

Disability Inclusion

insight series

The iSAVE Program

From financial exclusion to economic empowerment

The entry point to economic empowerment for persons with disabilities is creating an atmosphere that enables them to build self-confidence and freely engage with fellow community members. In such an environment, development can be nurtured using resources in their reach to set up village savings and credit groups that also enhance their access to services of micro finance Institutions, Business Development Services and livelihood programs.

This is an angle currently being explored by the iSAVE Economic Empowerment Program – developed and implemented by the National Union of Disabled Persons of Uganda (NUDIPU) and Associations of Micro-Finance Institutions of Uganda (AMFIU), funded by the Norwegian Association for the Disabled (NAD). The underlying assumptions are that healthy saving attitudes, access to affordable credit and basic entrepreneurial skills can lead to sustainable economic growth for persons with disabilities, their families and communities as a whole.

The iSAVE program approach

Background

The iSAVE Model was developed as a blend of the Village Saving and Loan Association (VSLA) model – as practiced by CARE International-Uganda and the Kenyan **“Tuinuane”** model - a replica of “WORTH”, the internationally renowned Women’s Empowerment Program, adopted to suit the Ugandan disability context. The model started under the name We Can Manage, referring to the fact that persons with disabilities are in the lead of group formation even though the groups also include persons without disabilities.

A savings group program with a specific focus on persons with disabilities, as opposed to fostering disability inclusion in existing mainstream VSLA programs, has the added benefit of reaching greater numbers of this target group. Aside from economic value, the iSAVE model has additional outcomes on social empowerment for persons with disabilities such as more diverse social relationships, improved status in the community and boosted self-esteem.

In 2010-2011, iSAVE started as a pilot in the districts of Soroti and Sironko. Following success in the pilot districts, the program further developed and is currently in its third phase (2016-2019), being implemented in over 16 districts in Eastern and Northern Uganda.

Similar models of the program have been adapted by NUDOR in Rwanda, FEDOMA in Malawi and CBM Uganda.

Formation of iSAVE groups

The District Unions of persons with disabilities are central to the iSAVE program implementation, coordinating the program technical staff, community mobilizers and all actors in the program at sub county, parish and village level.

Through a series of initiation meetings, persons with disabilities identified together with their families and caretakers as well as other community members are introduced to the iSAVE model and benefits they stand to gain from participating in the program.

Those interested are then encouraged to form groups of 25-30 members – a process guided by Field Officers and community mobilizers. Group members usually belong to the same community and select each other based on reputation for honesty, trustworthiness, reliability and punctuality. A maximum of two members from one household are permitted – in the case of persons with visual, hearing or intellectual disabilities, their family member, caretaker or personal assistant is the second household member allowed.

Pre-existing groups established under another organisation’s program are not incorporated into iSAVE. Rather, community members have to form iSAVE groups anew.

GROUP FORMATION

- .25-30 self-selected individuals from within the same community
- Persons with disabilities constitute at least 60% of members per group.



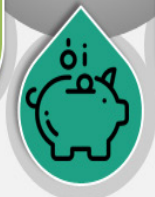
GROUP OPERATIONS

Transactions:

Take place during weekly meetings in the presence of all group members for transparency

Record Keeping:

Based on cashbooks, passbooks and memorization. Every member keeps a pass book



Social Fund

Self-insurance scheme against social emergencies
Weekly contribution made
Repayment determined by members

Loans

For household and small business expenses.
Loan period is 12 weeks
Interest rate at 1% per week

Savings

Made weekly in form of share purchases.
1-5 shares per week.
Share value is decided by group.

Summary of the iSAVE approach

Key achievements in 7 years of iSAVE

- 1575 persons with disabilities have accessed formal financial services.
- 18,966 persons with disabilities have gained access to informal financial services such as village savings and credit initiatives.
- 1344 persons with disabilities have graduated from abject poverty and started profitable small and medium sized enterprises as a result of participating in iSAVE program. 1341 persons with disabilities have diversified their sources of income.
- 12 Micro-finance Institutions (MFIs) and Savings and Credits Co-operatives (SACCOs) have become more inclusive for persons with disabilities in line with their own agenda of change.
- 20% of the iSAVE groups are autonomous in their functioning and are operating successfully.
- A large portion of iSAVE groups have accessed dairy cows, farm suppliers, Special Grants from local government, Operation Wealth Creation and programs from other development partners.

Ireda East Group, Lira District, is an iSAVE group of 30 members (4 male, 26 female). When the group was formed in 2016, majority of the members knew very little about savings and credit culture. They, however, took the trainings given to them and applied lessons learned.

By the second year, benefits started trickling in. Group members were able to access capital needed to invest and grow their individual businesses, improve their way of life and support their children in school. This excited and motivate them. Currently in their third cycle, the group is doing really well; one of the most successful in the district.

In 2018, the group was able to access a Special Grant. Funds were committed to a common pool for the entire group to benefit. Group members report better income, better social lives and a promising future ahead. “These days we don’t beg. People come to us instead wanting to borrow. We can afford to feed ourselves and our families. Now, we are respected as people.” – Ireda East Group Member.



Ireda East iSAVE Group during a weekly meeting

Lessons Learned

The iSAVE model is capable of bridging the gap between formal financial institutions and persons with disabilities.

It has been noticed that members of iSAVE groups tend to prefer loans from their saving groups than from formal financial institutions. This can be attributed to the low interest rates, quick access to loans and less financial risk, as the only loan security required is group membership.

Persons with disabilities, over the years, have also grown hesitant to approach formal financial institutions due to previous bad experiences and negative attitudes towards them from staff. In partnership with AMFIU, the iSAVE program looks to change this. Through building capacity of financial institutions on disability inclusion, many have recorded a gradual increase in persons with disabilities accessing their services. Many of these institutions are also tackling accessibility in infrastructure and information on products and procedures.

Inclusion of persons with disabilities has been incorporated in their operational manuals and strategic plans, as well as staff orientation. Exposing staff to role models such as other staff members with disabilities and successful entrepreneurs has proved effective in changing mindset and attitude towards persons with disabilities.

Make it work! Tips on disability inclusion in formal financial services

- Many micro finance institutions and banks do not see persons with disabilities as potential customers and are not aware of some of the barriers that need to be addressed to provide optimal services to persons with disabilities. Providing them with disability awareness training can change that.
- Partner with Disabled People's Organisations in your target area to source role models with disabilities that have accessed and benefited from formal financial institutions to motivate and encourage other persons with disabilities. Their advice and technical support can also enable targeted financial institutions become more disability inclusive in their services.
- Plan for financial literacy sessions as part of the training of the saving groups. It is important for group members to learn more about services offered by formal financial institutions, as well as the benefits and risks involved.

Empowerment of marginalized groups is possible through inclusive village savings and loans associations

ISAVE groups create an enabling environment for marginalized groups in society such as persons with disabilities and women to build confidence, leadership skills and increased participation in community life.

The iSAVE model insists on disability and gender inclusion in group membership, leadership and monitoring. 60% of group members have to be persons with disabilities, 25% caretakers of persons with disabilities and 15% other community members. In the Management Committee of each group, 4 members (out of 6) should be persons with disabilities and at least 3 must be women.

Preference is also given to persons with disabilities during the recruitment of field promoters and village agents who monitor group activities.

"I have gained a lot through iSAVE. I am seen and respected as a leader now in my community. People listen to what I have to say. I have also invested and started my own business. I pay school fees for my children. People are starting to see what disabled people can do."
– ISAVE female group member with a physical impairment.



A chairperson checks information on a pass book

Make it work! Tips on Empowerment

- Ensure that persons with disabilities are in the lead of group establishment by giving them clear guidance on how to start savings groups.
- Allocate a target number of persons with disabilities in the Management Committee of savings groups to secure their representation.
- Train all group members on rules and procedures. This will increase their capacity in group leadership to enforce rules and monitor progress of the savings group.
- Pay particular attention to women with disabilities in savings groups. Allocate a percentage of their representation in both group membership and leadership.

Savings groups are a direct link to Government Livelihood Programs.

Persons with disabilities often miss out on existing livelihood programs from the Government of Uganda such as the Special Grant, Youth Livelihood Program, Operation Wealth Creation and Women Empowerment Program. Many live in rural isolated communities and rarely get the information they need to be able to apply. Rules and procedures are also not clearly explained to them, leading them to miss out on the opportunities presented by these programs.

iSAVE caters for this through conducting trainings where information about these programs is disseminated in a clear and simple way. iSAVE groups established are required to register at sub county and district level. This alone helps clear certain requirements set and increases their eligibility to access funds from these programs.

Tips on creating access to livelihood programs through savings groups

- Establish working relationships with key leadership at district, sub county and parish levels in your target area. This will enable information on livelihood programs from the government as well as their application procedures and eligibility requirements to reach the savings groups on time.
- Educate savings groups on existing livelihood programs from the government that they could benefit from. Relay this information in a simple, precise and accurate way taking into account the different needs of group members with disabilities.
- Aside from livelihood programs from the government, many development organisations also run projects that could be of benefit to savings group members. Partner with other development organisations operating in your target area to create a link between their projects and group members.

Savings Groups promote social cohesion in communities

iSAVE groups help to eliminate the social isolation of persons with disabilities. Weekly meetings double as social gatherings. Group members catch up on each other's lives, discuss challenges and get advice from the group. A greater social bond is developed within these communities as younger group members learn from the elderly and persons with disabilities get support from their community members.

The social fund forms a self-insurance scheme that allows members to access a grant for any emergencies. Group members are then able to cope better when faced with unforeseen circumstances and are less likely to sell assets to recover. The amount to be contributed weekly is decided by group members. Funds acquired from the social fund are paid back over a period of four weeks with no interest levied.

"I used to just stay at home. I did not have many places to go. Now, at least every Wednesday, I know there is a meeting... I go to that. I talk to people. When I started my business, my neighbour (and group member) was my first customer."

- Ireda East Group Member with a physical impairment

On the downside, lines tend to get blurred between Loans and Social Fund. Some group members may borrow from the Social Fund for reasons covered under Loans section. Other groups tend to tap into the Social Fund when funds run low for Loans. This leads to an imbalance in accounting records and can distort the savings cycle. Close supportive monitoring and follow-up from Field Promoters and Village Agents helps to combat this.

Make it work! Tips on creating a social platform through saving groups

- Encourage weekly meetings to be held at different locations, preferably rotating among group members' homesteads. This creates an atmosphere of a social visit rather than a formal meeting.
- Groups need to state clearly in their constitution what situations are covered under Social Fund and those under Loans. Group leadership should enforce strict compliance of the set rules. This should also be closely monitored by field officers and trained village agents.

Autonomy and group ownership is important for sustainability.

The iSAVE groups are autonomous and independent of the District Union and local associations of persons with disabilities at grass root level.

A sense of ownership among group members is usually created when autonomy in group operations is granted. For groups to last beyond the project cycle, group members have to see the benefits of their own efforts and feel the importance of their own initiative. The strongest and most successful groups exhibit a high degree of autonomy in choosing rules and procedures. The iSAVE model puts several measures in place to ensure this is achieved:

- As no handouts are given, groups have to source funds from within to manage group operations including registration at sub-county level, and buying saving tools such as the saving box and cash books. This enhances commitment of group members as they labour to see the fruits of their efforts. Groups realise what they can accomplish together and future ambitions are built based on success attained.
- Field officers identify members from various groups who have the potential of learning the iSAVE Model in depth and taking on the role of mobilization and supporting the groups (other than their own). These identified persons are trained as Village Agents (Volunteers). Following the phasing out of direct support from NUDIPU and partners in the district, usually after 3 years, Village Agents take over running of group operations, monitoring and support of the iSAVE groups.
- Each iSAVE member also contributes an annual subscription fee as determined during the iSAVE Annual General Meetings. This acts as a cost-share for sustaining program activities and ensuring continuity after phasing out of direct funding in a district.

Make it work! Tips on Sustainability

- Cultivating a sense of ownership among savings group members will help sustain efforts even after phasing out of your program.
- Refrain from giving hand-outs, free supplies or money. Groups seeing results from their own hard work and commitment will be a greater motivator than any donation you may offer.
- Plan for a gradual phase out of your project activities. Train community members to take over support and monitoring of your program following phase-out and give enough time to build their capacity to take on this role.

The iSAVE model has proven success on many fronts. Persons with disabilities, who were previously excluded, now have the confidence to advocate for their rights and participate in community initiatives. Through taking up leadership positions in groups, women gain respect and dignity. Group members are able to mobilize funds to invest in income generating activities and diversify their sources of income. Formal financial services are starting to realise the untapped market in rural communities and persons with disabilities. The iSAVE model does, indeed, offer a good platform for greater social cohesion, improved livelihoods and disability inclusion.

For further reading:

[1] National Union of Disabled Persons of Uganda. iSAVE Inclusive Economic Empowerment Programme. Available: <http://nudipu.org/isave-inclusive-economic-empowerment-programme-eeep/>

[2] iSAVE Inclusive Economic Programme. Available: <https://isave-inclusion.com/>

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The Disability Inclusion Insight Series is a series developed by Light for the World. The series shows different approaches taken by organisations on Disability Inclusion in economic empowerment, providing inspiration and practical support to development professionals in their endeavours to make disability inclusion happen within the designs of current and future programs.

This Insight Brief is funded by National Community Lottery Fund through the Livelihood Improvement Challenge Project, under the Make 12.4 % Work Initiative. The Initiative brings together key stakeholders to create enabling conditions for inclusive economic growth and allowing persons with disabilities to fully access the job market. For more information, visit www.wecanwork.ug.

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