cell, have been negotiating with the appropriate ministry to pay teachers' salaries in rural areas through mobile money payments. This would create an additional income stream for the RCUs while offering a much needed service for rural Liberians.

Results

The MicroLead Revitalization of Credit Unions in Liberia Programme was a seen as a beacon of hope to many. However, trying to rebuild a sector of the economy that was devastated by 14 years of gruesome civil war was a major challenge. Structures had to be rebuilt, and the mindsets of Liberians had to be changed, as most were dependent on aid for daily survival.

The programme initially sought to open individual accounts for 30,000 Liberians by the end of 2016, reaching 12,500 of them by the end of December 2015. As RCUs faced challenges in meeting these targets, as highlighted above, the RCUs moved toward expanding outreach through points of service (windows) and through groups to reach more Liberians in dispersed rural communities. By March 2016, the four RCUs had established headquarter offices with modern banking halls, eight branch offices and 14 points of service, covering 14 of Liberia's 15 counties. As of December, 2015, RCUs had reached 6,436 individuals, including 427 groups (SGs, PCUs, cooperatives, schools and small businesses) that are counted as a single credit union member. The outreach of these groups, ranging in size from 25 to 35 members (with some groups reaching 150 and small businesses having fewer people), increased the growth potential for the RCUs. In working with the SGs, inroads were made in reaching women. Additionally, the emphasis on recruiting women in leadership positions has expanded outreach.

RCUs established headquarter offices

8 BRANCH OFFICES

14 POINTS OF SERVICE

12 VOLUNTEERS

> "A decision was made to terminate the programme as it became clear to WOCCU that nine months would not be sufficient time to reach the target of 30,000 individual accounts."

Furthermore, the RCUs, similar to other financial institutions,[5] have struggled with varying degrees of delinquency. Repayment suffered during the Ebola outbreak across the financial sector. Programme staff advised RCUs to restructure loans and put in place a robust collection mechanism. TSCU has been the most successful RCU in keeping delinquency low through strong leadership, efforts to follow financial standards set forth in the MCUB methodology, and member education on loan repayment. TSCU also took photos of the members with the loan checks for the files to reinforce that the institution was serious about repayment and would take action in the case of non-repayment.

Finally, **the passage of credit union regulations** has been a critical programme achievement, providing a path toward sustainable credit unions. When the Microlead Programme began working in Liberia, the credit unions were operating without a regulatory system to provide safety and soundness to the movement and promote streamlined operations. The programme worked with the Central Bank of Liberia and other stakeholders to complete draft credit union regulations. On December 3, 2015 the credit union regulations were signed. These regulations spell out the requirements and the prudential standards for the credit unions to be licensed. They will ensure the transition of the credit unions to permanent legal status and provide local stakeholders with a clear path forward in building on the foundation laid by the programme. Workshops and other training programmes were organized in April and May 2016 to bring together RCU and PCU leadership to explain the regulation, so they could begin preparing themselves to transform into licensed institutions.

[5] According to the Central Bank Financial and Economic Bulletin, the banking sector (which focuses on higher income earners), has seen an increase in delinquency to 17% as of March 2016 (p 23). In addition, in 2016, First National Bank closed and EcoBank closed its Zewdru branch in Region 4 due to fraud.

Table iv
Results against Targets

	Region I MNCU	Region II UPSCU	Region III TSCU	Region IV USCU	Total RCUs (as of March 31, 2016)	Target (December 2015)
Number of Active Borrowers	150	26	25	66	267	220
% of Female Borrowers	34%	38%	44%	23%	33%	45%
% Rural Borrowers	100%	100%	100%	100%	100%	45%
Gross Loan Portfolio (USD)	$77,698	$32,289	$20,829	$33,894	$164,710	$47,080
Average Loan Balance per Borrower	$518	$1,241	$833	$514	$617	$214
Average Loan Balance per Borrower/GNI/ Capital	136%	326%	219%	135%	162%	<50%
Number of Active Depositors (Voluntary)	1,224	1,930	1,556	1,726	6,436	12,500
Females	694	670	798	577	2,739	
Males	421	1,102	688	1,059	3,270	
Institutions (including SGs, PCUs, cooperatives and schools, small family businesses, among others).*	109	158	70	90	427	
% of Female Depositors (Voluntary)	57%	35%	51%	33%	42%	50%
% Rural Depositors (voluntary)	100%	100%	100%	100%	100%	50%
Deposits (total voluntary savings)	$103,239	$47,434	$109,146	$67,176	$326,995	370,000
Average Deposit Balance per Saver	$84	$25	$70	$39	$51	$29.6
Average Deposit Balance per Saver/ GNI/Capita	22%	6%	18%	10%	13%	<25%
Portfolio at Risk >30 days	38%	49%	5%	42%	38%	15%
Number of Board Members	9	9	9	9	36	

% of Female Board Members	22%	22%	44%	44%	33%	30%
Number of Managers	8	15	16	9	48	12
% of Female Managers	75%	73%	38%	44%	56%	25%

Sources:

* Membership in groups ranges from 25 to 35, although some have up to 150 people. Small businesses have fewer people.

Albertha is a member of TSCU and has benefited from a business expansion loan. She currently owns and runs a provision store in Ganta and procures merchandise from Monrovia. In the past, she managed a mini shop with a limited variety of goods. Albertha has effectively applied the funds borrowed and can now provide a sustained supply of goods to the market by the use of a secure warehouse. She also uses mobile money services to send money to her children in Monrovia to take care of domestic household needs and tuition payments.

Lessons Learned

Despite the many obstacles faced during implementation, the project achieved much success and offers invaluable insights to other stakeholders. While some of the obstacles were evident from the outset—poverty, illiteracy and a broken regulatory environment—it was the Ebola outbreak that affected everyone in the country unexpectedly. During this crisis, many development initiatives came to a standstill. In spite of the outbreak and curfews sanctioned as a result of it, TSCU kept its doors open for members to access financial services and operations continued at the other RCUs.

The following section discusses obstacles and lessons learned by WOCCU during three years of operation in the MicroLead Programme in Liberia.

Leadership changes in local partners. During the proposal phase, LCUNA was a key driving force in the programme design and vision for the modernization and unification of credit unions in Liberia. With the change in leadership during programme start-up, this initial vision was not as clearly articulated or understood. The impact of this was not initially clear. However, WOCCU learned that alternative implementation plans, to account for potential changes in partner expectations and priorities, should be developed to the extent possible during the proposal design phase or start-up.

Ongoing training and technical assistance. The programme focused its energy on education and training in the credit union sector of Liberia. Most of the people hired to manage the affairs of the RCUs had some formal education, however, they lacked the requisite knowledge of credit union operations. On the other hand, the majority of elected board members did not even have a high school education, which posed serious obstacles to the self-management of the RCUs.

As an approach to remediate the low education level of members and increase staff capacity, the programme provided a variety of educational and training programmes for RCUs' members and leaders. All of the trainings were conducted in English and sometimes interpreted in the local vernacular. After the trainings, it was noted that the quarterly training sessions were inadequate, and board members and staff were not utilizing the newly gained knowledge for the benefit of the RCUs and their respective primary institutions. As a result, more follow-up and in-house training was conducted. Peer learning was encouraged among the RCUs. More than half of the RCUs' leaders have required retraining.


Community member

Subsidies. While the intention was to promote initiative and local ownership from the beginning to reduce the dependency that has hindered sustainable development, insufficient resources were budgeted for RCU subsidy support, particularly given slower than expected growth of membership, savings, loans and RCU income. The Ebola outbreak further exacerbated the issue.

Donor affiliation. In most countries, WOCCU and the donor try to play a silent role and maintain a low profile to avoid the perception by borrowers of free money that could discourage the need for loan repayment. However, in this environment, due to previous fraud, the community members needed to know that there was support beyond the local community. The affiliation with WOCCU and UNCDF gave the RCUs legitimacy. The headquarters buildings provided a sense of permanency and the sense that the RCU would remain dedicated to providing financial services to the community, even after the donor had left.

Programme champion embedded in RCU. While local leadership and ownership was the primary goal, having a programme champion onboard with the vision and embedded in the RCU from the beginning was critical to quickly establish a foundation for growth. This was a key difference in the highly successful outcome of TSCU as compared to the other RCUs.

Staff Incentive Systems: With limited budgets for subsidies, traditional salary payments would not be sufficient to maintain operations for the time needed to get the RCUs up and running and to promote growth. To make the subsidies go further, incentive systems were established whereby staff would earn incentives for new member recruitment and savings mobilization. Membership increased as a result and the subsidies were stretched over additional months.

Electricity: Two of each of the RCUs' branches are computerized and need reliable electricity to keep the equipment functional. Parts of Liberia do not have adequate access to electricity. The overhead cost in running generators at the RCUs has been a major challenge across the board, even at the project office. In Region III, the West Africa Power Poll Programme is helping to cut down some of this cost for TSCU, but the power is unreliable and irregular. TSCU is exploring the possibility of implementing solar energy solutions in the branches and POS, but the initial costs have been very high, especially the purchase of reliable battery storage.

Bad road conditions: Most of the roads in rural Liberia are difficult to access during the peak of the rainy season from April to October. During this period, marketing campaigns are jeopardized as the roads become impassable. This must be taken into consideration when developing marketing campaigns and other public education schemes to ensure that these activities are completed during appropriate times of the year.

Lack of financial education: Most rural citizens are not educated on the full range of financial services of which they could and should take advantage. As one positive step, education campaigns conducted by the Liberian Agriculture Company have prompted many pensioners to start saving with UPSCU (Region II). When a credit union receives technical support or a completely new credit union is created, the community members should be sensitized on the full range of financial services that are available to them.

Access to financial services: Though the majority of the Liberian population live in rural and remote areas, financial institutions (bank and thrift) are mainly based in Monrovia or other urban areas. Access to financial services outside Monrovia is limited. With the presence of the RCUs and the many POS established in these rural communities, Liberians are gradually gaining access to financial services.

"It cannot be stressed enough that credit unions are a vital component of Liberia's economic recovery as these entities become the primary means for most individuals, farmers and small businesses operating in urban and rural communities to access finance for business expansion."
-Farngalo

What's Next?

Over the past three years, we have witnessed the transformation of the rural Liberian people from having a complete lack of trust in credit unions and formal financial services to involvement in developing a system that is their own. The work of the project has re-awakened the will and commitment of the Liberian people to work together to resolve common problems and to develop a credit union infrastructure that is capable of meeting their demand for safe, secure and competitively-priced financial services.

While much has been achieved, more training and technical support will be necessary to consolidate progress and ensure the safety, soundness as well as the sustainability of the national credit union movement. Key areas of focus include:

Meeting regulatory requirements: The diagnostics conducted by WOCCU in tandem with CBL reveal that some of the RCUs have inadequate policy implementation and weak leadership. The WOCCU team worked with these RCUs to develop governing documents, but the review reveals that these policies have not been adequately implemented, because the board members had not reviewed and signed them for use by the management team. With these weaknesses, meeting the regulatory requirements will technically be a hindrance for these RCUs. They cannot be licensed when the appropriate actions are not taken by the board of directors to remediate the situation.

There will be need for additional support to ensure that the RCUs and the member PCUs are adequately prepared to meet the regulatory requirements. CBL does not yet have the capacity to regulate the credit unions and will need exposure visits and credit union training to adequately carry out their duties.

Mobile money expansion support: The RCUs will need support to expand mobile money services to all of their branches and POS. Each of their outlets will require at least one trained volunteer to adequately handle user questions and offer professional services. The RCUs will need partners who can provide them with temporary liquidity during monthly salary pay-offs until the government ministry makes direct transfers to staff accounts at the credit unions.

Ongoing technical support: Additional training and technical assistance is needed to support the RCUs in their growth cycle. Former WOCCU project staff have started a consultancy business, Inclusive Finance Development International (IFDI), to provide training and support services to credit unions using the skills that they have learned through the programme. WOCCU recommends that partnerships be created with local universities to include model credit union training in their business studies curriculum.

Members

Conclusion

For Thomas Demawu, TSCU general manager since the end of 2015, the opening of Tappita Branch signified a big step forward. What's next for this RCU as the MicroLead project closes? Demawu has a vision of ensuring the safety and soundness of the RCU, bringing SG members into the RCU to access a wider range of financial services, connecting SGs to development partners that can support improved livelihoods, and meeting the lifelong financial needs of current and potential members.

A key part of achieving this vision is overcoming financial challenges as the RCU continues to try to reach the underserved in this difficult operating environment. One strategy that TSCU is looking to pursue is bringing in international money transfer services to boost revenue, increase visibility of the RCU and promote membership growth to be able to continue to provide financial services for more Liberians.

When asked what motivates him to keep going, Demawu cites one of his favorite quotes,

> “veryone can rise above their circumstances and achieve success if they are dedicated to and passionate about what they do.
>
> -Nelson Mandala”

Tappita Branch, inaugurated on June 11, 2016, with community members, local officials, CBL and UNCDF.

MICROLEAD CREDIT UNION REVITALIZATION LIBERIA PROGRAMME: BRINGING FINANCES TO ZARDOBO

The MicroLead Credit Union Revitalization Liberia Programme sought to construct four new regional credit unions (CU) in Liberia to encourage Liberians to save and have access to loans to grow or start small businesses. In keeping with its mandate to provide financial services to rural unbanked populations, the United Savings Progressive Credit Union (UPSCU) in region II set up a point of service in the town of Zardobo to register members, purchase shares and conduct other CU activities. The CU was formally introduced to the community members at a city hall meeting where the residents welcomed the UPSCU delegates and WOCCU staff. Recruitment and mobile money transactions began immediately on January 19, 2016 as a result of the visit. UPSCU will provide community members with much needed access to savings and loan services.

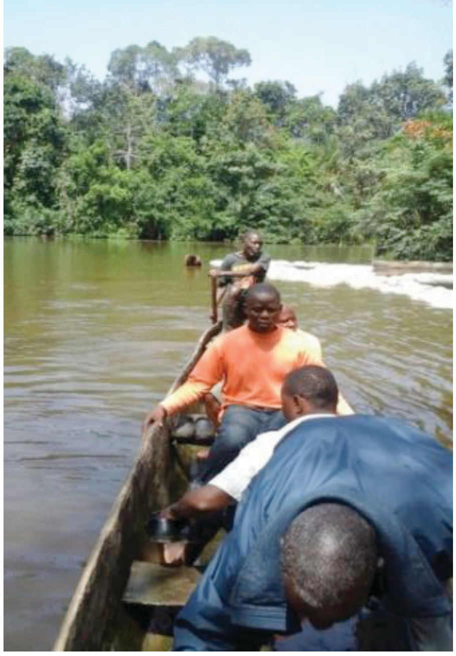
Zardobo, meaning "as you descend the canoe you are in the town," is a remote town of 5,000 about 60 km from the port city of Buchanan, where commercial banks and institutions are located. To reach the town, located across a river, one has to charter an ever-leaking canoe as there are no roads to the village. The only source of income for residents is through farming small tree crops to produce rubber. The market is "land locked" because it is controlled by the Liberia Agriculture Company (LAC), which undervalues the price of the rubber, as it is the only buyer in the town and is able to effectively block any potential buyers through LAC's plantations.

Accessing the needed finances to increase rubber production levels is costly, as transportation costs to the port city are high. If a farmer does reach a commercial bank, the lines are long, ledger fees are expensive and there is a high probability that the bank will face data connectivity challenges that result in their systems being offline. This has discouraged farmers from saving or carrying out transactions with the banks, despite the fact that proper financing mechanisms could triple their volume of production.

When farmers harvest the rubber, they then bring it to the river separating community land from LAC, where LAC officers inspect, collect and purchase the rubber. The wait for an inspection can be between one to three months. Due to the length of time that the rubber stays in the river, sometimes the officer rejects the rubber, leaving the farmer with no profit. If LAC does purchase the rubber, the farmers are forced to accept the low price offered for their product, since LAC has no competitors. The company provides no input subsidies such as seeds or pre-financing mechanisms to improve crop production.

Proceeds from the sale of rubber are currently insufficient to fund vital community development projects such as the construction of a well to access safe drinking water, latrine facilities to improve sanitation and schools to educate their children. Before the introduction of UPSCU, the community members were rapidly losing hope.

Access to UPSCU services will certainly improve conditions for the farmers and bring hope back to the community. Recognizing the value of the programme, farmers in Zardobo are already capitalizing on this opportunity as the community has expressed that it would also like to form a cooperative to mobilize resources and collectively market produce. After meeting the registration requirements of the Cooperative Development Agency (CDA), which will provide managerial training, the cooperative will serve as a strong farming business that can effectively access and use RCU's services to collectively increase incomes and bring much needed, basic social services to Zardobo.



UPSCU and WOCCU staff take a canoe to Zardobo to introduce financial services to thousands of unbanked residents. A POS was set up in the town to recruit and serve community members on-site.

UPSCU HQ Building in Compound 3 constructed by the Microlead program to serve Margibi, Grand Bassa, Rivercess, and Sinoe Counties that make up Region II.

Community member inside a Tappita Branch

ABOUT UNCDF

UNCDF makes public and private finance work for the poor in the world's 47 least developed countries. With its capital mandate and instruments, UNCDF offers "last mile" finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development. UNCDF's financing models work through two channels: financial inclusion that expands the opportunities for individuals, households, and small businesses to participate in the local economy, providing them with the tools they need to climb out of poverty and manage their financial lives; and by showing how localized investments — through fiscal decentralization, innovative municipal finance, and structured project finance — can drive public and private funding that underpins local economic expansion and sustainable development. By strengthening how finance works for poor people at the household, small enterprise, and local infrastructure levels, UNCDF contributes to SDG 1 on eradicating poverty and SDG 17 on the means of implementation. By identifying those market segments where innovative financing models can have transformational impact in helping to reach the last mile and address exclusion and inequalities of access, UNCDF contributes to a number of different SDGs.

ABOUT MICROLEAD

MicroLead, a UNCDF global initiative which challenges financial service providers to develop, pilot and scale deposit services for low income, rural populations, particularly women, was initiated in 2008 with support from the Bill & Melinda Gates Foundation and expanded in 2011 with support from The MasterCard Foundation and LIFT Myanmar. It contributes to the UN's Sustainable Development Goals, particularly SDG 1 (end poverty), SDG 2 (end hunger, achieve food security and promote sustainable agriculture) and SDG 5 (achieve gender equality and economic empowerment of women), as well as the Addis-Abeba Financing for Development Agenda (domestic resource mobilization).

MicroLead works with a variety of FSPs and Technical Service Providers (TSPs) to reach into previously untapped rural markets with demand-driven, responsibly priced products offered via alternative delivery channels such as rural agents, mobile phones, roving agents, point of sales devices and informal group linkages. The products are offered in conjunction with financial education so that customers not only have access but actually use quality services.

With a specific emphasis on savings, women, rural markets, and technology, MicroLead is a performance-based programme that supports partnerships which build the capacity of financial institutions to pilot and roll out sustainable financial services, particularly savings. As UNCDF rolls out the next phase of MicroLead, it will continue to focus on facilitating innovative partnerships that encourage FSPs to reach into rural remote populations, build on existing digital financial infrastructure and emphasize customer-centric product design.

For more information, please visit www.uncdf.org/microlead. Follow UNCDF MicroLead on Twitter at @UNCDFMicroLead.

ABOUT THE MASTERCARD FOUNDATION

The MasterCard Foundation works with visionary organizations to provide greater access to education, skills training and financial services for people living in poverty, primarily in Africa. As one of the largest private foundations its work is guided by its mission to advance learning and promote financial inclusion to create an inclusive and equitable world. Based in Toronto, Canada, its independence was established by MasterCard when the Foundation was created in 2006.

ABOUT WOCCU

World Council of Credit Unions (WOCCU) is the leading trade association and development organization for credit unions and financial cooperatives worldwide. Since 1971, WOCCU has implemented nearly 320 technical assistance programmes in 70 countries to build safe and sound savings-led financial institutions with affordable financial products and services. With funding from a wide range of multi-lateral, government and private partners, we promote economic security, resilience and livelihoods strengthening through the sustainable development of local, well managed, savings-led financial institutions. Our programmes empower millions of marginalized and traditionally unbanked people, regardless of challenges posed by the operating environment. Worldwide, 60,500 credit unions in 109 countries provide access to financial services to more than 223 million members—including 93 million members in developing and emerging economies—who have mobilized more than $1.5 trillion in savings and shares to lend to one another to promote local community development.

MICROLEAD

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