



**A GUIDE FOR THE FORMATION AND
TRAINING OF YOUTH SAVINGS AND LOANS
ASSOCIATIONS (YSLAs)**



FOREWORD

In 2015, there were 1.2 billion youth aged 15-24 years globally, accounting for one out of every six people worldwide. The United Nations estimates that by 2030 the number of youth will have grown by 7% to nearly 1.3 billion. This demographic comes with economic opportunities, as more and more youth engage in productive activities but so too does it come with multiple challenges, such as lack of access, ownership and control of productive assets and greater financial exclusion than adults.

One of the tested and scalable ways to give young people access to the financial services and skills is through Youth Savings Groups (YSGs) - CARE, Plan UK, Barclays, and 2016. Yet limited knowledge, interest, confidence, and money are principal barriers to youth participation in YSGs. Laws and local norms may also prevent young people from participating in SGs. There is need to help actors address these challenges.

CARE is delighted to introduce to financial inclusion actors the YSLA Training Guide to be used in the efforts to address financial inclusion challenges faced by the youth.

The guide should be used by Community-Based Trainers (CBTs), Field Officers (FOs) and Village Agents (VAs). These must be skilled and experienced trainers. Each of these is expected to utilize the guide while delivering training sessions in Village Savings and Loan Association (VSLA) methodology for the youth.

The overall purpose of the guide is to provide a standard approach of delivering training and mentoring sessions to YSLA members. Specifically, the guide provides factual information about equipping youth with knowledge; skills and opportunities to enable them attain economic empowerment through savings, credit and investment. The standards contained in the guide are meant to enhance the realization of intended YSLA benefits to the targeted youth.

The guide provides CARE staff and other interested parties standardized guidance on how to engage youth (in and out of school) in savings and loans activities. It also gives information on the main steps and stages involved in the application of the methodology within the context of unique youth needs (transitional priorities, lifestyle and socio-economic barriers).

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LIST OF ACRONYMS

CARE	
CBTs	Community Based Trainers
FO	Field Officers
YSGs	Youth Savings Groups
YSLA	Youth Savings and Loans Associations
SGs	Savings Groups
VA	Village Agents
PWD	People with Disabilities

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GLOSSARY

Implementing Agency -The organization engaged by a funder to promote the formation of YSLA in a given community

Inspirational speaker: A person engaged to talk to the youth on a specific topic.

Youth - A person at a stage of transiting into adulthood.

Village Agent - A person who is identified and trained to establish and strengthen YSLAs in their respective communities on a fee for service basis.

1 INTRODUCTION

This document is a practical step-by-step training guide for Youth Savings and Loans Associations (YSLA) Trainers. The guide gives guidance on how to organize and facilitate a wide range of sessions and topics for YSLA members and other relevant stakeholders. It systematically guides the trainer on how to handle entry meetings at local government and community levels, and, outlines the key topics, content and methods to be used by the trainer under each session. The guide also gives broad information on key topic areas that a trainer ought to focus on while conducting mentoring sessions as part of strengthening and consolidating the expected good practices of YSLA leaders and members.

The overall purpose of the guide is to provide a standard approach of delivering training and mentoring sessions to YSLA members. Specifically, the guide provides factual information about equipping youth with knowledge; skills and opportunities to enable them attain economic empowerment through savings, credit and investment. The standards contained in the guide are meant to enhance the realization of intended YSLA benefits to the targeted youth.

1.1 How to use the Guide

This is a step-by-step guide on planning, delivering, and, evaluating the trainings in YSLA methodology. This guide should be read by the trainer prior to the delivery of the training. This helps the trainer to think through the content, prepare all the necessary materials, and, mentally work through the mock sessions, anticipate likely questions or challenges and find solutions.

The trainer must also refer to the guidelines under various sessions during the actual training. However, this guide **does not** exhaustively provide all required content, knowledge, examples, methods etc. The trainer is expected to be creative in expanding the knowledge base within the context where the training is being delivered.

The guide presents YSLA mandatory training package that begins from the YSLA training section and ends with the group's first Action Audit. The other topics Annex vi as Year 2, are optional to the trainer. They are offered to YSLAs in response to their needs.

1.2 Youth Savings and Loan Associations (YSLAs) - Best Practices

The practices below have been proven to bring about desired results from YSLAs. They are recommended for adoption by all new YSLAs

Best Practice	Description
Youth Participation	YSLAs that succeed invest significant amount of time and involve the youth in the design and implementation of YSLA activities. The use of existing youth networks as well as peer-to-peer outreach, strategies encourages them to take the lead and own their program.
Recognition and utilization of power centres	The youth have power holders who influence and determine their lives' trajectories. Successful YSLAs therefore involve and consult critical adults and power holders right from the stage of group formation. This consultation continues through processes involving, making decisions on savings, borrowing and investment.
Additional knowledge	Building youth capacity to save and invest is a long term process. It utilizes

Best Practice and skills	Description
	<p>targeted and long term mentoring and coaching to ensure that youth develop and appreciate the culture of saving, understands their potential to determine and influence their future. Therefore, the supervision phases integrates coaching and mentoring to achieve effective YSLA outcomes</p> <p>Although there is a detailed YSLA curriculum, complementary add on life skills and integration of financial education into YSLA training has also proved to be key in preparing the youth for life transitions.</p>
Scope of Membership	<p>A typical YSLA comprises 15 to 30 members. The members are self-selected and membership is open both to males and females. These may include People with Disabilities (PWDs), adolescent girls and child mothers.</p> <ol style="list-style-type: none"> For in-school youth, the membership can be adjusted to 15-20 for easy management. It is highly recommended that membership is drawn from existing school clubs (where such clubs exist) for easy association and building trust. For mixed groups, at least 75% members should be female, to ensure their active participation. Membership should also take into consideration homogeneity of members (age bracket, life stage of youth -in-school, out of school, single parents, married)
Regular meetings	<ol style="list-style-type: none"> YSLAs meet on a regular basis. This could be weekly or bi-weekly depending on what the group agrees on. However, members are advised to meet weekly during their first two cycles. They may maintain or adjust this frequency as they deem appropriate. In school youth are encouraged to negotiate for one specific day and time in the week to avoid distracting the school activities. Youth members in a boarding setting should meet during games time and weekends. Where technology is available, meetings can be through media platforms and then members hold face to face meetings on a quarterly basis. This will allow in-school and mobile youth to continue with their savings activities during holidays or when they are away. These technology innovations should allow and maintain transparency, interaction and open communication.
Structured leadership	<ul style="list-style-type: none"> YSLAs have a five-person Management Committee elected for one cycle. For mixed groups, at least three of the five people should be female. This provision is meant to encourage female participation and build their leadership skills.
Flexibility on contributions/savings	<ul style="list-style-type: none"> YSLAs may allow a member or a group to suspend savings to accommodate lean periods of the year, such as drought or famine outbreaks.

Best Practice	Description
Engagement of critical adults and entities	<ul style="list-style-type: none"> • In-school associations may halt their operations during school holidays and resume at the beginning of a new term • Critical adults (parents/guardians/teachers/elders/religious leaders) play a vital role in youth's lives, therefore it is important to engage and involve them as needed right from the beginning. Their involvement could be: <ul style="list-style-type: none"> • Mobilizing the youth, • Giving youth money to save, • Stepping in to supervise the youth's enterprises • Supporting them in resolving conflicts or challenges that may come up as a result of youth participating in YSLA. • Where possible engage them in similar activities - familiarizing them with the YSLA activities and benefits. This will reduce the risks associated with youth being surrogate savers and borrowers.
Use of Young YSLA trainers	<ul style="list-style-type: none"> • Young trainers are preferred because young people respond better to their peers. • Provide space within YSLA for members to discuss challenges and other issues that affect youth and find solutions where possible. For example, these could include avenues for raising savings, Sexual Reproductive health, drugs abuse, the effect of social media among others.
Adapt some guidelines to suit youth in school	<ul style="list-style-type: none"> • Encourage and impart gain full skills to the youth through existing co-curricular activities such as handiwork, music, dance and drama, and subjects like home economics that emphasize cookery, baking, knitting, tailoring etc. • Where possible and necessary, facilitate bank linkages for associations' accounts to ensure safety of funds. This has to be carefully done and closely monitored to avoid misuse of groups' funds. • Provide educational tools to teachers, parents and other key stakeholders for consistent incorporation of YSLA operations in the existing school programme. Share with them the training guide and support them to identify areas that complement core school curriculum and co-curricular activities
Provision of Educational tools	<p>Provide educational tools to teachers, parents and other key stakeholders for consistent incorporation of YSLA operations in the existing school programme. Share with them the training guide, monitoring tools and YSLA tool kit.</p>
Gender and power relations	<p>Be sensitive to gender and power relations. For example you may create separate groups for discussion to allow female youth to be free to</p>

contribute-in case they are intimidated by their male counterparts

Promote transparency and respect for each other- discourage use of disrespectful language, give opportunity to all to participate

Note: Maintaining the principles of self-selection and self-management of YSLAs is critical and key to the sustainability of the groups. Also create a relaxed atmosphere and deal with the following constraints that the members may be experiencing:

SECTION 1: COMMUNITY ENTRY

INTRODUCTION

This module guides the trainer on how to facilitate the entry processes with various stakeholders including meeting youth in their safe spaces such as religious places, school environment, social halls for urban areas, playing grounds through organizing matches and own homes

AIM To help the facilitator undertake effective community mobilizations towards the formation of a YSLA

OBJECTIVES This section help the facilitator/trainer to:

- Mobilize and sensitize community leaders to YSLA
- Mobilize and conduct a community members sensitization to YSLA
- Conduct a preliminary meeting with the potential youth for YSLAs
- Help the community leaders, community members, and potential youth for YSLAs understand the YSLA intervention and its contribution to their respective communities.

DURATION The different meetings need to be conducted at different times and in different areas

MODULES Meeting with Local leadership sensitization to YSLAs
Community sensitization meeting to YSLAs
Preliminary meeting with potential youth for YSLAs

MODULE I **Local Community Leadership sensitization to YSLAs**

AIM To ensure that community leaders understand the intervention and its contribution to their respective communities.

OBJECTIVES By the end of the module, the following should be attained:

- A harmonized understanding of the intervention between the implementer and the leaders.
- Official approval and commitment to support and sustain YSLAs' activities secured.
- An agreed upon schedule for the meeting at the community level with the youth and critical adults.

DURATION 1.30hrs

CONTENT

- Participants in the community leadership meeting
- Purpose of the YSLA intervention
- Participants expectations and clarifications
- Local leaders authorization for YSLA Operations
- Schedule for community meetings with youth

Project Purpose and Key Information on the YSLA Methodology

Initiative/Project goal

The purpose is to promote socio- economic empowerment of youth through creation of self -managed youth savings and loan associations (YSLAs) and other life skills. .

Specific objectives

- To equip youth with life skills that would enable them to live productive and responsible lives.
- To increase youth financial security to access basic productive and non-productive assets.
- To increase youth security through access to basic insurance services.

Youth members will be taught to save regularly, to take loans from what they have saved, and to share-out the savings and profits (if any) each year according to each person's contributions. The source of all funds loanable is contributed by members. The programme does not provide any money to YSLAs for lending to its members. This is intended to cultivate the savings culture and independence among the youth.

YSLA methodology and how it works

The Youth Savings and Loan Associations (YSLA) model is derived from CARE's Village Savings and Loan Association (VSLA) model. These are self-managed savings and loans groups of around 15-30 people, that help vulnerable community members pool together their savings and then loan out some or all of it to members. . Loans are used to set up small businesses or meet their immediate needs thus helping youth gain control over their lives, building their confidence, and allowing them to invest in their futures.

YSLAs are supported through training and confidence-building to develop individual members' skills and the confidence they need to start and manage their financial resources.

Relevance of YSLA methodology

- Youths are the majority population yet they have less and limited socio-economic opportunities and they are usually financially excluded.
- They are in most cases unemployed and idle, through YSLA and other life skills training, they would be able to create employment for themselves as they transit through life stage.

The process of the association's capacity-building

Once a YSLA is formed, it is trained in YSLA methodology. Additional trainings are also provided based on the needs.

The implementer's expectations

- An understanding of and support to the initiative/project by government officials.
- Participation of leaders in the mobilisation of the youth.

Note to trainer: Please read this guide careful and use it to explain the purpose of the intervention and YSLA. Where possible make copies and give out as a hand out to Community Leaders.

MODULE 2

Community Level Sensitization to YSLAs

AIM

To ensure that youth, communities including the school management structure, i.e. the Parent-Teacher Association (PTA) in the case of schools understand the intervention and its contribution to lives of the youth and communities.

OBJECTIVES

By the end of the module, the following should be attained:

- The community and the youth are able to explain the intervention (YSLA) and its contribution to their lives.
- Adult approval and commitment to support and sustain YSLAs activities secured.
- An agreed upon schedule for the meeting with the interested youth to form a YSLA.

DURATION

1.00hr

CONTENT

- Participants in the community leadership meeting
- Purpose of the YSLA intervention
- Participants expectations and clarifications
- Local leaders authorization for YSLA Operations
- Schedule for community meetings with youth

METHOD:

- Short lecture, Brainstorming, Question-and-answer,

MATERIALS

- Masking tape, Markers, Chalkboard, Sticks of chalk,

NOTES TO THE TRAINER

During the discussion, avoid committing the organization towards deliverables which are not under its mandate. Thus avoid making empty promises, stick only to explaining the YSLA methodology and what it aims to achieve.

PARTICIPANTS

This meeting targets the youth and relevant adults such as parents, guardians, teachers and other opinion leaders at community level. Prior to this meeting, the trainer should have conducted door-to-door mobilization, interacting with parents/guardians, explaining the purpose of the upcoming meeting and why it is important for youth to participate. The trainer should also utilize the existing youth structures and their own spaces to pass on information on the planned meeting. Trainers should mobilize and meet as many youth as possible since this meeting lays a foundation upon which YSLAs will be formed

THE YSLA METHODOLOGY

Step 1: Start by introducing yourself and explain what you are doing as far as YSLA methodology is concerned. Talk about whom you are working with/or for and introduce the YSLA methodology using the facilitator’s notes. **(10 min)**

Step 2: Allow the participants to ask questions and answer them satisfactorily. This discussion is aimed at giving the participants an

opportunity to ask questions on what you have so far shared with them. After satisfactorily answering them, proceed with your presentation below. **(10 min).**

Step 3: Refer to your notes (below) and provide detailed explanations of the methodology and allow participants to ask any clarification questions again. **(30 min).**

Step 4: Conclude the session by getting the contacts of key persons for the next possible group meetings. These may include the leaders of existing youth groups or associations, youth opinion leaders and other influential persons in the given community. Agree on the venues and times for the next meetings. Also agree on how these leaders or influential persons will share the information/time and date of the next meeting with those interested. Then share your contacts with them. **(10 min)**

Facilitator's Notes

The name of the implementing agency and the intervention

The point of supplying these details is to avoid confusion with other organizations, especially those offering financial services. Explain whether the organization you are representing is either non-religious, non-political, and/or non-profit.

YSLA and how it works

The Youth Savings and Loan Associations (YSLA) model is derived from CARE's Village Savings and Loan Association (VSLA) model. These are self-managed savings and loans groups of around 15-30 people, mainly women, that help vulnerable community members pool together their savings and then loan out some or all of them to members of the same group. Loans are used to set up small businesses or meet their immediate needs— such as transport business, animal rearing, brick making, hair dressing or tailoring – thus helping youth gain control over their lives, building their confidence, and allowing them to invest in their futures

Basic features of a YSLA

- A YLA is created so that people can save, borrow and access micro insurance in form of a Social Fund.
- A YSLA operates in eight - one-year cycles, at the end of which all the savings and profits are distributed among members based on each members savings A YSLA allows all members to buy between 1-5 shares each meeting. The share value is decided by the members.
- The money saved through shares is used to provide loans to members, which are repaid over a period of not more than 3 months.
- Members are self-selected and managed by its members, who elect a Management Committee annually.
- Every YSLA has a written Constitution and clear rules, which are agreed to by all of the members.
- Loans disbursed are charged interest (called a service charge). A service charge is not like interest, because the money raised from service charges is given back to the members at the end of the one-year cycle as profit.
- All of the YSLA's cash is kept in a box with three locks (group wallet/bank account). The box/wallet can only be opened in meetings, so all transactions are done in front of all of the

members.

Note: Many attendees are more likely to expect to be given external credit; thus they normally react negatively when told that the funds will be internally generated through members' savings. Feel free to tell success stories of YSLAs from similar regions. It is important to give this emphasis, because many people who attend are likely to want to receive loans.

- Existing groups are encouraged to participate in YSLAs; but they need to be re-organised according to YSLA principles and best practices.

Training

The training is divided into seven separate sessions and each training session lasts for 1 ½ to 2 ½ hours. The training can take place on consecutive days or can be organized twice a week or on a weekly basis. Trainings are conducted for one group at a time.

Exposure visits

Where possible, organize exposure visits to communities where children and youth have benefited from the YSLA methodology.

MODULE 3

Preliminary Meeting with the Potential Youth

AIM

To secure the commitment of the youth in the communities to form and run YSLAs.

OBJECTIVES

By the end of the module, the following should be attained:

- The youth commit to forming YSLAs.
- The youth demonstrate the ability to explain the value of YSLAs in their lives.
- The youth articulate YSLA methodological best practices

DURATION

2.00hrs

CONTENT

- Youth role in development
- Youth Articulate Value of YSLA in their lives and the best practices of YSLA
- Youth commit to form YSLA

METHOD

- Short lecture, Reflection Question-and-answer

MATERIALS

- Masking tape, Markers, Flipcharts

NOTES TO THE TRAINER

This meeting should be organized in youth's own spaces (areas that are most used by the targeted youth) – for example, if the target is adolescent girls, look for areas where they normally meet or areas where they feel comfortable. This meeting should be attended by not more than fifty members.

Ensure that all participants are respectful to each other, do not interrupt, boo or laugh at their fellow participants. Also inform them that no one is allowed to volunteer answers to any others' names unless the particular member nominates

him/her to do so. Note that some participants may not be willing to share this information or do not know it. This should be respected.

As a trainer, as you meet the youth you need to make a case for why they are an important group in society, how they fit in this business of development, and why YSLAs offers them such a unique opportunity among many other alternatives. You are selling to them a product while also engaging them in defining their destiny and contribution to the world.

PARTICIPANTS

This meeting targets the youth, either in or out of school that have shown interest in forming YSLA.

GETTING ACQUITTED TO EACH OTHER

Step 1: Introduce yourself again and explain what you are doing as far as YSLA methodology is concerned. Talk about whom you are working with/or for and introduce the YSLA methodology using the facilitator's notes. **(10 min)**

Step 2: Start with this icebreaker to create a conducive environment for everyone. Ask the youth to take a minute to reflect on the meaning of their surnames and the reasons why they were named so. Then ask each participant to mention their name, its meaning and why they are named so and how they feel about their name.

Step 3: After all the youth have shared their information, conclude by saying that child-naming always has reasons behind it. However, having a name with a bad meaning does not mean that your parent(s) or care giver does not like you and, therefore, you should not feel angry with them.

Secondly, say that now that the participants understand better why their colleagues are called by their particular names and how they feel about them, they should be respected and should not be made fun of in the community. Tell them that it is good behavior to treat others in the same way you would like them to treat you. Say that respect for each other accounts for the performance and survival of the type of association they intend to form.

Briefly emphasize that youth are not only the leaders of tomorrow, but also the partners of today. They are social actors of change and progress. They are a crucial segment of their community and own their development. Their contribution, therefore, is highly needed **(30 min)**

Step 4: Explain the YSLA methodology and how it works². Introduce to them the YSLA toolkit and its relevance to the functionality of the group as indicated in the facilitator's notes below. **(15 min)**

Step 5: Allow for discussions of questions and answers. Use the discussion to clarify any issues regarding how the YSLA methodology works and what is required of the youth. **(15 min).**

Step 6: Complement their views with yours –refer to the trainer's notes. Provide extra information on other membership-based financial activities such as

² Refer and use facilitator's notes on page 13 and 14

ROSCA. Explain the similarities between Rotating Savings and Credit Associations (ROSCAs) and YSLAs, but clarify that YSLAs' main activity is also savings and lending from members' mobilized funds. Using the table below, explain the advantages of YSLA over the ROSCAs. **(5 min)**

Step 7: Share examples of how youth have benefited from the shared out/action audit. **(10 min)**

YOUTH COMMITTING TO FORMING YSLA

Step 8: Divide the youth into small groups. Ask them to brainstorm the qualities they would consider in recruiting individual members and explain why they are important. **(20 min)**.

Step 9: Ask the group by show of hands who would be interested. Record the names and contacts of those who are interested in forming a YSLA. **(10 min)**

Step 10: Conclude by determining if they have agreed to form an association-and, emphasize the qualities of a good member then draw up a list of the prospective members and plan with them the day and the place of their first training session.**(5 min)**

Facilitator's Notes

Toolkit

YSLA must have a toolkit to ensure transparency. This could either traditional or digital. The traditional toolkit should have all the items listed below:

1. A lockable cash-box or heavy duty lockable canvas pouch.
2. Three good quality padlocks, each with two keys.
3. A record-keeping journal
4. Member Saving Passbooks (1 for each member).
5. A rubber stamp.
6. An ink pad.
7. A ruler.
8. Two ball point pens.
9. Two pencils.
10. An eraser.
11. A calculator.
12. Four plastic bowls, used for separating out the collection of savings contributions, loan repayments, fines and contributions to a welfare fund)

This 'kit' is bought by the association and remains group property.

Individual members' qualities

- A good reputation in the community being honest.
- A cooperative personality/easy to associate with (respectful, a good listener, friendly, reliable).
- A stable resident of the community.
- The ability to save regularly.
- The ability to repay and treat loans seriously.

Meeting with pre-existing groups

Meet with pre-existing youth groups, especially those that are engaged in non-financial activities.

Members need to understand that their membership may not remain as is but rather will be composed of those who meet the criteria discussed above and are interested in savings and lending as a group activity. In such a case, the members should not feel that they are all obliged to participate in the YSLA operations.

Table 1: Differences between a ROSCA and a YSLA

ROSCA	YSLA
<ul style="list-style-type: none"> • Does not require the money given to an individual member to be reimbursed. • The fund can only benefit one person at a time. • The amount of money mobilised is always the same. • The amount received by the member is predetermined regardless of the recipient's needs. • The fund does not grow. • It takes a longer time for all members to access group funds since they follow a pre-set schedule (member numbers). 	<ul style="list-style-type: none"> • Members' savings create a pool of capital. • Members access loans whenever they need one and when funds are enough. • Loans are given for a short-term period to allow all members an opportunity to access group funds within a cycle. • Loans are paid back with interest, which makes the fund grow. • Loans are matched with the borrower's needs at the time of borrowing. • All members benefit from the interest paid during the cycle during the action audit/share out. • Offers members insurance through a welfare fund to manage emergencies.

In-school youth

- Provide an orientation to the teachers and school management such as the PTA on YSLA methodology and the tools used.
- The youth ought to be trained during the first term of the academic year when academic work is still minimal and manageable.
- Where possible, utilise inspirational speakers and role models (could be persons who paid for their school fees and requirements and managed to complete school. Discussion topics could include their own success story, employment creation, business and investment to mention a few) to come and talk to the youth.

SECTION 2: YLSA TRAINING

Aim	To equip the youth with knowledge and skills to effectively manage and benefit from a YLSA
Objectives	<p>By the end of this training youth/participants should be able to:</p> <ul style="list-style-type: none"> • Explain the three stages of the training cycle in a YLSA and their importance • Understand how to form a YLSA • Demonstrate understanding of the YLSA concepts and their application • Demonstrate understanding of successful management of a YLSA • Demonstrate YLSA meeting procedures and record keeping • Explain common conflicts in groups and how to manage them • Manage business affairs of their YLSA of choice
Duration	42 weeks which are spread along one year.
Modules/Sessions	<p>Group formation YLSA Concepts and application YLSA Management (leadership, internal rules and regulation) YLSA meeting procedures and record keeping The Action Audit</p>
Notes to Trainer	Explain the key phases of the training to the participants (Intensive, Development and maturity phases)

Facilitator /Trainers Note: Key Guidelines for the YLSA Trainer

The trainer should be conversant with the needs of the youth, confident and a master of the content being delivered.

Ensure that the youth group being trained is homogeneous: The core YLSA principle that associations should be self-selecting should not be compromised. The formation, management and quality of a group can be strengthened by focusing on a more homogeneous membership (similar age, life stage and goals).

Select a safe place for training: Safety in the form of locations, friends/peers involved, and artisan and mentor used, is paramount for effective youth participation and empowerment. Both youth's and adults' opinion on the meeting/training venue has a great impact on youth attendance and commitment to the different sessions.

Use appropriate training delivery methods: Participatory methods such as brainstorming, discovery/experimental methods that include exercise/quizzes, peer-to-peer learning, and the use of role models and technology where possible, make learning interesting and productive for the youth. Edutainment methods such as videos, music and games are more appealing to younger people to drive important messages home.

Expertise of trainer: Be confident and knowledgeable of the subject. Play an educative role: Avoid acting as a teacher or fountain of knowledge but, rather, as a facilitator. Allow the youth to experiment and discover the right things themselves or from peers. Allow easy participation through conducive environment that allows acceptance, respect

Note: Training of trainers should ensure that trainers are exposed to basic knowledge regarding child protection guidelines as well as a no-harm approach to the youth, especially in-school youth.

Overview and Schedule of the YSLA Training

The Association will receive intensive training in the YSL methodology and thereafter continue receiving mentoring support until the members have mastered the methodology and learnt how to work together. YSLAs training is delivered in phases starting with actual training, followed with supervision or mentoring that is divided into three phases (intensive, development and maturity). The actual training includes ten sessions spread over forty two weeks. This entire training schedule takes over a period of at least 42 weeks (but normally a full year) according to the schedule below.

For in-school youth, the training should be conducted during the first term of the academic year when academic work is still minimal and manageable.

Training Phases	Description	Topics/Theme
TRAINING PHASE:	This phase is spread across twelve weeks: This is the time the YSLA receives the actual training. This may take up to eight weeks. On average, the training sessions last up to 2 hours. The new association decides what is convenient for them. However, a trainer, need to stress that the training should not take longer than eight weeks.	<ul style="list-style-type: none"> • Group formation and understanding the General Assembly; • Relating Money and Well-being and Savings concept); • Savings Plan Development; • Leadership in the Context of YSLA • Development of Internal rules and regulations. • First Saving Meeting • Loans and Debt Management • First Loan Disbursement meeting • First Loan Repayment Meeting • Conflict Resolution
INTENSIVE PHASE:	16 weeks for those meeting on a weekly basis and 8 weeks for those meeting on biweekly basis. The time allocation is based on the fact that youth grasp and learn quickly, and within these weeks, they will have mastered the concepts, principles and best practices of the methodology.	<ul style="list-style-type: none"> • Ability to transact with minimal external support • Ability to manage group affairs as stipulated in the set group rules and regulations
DEVELOPM	24 weeks - initial 6 visits with either 3 bi-weekly visits dedicated to YSLA activities. Thereafter, training needs assessment should be conducted to establish specific needs of the youth, some of which may be individual or group specific needs. Depending on	<ul style="list-style-type: none"> • Monitoring and support supervision field visits • Conflict management • Add-on trainings depending on the needs assessment such as coping and self-management skills, interpersonal skills,

Training Phases	Description	Topics/Theme
	the needs identified, cascade the add-on trainings and follow-up with intensive monitoring and mentorship. Some of the emerging youth needs may require partnerships and placements.	communication skills, critical thinking and decision making, budgeting and sexual and reproductive health
MATURITY	32 weeks. The first two months of this phase should be dedicated to preparing the group for share out. Therefore, the group should be trained on how to share out their savings and profits earned as well as preparing the leadership and entire membership for the second cycle. Additional trainings especially in employable skills, coaching and mentorship should happen.	<ul style="list-style-type: none"> • Action audit and graduation • Employability skills • Apprenticeship and placements • Mentorship

Week 1: Session 1: Group formation

MODULE 1 **GROUP FORMATION**

AIM OBJECTIVES	<p>Youth gain knowledge of YSLA group composition and expected behaviors</p> <p>By the end of the module, the following should be attained:</p> <ul style="list-style-type: none"> • The youth articulate and differentiate YSLA from other groups and gatherings. • The youth demonstrate knowledge of the code of conduct expected of a YSLA member • The youth demonstrate knowledge of their roles and responsibilities as members of the General Assembly. • The youth articulate their supreme role as a collective over the group committee.
DURATION CONTENT	<p>2 hours 15 minutes</p> <ul style="list-style-type: none"> • Definition of a group • Roles and responsibilities of group members • Members' expectations from the group
METHOD MATERIALS	<ul style="list-style-type: none"> • Short lecture, Reflection, Group Discussion, Brain storming • Masking tape, Markers, Flipcharts, Chalkboard, Facilitators notes
NOTE TO THE TRAINER	Encourage members to continue revisiting good qualities of YSLA membership and adjust membership if necessary.
PARTICIPANTS	Youth who have organized themselves into YSLA

**GROUP
FORMATION (1
hour.45 min).**

Step 1: Start by revisiting the key features of a YSLA. Ask the participants to stand in a circle, pose and reflect on what was discussed in the preliminary meeting as key features of a YSLA. (For each response given, probe for a reason why it is required to be practiced and emphasize whenever it is not satisfactorily mentioned by a youth). **(15 min)**

Step 2: Provide additional input to clarify and complement their responses. (Refer to the facilitator's notes on sensitization meeting 2 pages 17 **(10 min)**).

Step 3: Draw a matrix (like the one in the trainer's notes) on the board or chart and, using examples from the community, ask the participants to show the differences between a group and a gathering. **(20min)**.

Step 4: Provide general comments by emphasizing the differences and providing the definition of a group. **(5 min)**

Step 5: Mention that you are now shifting from the YSLA to individual members' qualities. Ask them to form groups of five. Then give them the following task:

- Reflect on and discuss the qualities of a YSLA member.
- Choose one volunteer to present at least two of the qualities agreed upon. **(20 min)**

Step 6: Ask the members to present in a plenary. Comment on the group presentations and provide additional input where necessary. **(20 min)**

Step 7: Ask members to propose a name for their group. **(10 min)**

Step 8: Summarize by telling them that they have now formed a group and more modalities for operationalizing their group will be discussed in the subsequent sessions. **(5 min)**

**THE GENERAL
ASSEMBLY (30
Mins)**

Step 1: Ask the participants to explain what they know about General Assemblies. **(5 min)**

Step 2: Comment on their views and clarify where necessary. **(5 min)**

Step 3: In a short lecture, explain the role of a General Assembly and emphasize its supreme role over the group committee. **(5 min)**

Step 4: Allow members to ask questions for further clarification. **(10 min)**

Step 5: Summarize all that has been said and ask the participants to state the most important points from the session. **(5 min)**

Facilitator’s Notes

YSLA Key Features (refer to pages 17)

A group	A gathering
<ul style="list-style-type: none"> • Longer term. • Members have the same goal and sub-goals. • Members conduct their activities together. • Has leaders and rules/regulations. • Members manage conflicts and solve problems together. • Members have a bond of solidarity. • Has a limited number of members. • Allows exchange of knowledge. 	<ul style="list-style-type: none"> • Temporary. • Very specific short-term objective. • Different activities can take place at the same time. • The participants may not see each other again after a gathering. • Dissolves as soon as a problem arises.

Definition of a group: A group is an association of people who agree to combine their resources in order to attain a common objective.

Qualities of individual members (refer to facilitators notes on page 20-)

The General Assembly is the supreme body of the YSLA

The General Assembly is constituted by all members of the association irrespective of their responsibility and savings capacity.

The General Assembly elects the Management Committee (Chairperson, Secretary, Treasurer and Money Counters). The Management Committee is accountable to the General Assembly.

All members have the same rights in the association. During elections, the rule of “one person, one vote” applies. Therefore, all members have the right to vote and to be elected to the Management Committee of the association. The General Assembly agrees to change the committee in case the leaders are not performing their jobs properly.

The General Assembly, **not** the Management Committee, is responsible for setting the rules and regulations of the association that govern its operations. The Management Committee is empowered by the General Assembly to enforce these rules.

The General Assembly is responsible for the work of the committee that it puts in place. If the committee does not do its work well, the General Assembly has a right to replace it. If the regulations of the association are not respected, the General Assembly can choose to organise a special meeting where the problems can be discussed and decisions taken to amend it.

All the members have the right to propose an issue to be discussed in a meeting, and to demand that it be discussed. These discussions take place after the savings and loan activities are completed. It is equally possible for any member to call a special meeting. Majority rule must prevail in all decisions made.

YSLA CONCEPTS AND APPLICATION

This module is about the main concepts that are normally used in the context of YSLA methodology. The concepts include money and well-being, savings, loans, interest and social fund.

Week 1: Session 2: Money and well-being

MODULE 2	MONEY AND WELL-BEING
AIM	Enable the youth to get acquainted with YSLA concepts as they prepare to interact with them in their group
OBJECTIVES	By the end of the module, the following should be attained: <ul style="list-style-type: none"> • Explain the importance of money. • Explain the relationship between money and well-being
DURATION	1 hour
CONTENT	<ul style="list-style-type: none"> • Youth monetary needs • Youth attitude towards money
METHODS	<ul style="list-style-type: none"> • Brain storming, Group Discussion, Reflection
MATERIALS	<ul style="list-style-type: none"> • Markers, Flip chart/manila paper, Masking tape, Idea cards, Paper and, Pens.
PARTICIPANTS	Youth in their VSLA

Step 1: Ask the participants to mention the various uses of money they know in a brainstorming session. (5 min)

Step 2: Organize the participants into groups of 6 and give each group a blank piece of paper and a pen. (10 min)

Task

1. How important is money to you?
2. In what ways is money important to your well-being?
3. List at least three things you feel are more important than money and write them down.

Step 3: Let each group share their points on the above questions and give reasons. (10 min)

Step 4: Complement the discussion and provide additional input where necessary. (5 min)

Step 5: Evaluate the participants' attitudes to money. Write and place the 'AGREE' and 'DISAGREE' cards in different areas of the training ground, and the 'UNDECIDED' card in between.

Then read out the statement provided in the facilitator's notes one at a time and ask the participants to move to the appropriate card, depending on whether they agree, disagree or are undecided.

Note: For each statement, ask at least two participants to explain why they have chosen to stand where they are. Guide the discussions and encourage other participants to ask clarification questions. Ask if anyone would like to change their position after listening to the other participants' reasoning. (20 min)

Step 6: As you end the exercise, ask the participants the following questions:

- What did you learn from the discussion about money and well-being?
- What is your comment on the view: 'Money is everything'?
- What things do you have that you could exchange with others instead of exchanging money? (Share items? Time? Expertise? Skill? Talent?) (10 min)

Step 7: Conclude by emphasizing that, apart from economic well-being, emotional, social and spiritual well-being are also important for overall well-being. In addition, explain that both monetary and non-monetary factors are key for successful participation and enjoyment of the benefits from YSLA. (5 min)

Facilitators Notes

Importance of Money and Well-being

Money helps us to meet the necessities of life.

Basic needs

These include food, education, housing, health, clothing, phone ownership and airtime, self-care as well as household assets (chairs, utensils, bedding).

Productive use

- Money is used for investment/businesses
- It is also used to purchase productive assets (agriculture – livestock and cropland); commercial transport).

Social needs

- Marriage.
- Entertainment.
- Faith-based activities.
- Social Events

Other Factors of Well-being

Money can enable you to attain the above but it is **not** everything. There are other important things in life that do not require money, for example love and happiness. Happiness and a sense of well-being are achieved through many different factors (such as friendship, companionship, family). It is important to understand what money can and cannot buy.

Our attitude towards money can reflect what we value in our lives. If we take a moment to assess our attitude, we can reflect on what it says about us and whether there are things we would like to change, retain or develop.

Assessment Statements on Youth Attitudes towards Money

- Young people need to discuss money issues.
- Money brings security.
- I need advice about spending and saving money.
- Young people buy things to fit in with their friends.
- Wanting to be rich is a worthwhile goal.
- People buy more stuff than they really need.
- Borrowing money is not a good idea.
- Money brings happiness.
- I feel confident about managing my own money.
- Money changes people.
- The more money you have, the more you want.
- People who are rich should help those who are less well-off.
- Money can solve all problems.
- Women/girls are better at managing money.

Week 2: Session 2: Savings Concept

MODULE 3

SAVING CONCEPT

AIM

To inculcate the savings culture among the youth.

OBJECTIVES

By the end of the module, the following should be attained:

- Describe the importance of savings.
- Articulate their individual savings goals.
- Demonstrate the benefits of saving in a group.
- Identify the likely risks of saving in a group and how to mitigate them.

DURATION

1 hour 30 minutes

CONTENT

- Definition of Saving
- Importance of having personal savings
- Saving plan
- Sources of money

METHOD

Buzz sessions, Question and answers,

MATERIALS

Flipcharts /Chalkboard, Masking tape, Markers /chalk sticks

NOTE TO THE TRAINER

During the discussion, emphasize youth ability to generate personal money and the value of having personal savings.

PARTICIPANTS Youth in their VSLA

Step 1: Ask the participants what they understand by the term “savings” (note on the flip charts the responses or discuss orally). (5 min)

Step 2: In buzz groups of 3, ask the participants to discuss and answer the following questions:

Tasks

1. Where do young people in this community/school get money?
2. How do young people in this community/school save?
3. What are the reasons that make young people save?
4. In your view, what are the benefits and risks of saving in a group?
5. Propose measures to mitigate the identified risks.(10 min)

Step 3: In plenary, draw a matrix as shown in the facilitator’s notes on the board/chart and fill it with lists of their responses. (10min)

Step 4: Supplement their responses with more explanations using the points in the facilitator’s notes. (5min)

Step 5: Ask the participants to close their eyes for 2 minutes and dream about what they want to be in the next 1-3 years. (2 min)

Step 6: Let 2 volunteers speak about their dreams. (10 min)

Step 7: Ask the rest of the participants what they think can make the 2 volunteers achieve their dreams in the stated year(s). (10min)

Note: **Ensure that saving comes out as one of the options to make them achieve their dreams**

Step 8: Complement the participants ‘views by emphasizing that we save with an aim of achieving a set of financial objectives/goals. (5 min)

Step9: Explain to the participants that savings goals fall under one of the three categories: short-term, medium-term and long-term savings goals. Briefly explain the meaning of the three categories. Then issue the following tasks:

Tasks

1. Organise yourselves in groups of at least 8 people each.
2. Categorise the dreams of the volunteers earlier discussed in this session as short-, medium- and long-term savings.(10min)

Step 10: Let the participants present in the bigger group (plenary). (20min)

Step 11: Complement and provide additional input where necessary. Make sure that the categorization is correct as per the trainer’s notes. Emphasize to the participants that a savings plan is a critical tool for managing money to meet

short-, medium- or long-term financial goals. (5min)

Step 12: Conclude the session with a take-home assignment and distribute the Savings Plan worksheet provided in the facilitator’s notes. Issue the participants with the following guidelines for their take home assignment:

Task

1. Think about your dreams and goals.
2. In reference to the following questions, use a pencil to fill in the matrix provided and develop a draft savings plan:
 - What dreams and goals did you have at the time of joining the association?
 - Are these dreams and goals still the same, or have they changed?
 - Of these goals, which ones are short-, medium- and long-term?
 - How much money will you need to achieve each of the above goals?

Rank your goals in order of importance and priority in the left-hand column of the worksheet

Week 3: Session 1: Developing a savings plan

MODULE 4 DEVELOPING A SAVINGS PLAN

Impart the youth with personal financial planning and management skills.

AIM

OBJECTIVES

- By the end of the module, the following should be attained:
- Demonstrate the ability to develop personal or household savings plans.
 - Identify available savings options

DURATION

1 hour 40 minutes

CONTENT

- Individual members savings plans

METHOD

- Brainstorm, Buzz sessions, Question and answers,

MATERIALS

- Flipcharts /Chalkboard, Masking tape, Markers /chalk sticks

PARTICIPANTS

Youth in their VSLA

Step 1: Ask the participants to share their experiences while developing their savings plan (what was easy, what was difficult). (10 min)

Step 2: Present and display a checklist of a typical savings plan. (5 min)

Step 3: Ask the participants to exchange their work with a neighbor and do the following:

1. Read through your neighbour’s work/savings plan.
2. Using the checklist above, identify the strengths and gaps in your neighbour’s plan.
3. Provide constructive feedback to your neighbour on how to improve their plan. (20 min)

Step 4: Summarize the strengths and gaps and ask the participants to revisit their plans and finalize them. (10min)

Step 5: Give the participants’ time to finalize their plans as you move around to support them individually. (1 hr.)

Step 6: Conclude by emphasizing the importance of using a plan. Explain to the participants so as to follow, monitor and review their respective savings plan. (5min)

Facilitator’s Notes

Where do youth in this community/school get money?

- They sell casual labour.
- From parents/caregiver, relatives, lovers and friends.
- Through petty trade.
- From farming.

How do young people in this community or school save?

- Through cash rounds/merry go around.
- Through buying assets such as piggery, poultry.
- By putting money in the bank.
- Through their parents and friends.
- Under the mattress

Table 3: Why do young people save and borrow?

What are the reasons that make young people save?	Why do young people borrow?
<ul style="list-style-type: none"> • To cope with unexpected emergencies such as buying sanitary pads. • To buy scholastic materials. • To pay for predictable expenses (such as school fees). • To pay for entertainment, i.e. attending a concert. • To invest in an enterprise. • To allow for future consumption (i.e. food at a time when stores are used up). • To pay bride price for a wife before settling down with her. • To build a house. • To buy assets such as Jewry and phones 	<ul style="list-style-type: none"> • To pay for predictable expenses such as school fees and study tours. • To cope with unexpected emergencies like illnesses. • To buy an asset like a telephone set. • To start or expand an enterprise. • To give to their parents and girl friends

Understanding basic money management practices and behaviors

Where and how parents/caregivers get money to support the youth.

Opportunities available for the youth to engage in any legal form of work that generates money.

For example: Skills and knowledge acquired through school teaching and co-curricular activities such as home economics, handiwork, music, dance and drama, and sports.

Difference between needs and wants. Enable the young person to realise the need to prioritise her/his savings and spending, and equip her/him to manage external influences on money management matters.

How does my money help other people? It enables a young person to earn and use money justly, ensure equity, mitigate the misuse of power, promote charity and strengthen community safety nets. It exposes young people to what it means to have more than they need and what they can do with extra money.

How best can I look after my money? With parental guidance and support, the young person is able to set a saving goal, when introduced to the different formal and informal financial products/services available. Therefore, this is the appropriate time to introduce and discuss the YSLA methodology with the youth.

Benefits of saving in a group

- Group peer pressure encourages people to save when otherwise they might spend the money.
- Savings held by the association are more secure because they cannot be lost or stolen by other members of the household.
- Access is controlled until the savings build up to a useful amount thus limiting individual misuse of money
- Since the savings area source of loans for members, the savings earn interest and increase in value.

Possible risks involved in group saving

- Loss of savings in case of non-repayment of loans by certain members.
- Obligatory division of losses amongst members.

How to prevent /mitigate risks

- Enforcing internal rules and regulations
- Investment in an association income-generating activity (IGA) such as the storage of grain or cattle fattening.
- Bank linkage where appropriate

Can you please put headings for these notes: The purposes for which savings and loan services are needed are more or less the same?

Both savings and loans involve regular deposits either as savings or payment of small amounts of money so that one can have a useful lump sum when one needs it.

However, savings are an asset (something that is owned), which increases economic and social security, while loans are a liability (something that is owed) that increases risks, because it must be repaid.

Savings are normally collected for emergencies and to pay for predictable events and expenses (such as marriage, school fees), while loans are normally given out to pay for investment opportunities that have been identified and require a lump sum above the individual members' saving capacity.

Savings are more important and safe for vulnerable people like the youth than loans, because they provide a 'cushion' of wealth before they can start to take the risks associated with borrowing.

The question may arise that the youth are unable to save. In case this is mentioned, say that not only can

the youth save but they have already been doing so. Explain that saving does not only take a cash or monetary form, that there are other forms of saving. Without mentioning any, ask the participants to suggest the other forms of saving undertaken by youth in their community. The list can include: realign with youth like

- Grain in a granary.
- Livestock (cattle, goats, sheep, chickens).
- Agricultural tools.

The point to draw out is that all of these things can be converted into cash to pay for necessities or to cover an expense.

Examples of savings planning

1. Short-term savings (weeks to months) for fulfilling future, immediate household needs like food, clothing and agricultural inputs. One might save with a savings and loans group for this purpose.
2. Medium-term savings (1-3 years), such as home improvement, procurement of household assets such as livestock, agricultural equipment etc.
3. Long-term savings (over 3 years) for fulfilling bigger needs or investments like the purchase of land and investments.

Table 4: A Savings Plan – use different currency

Savings goal	Lump sum needed	When	Amount to save per week/month	Ranking of importance	How to raise or earn it
Short-term					
Education	US\$. 1,200,000	6 months	US\$. 50,000 per week & US\$. 200,000 per month		
Emergency	US\$. 180,000	3 months	US\$. 15,000 per week & US\$. 60,000 per month		
Long-term					
Paying bride price/wealth	US\$. 720,000	24 months	US\$. 7,500 per week & US\$. 30,000 per month		
Buying plot of land	US\$. 2,000,000	36 months	US\$. 13,900 per week & US\$. 55,600 per month		

Access to savings

In-school youth are allowed to withdraw part of their savings as per their savings goal or in case of any emergency related to their education/schooling. This is strong motivation for savings mobilization among school-goers.

Tips to increase savings

There are many ways through which one may improve a savings culture and achieve set goals:

- Look for new ways to save on expenses.
- Look for new ways to increase income.
- Look for new ways to save part of your income regularly.
- Examine whether you can meet a goal with less money.

- Prioritise your goals—perhaps you can put off one goal to realise another one.

Week 3: Session 2: Welfare fund

MODULE 5 WELFARE FUND

AIM Inculcate a culture of planning and savings for emergencies among the youth.

OBJECTIVES By the end of the module, the following should be attained:

- Articulate the importance of a welfare fund in a YSLA

DURATION • 45 minutes

CONTENT • Welfare fund

METHOD • Brainstorm and Short lecture

MATERIALS • Flipcharts /Chalkboard, Masking tape and Markers /chalk sticks

PARTICIPANTS Youth in their VSLA

Step 1: Introduce the concept of a welfare fund/social fund. Start with a short explanation of the meaning of a welfare fund as found in the facilitator's notes. (10 min)

Step 2: Allow the participants to ask any questions or seek clarification. (5 min)

Step 3: Broadly share your own experiences of typical challenges that associations face in managing welfare funds (10 min)

Step 4: Ask participants to share their views on how such challenges can be prevented. (15 min)

Step 5: Conclude the session. Explain that further details on the rules for such funds will be covered in the session on setting rules and regulations. (5 min)

Facilitator's notes

The concept of the welfare fund

A welfare fund is defined as the funds contributed by members to cater for members' emergencies and social obligations.

Common emergencies include:

- Medical expenses, including drugs, doctor visits and hospital bills.
- funds to replace a stolen item such as a phone
- Funds for social outings.

Note: Interest-free loans may not be suitable to meet all forms of emergencies. Therefore, it is normal for the associations to develop a welfare fund to provide grants or interest free loan to members who encounter special problems and disasters.

The welfare fund is kept separate from the money collected in the form of savings. Because emergencies cannot be predicted, welfare money must remain on hand. Note that once the welfare fund is collected, it becomes the association's fund, thus it is not individual members' savings. Thus its collection is the first activity to be performed during YSLA operations.

Week 4: Managing the YSLA

MODULE 6 MANAGING THE YSLA

AIM Ensure effective functionality and operations of YSLA.

OBJECTIVES By the end of the module, participants will be able to:

- Identify the benefits of leadership in associations.
- Articulate the role of leaders in YSLA.
- Elect good leaders for their association.

DURATION 1 hour

CONTENT

- Definition of a leader
- Qualities and responsibilities of YSLA leaders

METHOD

- Brainstorm, Group discussion, Short lecture

MATERIALS

- Flipcharts /Chalkboard, Masking tape, Markers /chalk sticks

NOTE TO THE TRAINER During the discussion, emphasize female youth and adolescent inclusion on YSLA management committee. Look out for power centers lie and how they interplay.

PARTICIPANTS Youth in their VSLA

Step 1: Start by asking members to explain:

1. Who is a leader?
2. What types of leaders are found in your community?

Write their responses on a flip chart and make clarifications where necessary. (15 min)

Emphasize and explain that: (i) All members have the same rights; (ii) The Management Committee is elected by the members, who can also dismiss it for poor performance. (5min)

Step 2: Review the qualities needed for each position and the work that each person chosen needs to do, using the tables in the facilitator's notes. Use stories in the facilitator's notes to illustrate the importance, qualities and role of these leaders.

Task

- a) Ask volunteers to read out the stories (below) and the rest should listen attentively.
- b) Use the following questions to discuss each of the stories:
 - What have you heard from the story?
 - What went wrong in the group?
 - What was the cause of the conflict among group members?
 - Why is it important to have a formal management committee? (30 min)

Note: The stories provide you with something to work with. Feel free to use other stories that highlight similar points conveyed below to the association.

Step 4: Using the facilitator’s notes below, provide more explanations and clarifications on each of the positions, emphasizing the qualities needed for each position of responsibility. (5 min)

Step 5: Conclude the discussion, highlighting that there is need to clearly consider the roles and responsibilities of a given leadership position before electing people into office. (5 min)

Also mention that they should start thinking of the right persons to take up positions of responsibility in their association (give them time [one week]) to think over whom they would like to elect for each position before the next meeting

Facilitator’s Notes

Typical leaders in YSLAs: Chairperson, Secretary, Treasurer and two Money counters.

Story: The importance and description of roles, responsibilities and qualities of association leaders

In the village of Kisowera, young people like you formed YSLA. The association members elected the son of a well-respected local sub-county chief because he was very honest, reliable but timid as a Chairperson. The trainer (FO) tried, without success, to explain that the role of the Chairperson demanded dynamism; that he or she had to know how to organize and run meetings, and to maintain order and handle conflicts. The Chairperson also had to be able to represent the association to outsiders and non-members. Despite the trainer’s efforts, the association maintained its choice. But later, the members changed the Chairperson, although they were delayed in their savings and loan activities since the new Chairperson had to be trained.

Then ask them: How could this situation have been avoided?

Note: This story should help the participants to define the characteristics necessary for each member of the Management Committee.

Table 5: Qualities and responsibilities of the YSLA Chairperson

Responsibilities	Qualities
<ul style="list-style-type: none"> • To call the meetings to order, announce the agenda and lead discussions. • To maintain discipline and levy fines as needed. • To ensure that the meetings follow the proper procedure (especially with respect to welfare fund, savings/saving and loan procedures) and that the constitution is followed and respected. • To represent the association to outsiders and non-members. As needed, to provide a brief history of the association and its performance. • To facilitate discussion of issues raised by the General Assembly and to ensure that everyone's views are listened to. • To facilitate solutions to conflicts between the participants. 	<ul style="list-style-type: none"> • Respected. • Dynamic and visionary. • Trustworthy. • Fair and capable of being neutral. • Strong personality, but not autocratic. • Wise. • Listens to others and takes their opinions into account. • Patient. • Organised. • Punctual. • At ease speaking in front of others. • Capable of summarising the views of many people. • Good reputation and empathetic.

Table 6: Qualities and responsibilities of the YSLA Secretary

Responsibilities	Qualities
<ul style="list-style-type: none"> • Ensures that all financial transactions concerning the welfare fund, savings and lending take place in front of the association members, in the correct order and through the Money Counters. • Records all welfare fund, savings/saving, fines, and loan and cash book transactions. • Makes all Member Saving Passbook entries and signs when loan repayment is completed. • Provides a summary of the financial state of the association affairs at every meeting. • Takes the minutes of the meeting, if required. • Assists the trainer/FO in updating her/his records during monitoring visits. 	<ul style="list-style-type: none"> • Literate and numerate and capable of maintaining the association accounts and the Member Saving Passbooks. • Trustworthy. • Reliable. • Intelligent. • From a respected home, reputed for honesty. • Available for specialised training by the trainer/FO. • Punctual.

Table 7: Qualities and responsibilities of the YSLA Treasurer

Responsibilities	Qualities
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CONTENT	<ul style="list-style-type: none">• Election of leaders• Handover of leadership tools
METHOD	<ul style="list-style-type: none">• Reflection, brainstorm, discussion, Short lecture
MATERIALS	Ballot papers, pens, markers, masking tape, flip charts, voting materials
NOTE TO THE TRAINER	During the election processes, make sure that all members actively participate and vote according to the guidelines.
PARTICIPANTS	Youth in their VSLA

Step 1: Remind the participants that they are going to elect their Management Committee. Ask if they reflected on the different positions discussed in the previous meeting and thought about suitable people within the group for the positions. (10 min)

Step 2: Ask the group members to nominate individuals for each office. (2 min per position, thus 10 min)

Step 3: Request all the nominated individuals to step away from the voting venue to give the General Assembly space to discuss their qualities of leadership. The person who nominated the candidate should kick-start the discussion. (5 min for each position, thus 20 min)

Step 4: Distribute the voting items to each member as per the register and call the members one by one to vote. (5 min for each position, thus 20 min)

Step 5: Together with selected candidate representatives, count the number of votes in each box and declare the winner. (2 min per position, thus 10 min)

Step 6: Call forward the elected leaders and ask them to sit according to the recommended seating arrangement, as shown in the facilitator's notes. (5 min)

Step 7: Hand over the toolkit to the Treasurer, whose sole responsibility is to safeguard it between meetings. Explain that this toolkit must be paid and agree the payment schedule with them (the schedule should not exceed two months). (10 min)

Step 8: Conclude by stressing that elections are not a one-time thing and that they must be held at the intervals laid out in the internal rules and regulations. (5 min)

Note: Agree with the elected Management Committee (Chairperson, Secretary, Treasurer and Money Counters) on a convenient day before the next meeting to orient them to the meeting procedures using annex (i). This does not replace the training of the entire group in the meeting procedures.

Facilitator's Notes**Key tips on nominations**

Nominations of potential candidates can be made by anyone in the group and each member is entitled to nominate one person per position.

If a person is nominated, then that person has to agree to stand for election. If they do not wish to stand, they are free to refuse and should not be pressured to do so. But remind the participants that they should be willing and must accept to take up management responsibilities.

Note that the minimum number of people nominated for each position should not be less than two, so that a genuine choice is available to the members. This discourages selected leaders from taking the group for granted.

In a mixed association, at least three of the members of the Management Committee should be females.

NOTE: Members of the same family and active public and community leaders, including religious leaders, should not be elected to the YSLA's Management Committee.

Voting procedure

1. Each candidate is represented by one colour box.
2. Each person/voter should have an item to use for voting. The voting items should not be easily obtained by members; therefore prepare and come with enough voting items. The voting items should be double the number of group members to facilitate voting for the Money Counters.
3. Voting is secret and done out of sight of the members but under the facilitator's (trainer/FO) eye.
4. A voter drops the voting item in the box of his/her choice.
5. Counting is done in the presence of all members.
6. When all of the members have voted, the facilitator confirms that the number of voting items is equal to the number of members.
7. The number of votes/voting items in each box representing different candidates is counted.
8. When the number of votes for each candidate is the same, the group is encouraged to discuss the qualities needed in a candidate once more and vote again.
9. The facilitator declares the winner.

Week 5: Session 2: INTERNAL RULES AND REGULATIONS**MODULE 8****Week 5: Session 2: INTERNAL RULES AND REGULATIONS****AIM**

Guarantee transparent and harmony in YSLA operations

OBJECTIVES

By the end of the session, the participants should be able to:

- Articulate the importance of rules and regulations in an association.
- Explain the elements of internal rules and regulations.
- Develop by-laws for their group.

DURATION

1 hour and 55 minutes

CONTENT	<ul style="list-style-type: none"> • Importance of rules and regulations • Making rules and regulations
METHOD	<ul style="list-style-type: none"> • Brainstorming
MATERIALS	Ballot papers, pens, markers, masking tape, flip charts, chalkboard/chalk sticks, Internal rules and regulations framework
PARTICIPANTS	Youth in their VSLA
NOTE TO THE TRAINER	<p>During the development of internal rules and regulations, ensure active participation of all members and ownership of the set regulations. Avoid influencing and imposing your own rules. Ensure that all set rules are documented and endorsed by all members.</p> <p>Step 1: Introduce the topic on the formulation of internal rules and regulations by asking:</p> <ul style="list-style-type: none"> • What are rules? • Ask them if they belong to any youth structure, let them share what governs them. (15min) <p>Step 2: Supplement the participants’ contributions –use the facilitator’s notes on internal rules and regulations. (5min)</p> <p>Step 3: Ask 3 volunteers to each read a separate story (provided in the facilitator’s notes). Ask rest of the participants to listen. (15min)</p> <p>Step 4: For each story, ask the participants to discuss what the association should have done to avoid these problems. Summarize the discussion by emphasizing that the group needs to set rules governing the security of their property.</p> <p>Step 5: Summarize the discussion by giving practical tips on what members should have done in each of the stories above. Emphasize the importance of rules as a way of preventing such scenarios. (5min)</p> <p>Step 6: Review the elements of the group’s by-laws using the framework in the facilitator’s notes. (10min)</p> <p>Step 7: Divide the participants into 4 groups and issue the following tasks using the constitution guidelines outlined in annex (ii).</p> <p>Group 1: Discuss and generate i) basic information on the association, ii) group objectives, iii) criteria for membership and fines.</p> <p>Group 2: Discuss and generate regulations on i) composition of Management Committee, ii) the election procedure, and the removal of officers from their positions between elections.</p> <p>Group 3: Discuss and generate regulations on i) criteria for loan</p>

disbursement, ii) the conditions for repayment and iii) the criteria for the welfare fund.

Group 4: Discuss and generate regulations on i) meetings, ii) savings, iii) withdrawal of a member and iv) amendments to the internal rules and regulations. (20min)

Note

- Give them adequate time to finish the task.
- Move around the groups and give support where needed.

Step 8: In plenary, ask each group to share what they have generated so that their fellow members can validate and agree. Allow members of other groups to seek clarification/buy-in and make any necessary additions. (40hr.)

Note

- Once the key questions have been answered by the members, after discussion, a regulation is written in its final form.

Step 9: Collect the drafts of the internal rules and work with the association Secretary to finalize it later before the next meeting. Table the draft by-law (with your input) for further discussion in their next meeting. When all members are satisfied, everyone signs, with non-literate members affixing their fingerprints, to ensure that everyone is in agreement with the provisions. (5min)

Step 10: Conclude and inform members that they should come in the next meeting with money to buy shares.

Facilitator's Notes

What are rules and regulations?

Regulations are principles and procedures that describe what the association wants to do, how it will be governed, how the people who govern it will be elected and what their powers will be.

Regulations can also be compiled in a document that lays out the rules or policies that cover the way in which the association's activities (welfare fund, savings and lending) are implemented.

Importance of internal regulations in an association

1. They guide/direct the group towards its objectives and goals
2. They govern the group's YSLA activities.
3. They define rewards and punishments within the group.
4. They constitute a binding document on all the members.
5. They save time in cases of conflict resolution at group level.
6. They help in identification of the group.

Story 1-Relating to loan management

Sarah borrowed USD 100 from the group. The total of her savings was USD 15. She shifted and could not be traced. What should be done?

Story 2-Relating to adherence to internal rules and regulations

Jonny is a member of Twegatte group. He rarely attends meetings, but regularly sends his deposits. Today, Friday, is the funeral of his mother. It is also the group's meeting day. As usual, he has sent his USD 10 deposit with his friend, but he has also asked for a loan of USD 100 to contribute towards food for the funeral. The week before, the group decided to modify the internal regulations. According to the new rules, members rejected Jonny's request for a loan, and returned his USD 10. Why? What happened? Conclude and inform members that they need to set rules on how to deal with certain behaviors and amendments of by-laws.

Story 3-Relating to group leadership regulations

The members of Katukole Association entrusted the association's money and records to the Treasurer, who was a young man with a reputation for honesty. He took the money home in his wallet and always showed up at meetings with the records and with the small amount of spare cash left over after previous meetings. After six months the association's funds began to grow. They had a net worth of USD 1,230 when loans were counted together with cash on hand. The money was enough to meet most people's needs. However, the Treasurer found that he was holding on to US 250 in a cupboard in his parents' house. His father demanded to use a few dollars for his produce business and paid it back, without paying any interest. Later he took USD 50 to buy maize but met some friends and drank with them, using up USD 20 of the funds, which he could not pay back. The Treasurer was desperate, and to try and hide this, he altered the records. However, the Secretary of the association noticed the alterations and accused him of forgery and stealing the association's money. He confessed what had happened and was allowed to remain in the association, but lost his position as Treasurer and his family's reputation was badly affected.

Week 6: First time savings meeting**MODULE 9 FIRST TIME SAVINGS MEETING FOR THE GROUP**

AIM Operationalize the youth enrolment in a YSLA and equip them with relevant skills to manage their transactions

OBJECTIVES By the end of the session, the participants should be able to:

- Articulate the importance of following meeting procedures.
- Identify the types of records needed for members to buy shares and track their savings.
- Demonstrate the ability to make entries in YSLA records.

DURATION 1 hour and 35 minutes

CONTENT

- Meeting procedures
- Record keeping
- Welfare fund
- Savings ledgers

- Members passbooks-savings section
 - The cashbook
- METHOD**
- Lecture,
 - Brainstorming
 - Group work
 - Brainstorming
- MATERIALS** Markers, masking tape, flip charts, chalkboard/chalk sticks,
- NOTE TO THE TRAINER** During the meeting, ensure that the management committee performs its respective roles and emphasize no tolerance to arrears.
- PARTICIPANTS** Youth in their VSLA
- Step 1:** Inform members that this meeting will be the first chance they have to buy shares, therefore it is important for them to understand what is required of them. That they need to know and understand the necessary records and procedures they need to follow (5min).
- Step 2:** Display and explain the different records and their relevance as detailed Annex (iii), figures 1-9 (30 min).
- Step 3:** Using table 9; guide the group through the steps to follow as they buy shares for the first time (1 hr).
- Step 4:** The Record-keeper enters Social Fund and Loan Fund data in the notebook at the end of every meeting (10 min).
- Note:** This training module must be repeated during every savings meeting as part of the meeting procedures and the management of the different records.

Table 9: Procedures for first savings meeting

Meeting step	First savings meeting – Procedures
1 Meeting opening	<ul style="list-style-type: none"> • The Chairperson calls the meeting to order • The Chairperson tells the Record-keeper to perform a roll call, by member number • The Key-holders are called on to open the box, which remains in front of the Box-keeper, and the materials are taken out and placed in front of the Record-keeper • The fines bowl is placed in front of the Chairperson, so that fines can be collected during the meeting • The Record-keeper calls each member in number order to the front and gives them

Meeting step	First savings meeting – Procedures
	<p>their number card</p> <ul style="list-style-type: none"> • The Record-keeper writes their name and number on a passbook but does not give the passbook to the member
2. Social Fund	<ul style="list-style-type: none"> • The Chairperson tells the Record-keeper to conduct the Social Fund activities and reminds the members of the amount they must contribute • The Record-keeper calls each member, by number, to give their Social Fund contributions to the Money-counters • When the member comes forward, they give their Social Fund contribution to the Money-counters and are given their passbook • Both Money-counters confirm that each member has given the right amount and place it in the money-counting bowl, announcing the amount • The Record-keeper notes down each member’s contribution in the notebook • When everyone has contributed, the Money-counters count the total amount in the money-counting bowl and announce this to the members • The Record-keeper then verifies that this amount corresponds to the total value of Social Fund contributions written in the notebook • The Record keeper records this amount in the ‘Cash in the Social Fund’ section in the note book • The Record keeper says that everyone should remember this amount for the next meeting • The Social Fund money is then replaced in its draw-string bag and put back in the cash box

Meeting step	First savings meeting – Procedures
3 Savings	<ul style="list-style-type: none"> • The Chairperson tells the Record-keeper to conduct the savings activities • The Record-keeper calls each member to the front by their number • Each member comes to the front and buys between 1 - 5 shares, giving the money to the Money-counters and their passbook to the Record-keeper • The Money-counters count the money saved by each member, place it in the money-counting bowl and <u>announce the amount and the number of shares</u> that have been purchased by the member • The Record-keeper notes down each member's contribution in the notebook • The Record-keeper stamps the number of shares into the passbook and crosses out any unused blocks and notes down each member's shares in the notebook • <u>The member then checks that the number of shares stamped in the passbook is correct</u> • Once all the members have made their contributions, the Chairperson tells the Money-counters to remove the cash from the money-counting bowl and to count it • The Record-keeper then verifies that this amount corresponds to the value of the number of shares written in the notebook • The Record-keeper then tells the VSLA that this money constitutes their Loan Fund, but that no loans will be given until 2 savings meetings have been completed, after which loans will be available at every meeting • The Record keeper records this amount in the 'Cash in the Loan Fund' page in the note book • The Money-counters place the Loan Fund in its draw-string bag and put it in the cash box
4 Closing balances	<ul style="list-style-type: none"> • The Chairperson takes the notebook from the Record-keeper and announces the total amount in the Social Fund, innstructing all members to memorise it for the next meeting • The Chairperson announces the total of the Loan Fund once again, and instructs all members to memorise it for the next meeting • The Chairperson then asks the Key-holders to lock the box
5 Closing	<ul style="list-style-type: none"> • The Chairperson invites members to discuss any other subject that may be of interest • The Chairperson announces the date and time of the next meeting • Once discussion is complete, the Chairperson closes the meeting

Week 7: Loans and debt management

MODULE 10	LOANS AND DEBT MANAGEMENT
AIM	Enable youth acquire skills and knowledge on loan use and management.
OBJECTIVES	By the end of the module, the following should be attained: <ul style="list-style-type: none"> • Analyze their past experiences with loans. • Describe the conditions for securing a loan. • Articulate ways of managing debt • Articulate the reasons for charging interest.
DURATION	1 hour 35 minutes
CONTENT	<ul style="list-style-type: none"> • Attributes of a loan • Experience with loans • Securing and managing a loan/debt
METHOD	<ul style="list-style-type: none"> • Question and answers , Brainstorm , Lecture, Storytelling , Group discussion
MATERIALS	<ul style="list-style-type: none"> • Flipcharts /Chalkboard, Masking tape, Markers /chalk sticks
NOTE TO THE TRAINER	During the discussion, emphasize that it is more meaningful to access a loan for productive rather than consumption purposes. All members have equal opportunities to access loans from the group.
PARTICIPANTS	Youth in their VSLA
	<p>Step 1: Ask the participants to explain what a loan is. Record their responses for plenary discussion. (10 min)</p> <p>Step 2: Provide an additional explanation on the term. (5 min)</p> <p>Step 3: Ask the participants to form groups of 8 and reflect on their past experiences related to loans. Ask them to answer the following questions:</p> <p>Tasks</p> <ol style="list-style-type: none"> 1. What are the good and bad experiences you have heard with loans? 2. How do young people access loans in this community? (Probe for the process and rules and where loans are obtained).(20 min) <p>Step 4: In plenary, allow groups to present their discussions.</p>

Summarize and emphasize that for every borrower, debt is a risk. If you cannot repay your loan, there will be consequences! (30 min)

Step 5: Introduce the concept of interest. To help the participants understand better this concept, read story 1 about Charlie in the facilitator's notes. (2 min)

Step 6: Using the following questions, discuss what interest is and why it is charged and paid.

- What have you learnt from the story?
- Why did Charlie return the radio with a new pair of batteries?
- If you are Jones, how would Charlie's behaviour affect you?
- Is there any relationship between this story and interest? (10 min)

Note: To avoid misunderstandings of a social or religious nature, as a facilitator you must use tact when explaining to the participants that interest is only recognition that the borrower accords the creditor in repaying a little more than was borrowed. The facilitator should look for stories that are appropriate to the culture and the region when explaining interest.

Step 7: Provide a short explanation of what interest means in money matters and why money loaned attracts interest (see facilitator's notes). (5 min)

Step 8: Introduce the concept of debt management. Start by requesting one of the participants to read story 2 about Michael in the facilitator's notes. (2 min)

Step 9: In plenary discussion, ask the following questions about the story:

- Where did Michael go wrong?
- What do you think happened with the loan?
- Was he able or not able to repay the loan and why?
- What would you have done differently? (10 min)

Step 10: Ask the participants how they have been managing their debts. Summarize their responses by emphasizing that their management practices affect their saving/investment capacity and practices. (10 min)

Facilitator’s Notes

Loan Concept

A loan is anything and especially money that is given and is expected to be paid back with interest / service charge within a given period of time

Source of loans

Loans can be got from an individual (relatives/friends), a SACCO, a micro-finance institution (MFI), a bank or a group, Shylocks/moneylenders or goods and services from a shop or a supplier.

Types of loans

There are different types of loans in communities, e.g. money, seeds and animals.

Consumption– These are loans spent on consumables and social obligations such as food, drinks, illness, weddings, funerals and the purchase of household items.

Productive/ investment loans – These are loans used for investment. They generate more income.

School Fees Loan - This loan is meant for urgent need to pay school, college and university fees for self or for dependant.

Emergency Loans: These are loans that cater for any emergent issues such as sudden hospitalization, court fines or even death.

Characteristics of a loan

- Must be paid back
- There must be an agreement , agreement can either be verbal or written and stipulates the loan conditions like repayment period, interest rate/ service charge, and security (collateral)
- A loan has repayment conditions that specify how long it will be before the loan is repaid, how it will be repaid (installments or in lump sum) and if it attracts interest or not
- In a YSLA, members’ savings are a source of loan capital, and members must agree on standard conditions – a set of rules – to avoid favoritism or disagreement. It is always good to document the payment modalities and conditions that members can from time to time refer to.
- Emphasize that when one borrows money, one enters the world of debt. It has rules, players and strategies. The best thing you can do is to learn how to use the debt well.
- Typically, loans can be secured or non- secured. A secured loan involves pledging an asset as collateral/ security for the loan. The collateral is taken to off- set the loan in case of default/ failure to repay the loan. This is why women and youths in most cases do not access loans from financial institutions, they lack security and there is always fear of the financial institutions coming for the pledged assets.
- Non –secured loan; this is a loan given without the pledge of secured, it is very rare, but the most preferred. If the borrower does not pay back the unsecured loan, the lender doesn’t have the right to take anything in return.

Reasons why young people borrow

- To pay for predictable expenses such as school fees and study tours.
- To cope with unexpected emergencies like illnesses.
- To buy an asset like a telephone set.
- To start or expand an enterprise.
- To give to their parents.
- To give to their friends and lovers.

The Concept of Interest

Story 1

Charlie's friends were coming to visit him. He wanted to entertain them with the recent hits but he had no radio. So Charlie decided to borrow one from his neighbor Jones. Charlie entertained his friends and they danced for some good time. The following day, Charlie returned the radio to Jones with a new pair of batteries.

What is interest?

An interest rate is the percentage of principal charged by the lender for the use of its money. The principal is the amount of money lent. Interest rate is charged to encourage members/ people make more deposits. For example, in YSLA, all the interest / service charge earned is paid back to the members.

It is money paid back in addition to the initial money that was borrowed. Interest is a means of thanking the lender for the use of the money.

In a YSLA, the money loaned belongs to other members and, therefore, attracts interest. This interest is a token of appreciation to the members who have made their money available to the borrower, and it is a way of increasing the value of each member's share. In other words, when interest is paid, the borrower is increasing her/his own savings. Explain that in formal banking institutions, interest is always paid on loans

Reasons why interest should be paid on money borrowed

- The lender cannot use the money lent out to generate more money. Therefore, the interest earned compensates the lender.
- The money is losing value while it is being borrowed because of inflation. The borrower has to pay some money to cover this loss.

For the YSLA, the interest charged belongs to the association and is not lost to the members (as it would be if they had borrowed from a bank). It ends up back in their pockets as returns on their savings at the time of share-out.

Loan Appraisals:

Review the loan requests by asking the loan applicants to answer some of the following questions;

- Amount of loan requested
- Look at the total savings
- Purpose of loan
- Breakdown of loan utilization

For investment loans;

- Current stock
- Debts owed to and by business
- Number of employees

Debt Management Concept

Story 2

Twenty-three-year-old Michael had for a long time thought of starting a chicken business since there was high demand for chickens in his village and less supply. Michael belongs to one of the Youth Savings Loans groups from which he decided to take a loan of KSh.10, 000 to initiate the business which, according to his calculation, was sufficient to set up the chicken structure and 20 birds to begin

with. Upon receiving the loan, Michael's fiancée paid him a visit and he decided to take her out for a treat at a nearby resort where KSh.7, 000 was spent. His mother also had a funeral to attend and requested him to help her with KSh.2000, which he did.

Reasons why people are unable to repay their loans

- The business invested in does poorly or not as well as expected.
- Loan money meant for business is spent on personal purchases (i.e. hair, clothes).
- Loan money meant for business is taken by a spouse or other family member (i.e. husband takes loan money and spends on social activities).
- Theft.
- The borrower has an illness that keeps her/him from working.
- Natural disasters or "acts of God".
- Loan money is diverted to deal with a household emergency.
- The borrower follows risky business practices like selling on credit.
- The borrower does not keep track of the loan repayment schedule.

Consequences of not repaying a loan can include the following:

- Your property may be seized (guarantee or security lost).
- You may need to pay penalties and fees.
- It may be difficult for you to get another loan in the future, or get a more costly one.
- You will feel embarrassed among your family and community (loss of face).
- You could be listed as a risk with the Credit Reference Bureau which will limit your ability to borrow from any institution.
- Members lose their money lent to you

How to minimize debt

- Use your loan for the reason that you borrowed for.
- Use the loan for a productive purpose, rather than for consumption.
- Know your capacity to borrow, and use it as a guide.

Week 8: First time loan disbursement meeting

MODUE 11

FIRST TIME LOAN DISBURSMENT MEETING

AIM	Equip the youth with relevant skills to acquire and manage loans from YSLA
OBJECTIVES	<p>By the end of the session, the participants should be able to:</p> <ul style="list-style-type: none"> • Explain the processes and procures of loan disbursements in YSLAs. • Identify the loan records needed in a YSLA. • Demonstrate the ability to make entries in YSLA records
DURATION	2 hours
CONTENT	<ul style="list-style-type: none"> • Loans • Amount to be borrowed • Members passbook loan section
METHOD	<ul style="list-style-type: none"> • Lecture, Brainstorming, Group work
MATERIALS	<ul style="list-style-type: none"> • Markers, masking tape, flip charts, chalkboard/chalk sticks
NOTE TO THE TRAINER	During the discussion, emphasize that access to loans should adhere to group set regulations. Train the group on member’s passbook loan section
PARTICIPANTS	<p>Youth in their VSLA</p> <p>Step 1: Inform members that this is the first time that members can borrow and explain what this means (5 mins).</p> <p>Step 2: Display and explain the different records and their relevance as detailed in annex 2 – figures 10-11 (30 mins)</p> <p>Step 3: Using table 10; guide the group through the steps as buy shares but also disburse loans for the first time (1 hr. 25 mins).</p>

Table 10: Meeting Procedures for first loan meeting

Meeting step	First Loan Meeting – Procedures
1	Follow table 9 of the first savings meeting up to step 3.

- 4 Loan Disbursement**
- The Chairperson invites loan requests, reminding members of the maximum loan term (3 months) and maximum loan amount (3 times the member's savings)
 - Members needing loans make their requests, stating how much they need, the purpose of the loan and how long they need it for
 - The Record-keeper checks to see that the member has saved at least 1/3 of the amount they want to borrow. If they have not saved enough they must reduce the amount of their request
 - The Record-keeper calculates the total value of the loans requested
 - If the total requested is more than the money available in the Loan Fund (the money in the money-counting bowl), the VSLA must discuss adjustments to the loan amounts until all members are satisfied
 - The Record-keeper calls each borrower forward in order of their number
 - The Record-keeper enters the Date of loan disbursement and the Date by which the loan must be repaid at the top of the page
 - The Record-keeper calculates the service charge payable for the whole loan period of 12 weeks. In the case of groups that do not wish to charge interest, the Record-keeper enters a zero
 - The Record-keeper makes a total of the loan amount and the service charge (if any) and enters this in the Total due box, telling the member that they must repay this amount within 12 weeks
 - The Record-keeper tells the Money-counters to give the borrower the loan amount
 - The borrower counts the money, and signs the passbook,
 - The Record-keeper tells the borrower to announce the total amount due and by what date it will be repaid
 - This process is repeated until all loans have been issued
 - The Record-keeper tells the Money-counters to count the money remaining in the money-counting bowl and announce it to the members
 - The Record-keeper records this amount in the 'Cash in the Loan Fund' page in the note book
 - The Record-keeper says that this is the current value of their Loan Fund
 - The Money-counters then put the Loan Fund in its draw-string bag and return it to the cash box
- 5 Closing balances**
- The Chairperson takes the notebook from the Record-keeper and announces the total amount in the Social Fund, instructing all members to memorise it for the next meeting
 - The Chairperson announces the total of the Loan Fund once again, and instructs all members to memorise it for the next meeting
 - The Chairperson then asks the Key-holders to lock the box
- 6 Closing**
- The Chairperson invites members to discuss any other subject that may be of interest
 - The Chairperson announces the date and time of the next meeting
 - Once discussion is complete, the Chairperson closes the meeting

Week 10: Conflict and management of conflict

MODULE 12**Conflict and Management of Conflict**

AIM	To introduce YSLA members to the common problems in YSLA operations and expose them to the different conflict resolution tools
OBJECTIVES	By the end of the session, the participants should be able to: <ul style="list-style-type: none"> • Explain the meaning of conflict within their context. • Articulate the importance of understanding and resolving conflict in their association.
DURATION	1 hrs. 10 min
CONTENT	<ul style="list-style-type: none"> • Meaning of conflicts • Common conflicts in YSLAs • Resolving conflicts
METHOD	<ul style="list-style-type: none"> • Buzzing, • Question-and-answer, • Reflection
MATERIALS	<ul style="list-style-type: none"> • Flipcharts /Chalkboard • Masking tape • Markers /chalk sticks
NOTE TO THE TRAINER	During the discussion emphasize that adherence to the internal rules and regulations mitigates conflicts and misunderstandings within the group.
PARTICIPANTS	Youth in their VSLA

Step 1: In buzz sessions, ask the members what they understand by the term “conflict”. Let them share examples of the conflicts they may have experienced in the past. (5min)

Step 2: To illustrate further the meaning of conflict, ask a volunteer to come up and read out the story below:

Then ask the following questions after the story to draw lessons:

- What do you think of this story?
- What do you think Max should have done?
- Did the members of the group react well?
- What should the members of the group have done?
- Why did it happen? Distribute the responsibility.
- What could a group propose as a solution?
- What could a Management Committee do to avoid this kind of problem?

- What could the participants do to avoid this kind of problem? (15min)

Step 3: Ask the members to come to a conclusion. Then try to draw out that the members failed to fulfill their responsibilities and the committee their roles.

Then explain that when a problem arises, it is better to discuss it in the group rather than let the situation become acrimonious. (10 min)

Step 4: Ask members to reflect on the use of their own internal rules, discuss and answer the following questions:

Task

- What difficulties have you encountered in the course of your meetings?
- How have you been resolving those difficulties?(15 min)

Step 5: Ask the members to revisit their internal regulations and see if they have set some rules to handle the problems of conflict and undesirable behavior in the group. If not, they can develop some in this meeting and include them in their rules. (20 min)

Step 6: Supplement their presentations and views with further explanations of how conflicts are solved. (5min)

Facilitator’s Notes

Story 1 - Theme: Importance of Understanding and Solving Conflicts

In Tukolerwamu group, one member, Max, had borrowed USD 100 from the group. A large part of this money went on his marriage expenses. At the end of the three-week loan repayment period, Max decided not to attend the meeting, as he did not have the money required to reimburse the loan (USD 110). The next day at the football pitch, he overheard two members of the group discussing his case with other community members. At home, his half-brother, having also overheard, mocked him. Max realized that his story had made rounds of the village and decided to put a stop to it. He borrowed the money he needed from someone in the village to reimburse the group, paid off his loan and withdrew his membership from the group.

Tips on Conflict Resolution

- Find the real cause.
- Evaluate the consequences of the problem.
- Discuss the problem in order to find a solution.
- Explain to the members that a problem is like a tree: it has roots, a trunk and branches:
 - The source (the roots of the tree)
 - The main cause (the trunk)
 - The consequences (the branches)
- The consequences (the branches) need to be understood. Give the following examples: a member’s frustration and, therefore, a decrease in motivation can break up the group. If the

source is known, that is where the problem should be attacked.

Conflict Resolution Skills

For any conflict to be resolved, the mediator and the conflicting parties ought to be interested in resolving it. The mediator has to understand his/her special role and the importance of neutrality. Creating a favorable environment for working together towards resolution, dovetailing different interests, and working together towards new balances, agreements and contracts are fundamental for any resolution. The mediator is free to employ one approach or a set of the approaches listed below in order to resolve any conflict:

The win/win approach

A new look at conflict and cooperation, and the possibility of mutual gain.

Creative response

Seeing conflicts as opportunities. Although conflicts are often viewed as crises, they can also be considered opportunities for positive change.

Empathy

Seeing the other person's point of view. Recognizing the motivations underlying the apparently uncooperative behavior of others.

Appropriate affirmation

Knowing your needs and rights and stating them clearly. The mediator informs the parties of choices from which the parties can choose the most appropriate action for both of them.

Dealing with emotions

Controlling your own frustration and anger and dealing with them in others.

Willingness to find a solution

Understanding the role of resentment in hindering successful negotiations.

Summary and Conclusion

Then summarize the conflict resolution training and tell the association that the next meeting will be the first opportunity that the membership will have to save and to borrow actual cash and that everyone should prepare themselves for the meeting with their savings contributions and welfare fund contributions. Asks if they have any questions.

Thank the members for their participation and close the meeting.

Week 12: First loan repayment meeting

MODULE 13**FIRST LOAN REPAYMENT MEETING**

AIM	Equip the youth with relevant skills to acquire and manage loans from YSLA
OBJECTIVES	By the end of the session, the participants should be able to: <ul style="list-style-type: none"> • Explain the processes and procedures of loans repayments • Identify the types of records needed for loan repayment. • Demonstrate the ability to make loan repayment entries in YSLA records
DURATION	2 hrs. 10 min
CONTENT	<ul style="list-style-type: none"> • Loan records identification • Loan entry management
METHOD	<ul style="list-style-type: none"> • Lecture, Brain storming, Group work
MATERIALS	<ul style="list-style-type: none"> • Flipcharts /Chalkboard, Masking tape, Markers /chalk sticks
NOTE TO THE TRAINER	This meeting takes place during the fourth week after the first loan disbursement. Although sometimes there can be early loan repayment, the first loan repayment should stick to four weeks as it is tied to the training. During the meeting, ensure that loan repayment adheres to the set group regulations.
PARTICIPANTS	<p>Youth in their VSLA</p> <p>Step 1: Inform the members that this meeting will be the first time that the Association will receive loan repayments and mention to them what is required of them (5mins).</p> <p>Step 2: Display and explain the different loan records and their relevance as detailed in annex 2. (30 mins)</p> <p>Step 3: Using table 11; guide the group through the steps as they do they buy saving shares for the first time (1 hr).</p> <p>Step 4: Refresh members on how Social Fund, savings and loan records are kept (30 mins)</p> <p>Step 5: Inform members that in all meetings from now on, the group should uses Table 11 as meeting procedures (5mins)</p>

Table 11: Meeting Procedures for a loan meeting with first loan repayments

Meeting step	Loan Meeting with First Loan Repayments – Procedures
	Follow table 10 of the first savings meeting up to step 4.
5 Loan repayment	<ul style="list-style-type: none"> • The Chairperson tells the Record-keeper to conduct loan repayment activities • By referring to each member’s passbooks, the Record-keeper identifies the borrowers and the amounts due • Each borrower is asked if a payment will be made in the meeting and, if so, the money is given to the Money-counters <i>who announce the amount</i> and place it in the money-counting bowl • The Record-keeper enters the payment amount in the borrower’s passbook in the ‘Paid’ box • The Record-keeper then calculates the remaining balance due and enters it in the ‘Balance’ box in the passbook • The borrower then signs in the space provided • If the remaining balance due is zero, the Record-keeper signs the passbook and says that the loan is repaid, cancelling the loan with a diagonal red line drawn through the entire page
6 Calculating the new Loan Fund balance	<ul style="list-style-type: none"> • The Chairperson then tells the Money-counters to remove the cash in the money-counting bowl and to count it • The Record-keeper then uses a calculator to add this sum to the money in the Loan Fund bag and announces the total to the YSLA • The money in the Loan Fund bag is then physically combined with the money in the money counting bowl • The Record-keeper then tells the YSLA that this is the money available for lending in this meeting

Meeting step	Loan Meeting with First Loan Repayments – Procedures
7 Loan taking	<ul style="list-style-type: none"> • The Chairperson invites loan requests, reminding members of the maximum loan term (3 months) and maximum loan amount (3 times the member’s savings) • Members needing loans make their requests, stating 1 How much they need, 2 the purpose of the loan 3how long they need it for • The Record-keeper checks to see that the member has saved at least 1/3 of the amount they want to borrow If they have not saved enough they must reduce the amount of their request • The Record-keeper calculates the total value of the loans requested • If the total requested is more than the money available in the Loan Fund (the money in the money-counting bowl), the VSLA must discuss adjustments to the loan amounts until all members are satisfied • The Record-keeper calls each borrower forward in order of their number • The Record-keeper enters the Date of loan disbursement and the Date by which the loan must be repaid at the top of the page • The Record-keeper calculates the service charge payable for the whole loan period of 12 weeks In the case of groups that do not wish to charge interest, the Record-keeper enters a zero • The Record-keeper makes a total of the loan amount and the service charge (if any) and enters this in the Total due box, telling the member that they must repay this amount within 12 weeks • The Record-keeper tells the Money-counters to give the borrower the loan amount • The borrower counts the money, and signs the passbook, • The Record-keeper tells the borrower to announce the total amount due and by what date it will be repaid • This process is repeated until all loans have been issued • The Record-keeper tells the Money-counters to count the money remaining in the money-counting bowl and announce it to the members • The Record keeper records this amount in the ‘Cash in the Loan Fund’ page in the note book • The Record-keeper says that this is the current value of their Loan Fund • The Money-counters then put the Loan Fund in its draw-string bag and return it to the cash box
8 Closing balances	<ul style="list-style-type: none"> • The Chairperson takes the notebook from the Record-keeper and announces the total amount in the Social Fund, innstructing all members to memorise it for the next meeting • The Chairperson announces the total of the Loan Fund once again, and instructs all members to memorise it for the next meeting • The Chairperson then asks the Key-holders to lock the box
9 Closing	<ul style="list-style-type: none"> • The Chairperson invites members to discuss any other subject that may be of interest • The Chairperson announces the date and time of the next meeting • Once discussion is complete, the Chairperson closes the meeting

MODULE 14

(week 33rd or 50th
for YSLAs
operating on 8 and
12 months cycles
respectively)

ACTION AUDITING

AIM	To equip the youth with skills to effectively manage the end of cycle/action audit processes.
OBJECTIVES	By the end of the session, the participants should be able to: <ul style="list-style-type: none"> • Explain the importance of action audit. • Articulate the steps followed during action audit.
DURATION	2 hrs.
CONTENT	<ul style="list-style-type: none"> • Computation of a new share value and interest earned • Group and individual members pass books audit • Planning for the next cycle
METHOD	<ul style="list-style-type: none"> • Lecture, brain storming and question and answer
MATERIALS	<ul style="list-style-type: none"> • Flipcharts /Chalkboard, Masking tape and Markers /chalk sticks
NOTE TO THE TRAINER	This training is conducted one month towards action audit or end of the savings cycle. During the session, ensure that steps articulated for action audit are followed to minimize losses, misunderstanding or even group disintegration.
PARTICIPANTS	Youth in their VSLA
	<p>Step 1: Ask the members what they understand by the term “action audit”/”share out”. (Note on the flip chart their responses or discuss orally). (5 min)</p> <p>Step 2: In plenary, refer to their group records and explain the key records used during action audit. (10 min)</p> <p>Step 3: Explain the steps followed during the action audit exercise. At each stage, allow the members to ask questions and answer them satisfactorily.</p> <p>Step 4: Conclude the session. Tell them that in the next few days, you will work with the Management Committee to prepare records for the group’s first action audit.</p>

Facilitator's Notes

Towards action audit, the group adjusts its loan periods to fit in the scheduled end of cycle, i.e. from three months to two, and later to one. This is done to allow all borrowers to pay back their loans before the end of the cycle.

One week towards the end of cycle, i.e. when the group has completed all of the welfare fund, savings, loan recovery and fines procedures, the Chairperson calls on the Money Counters to count the total amount of money in front of the members.

The Social Fund is counted, the amount announced and put away. It does not get shared out

While the Money-counters are counting, the Record-keeper takes the passbooks and counts the total number of shares of the VSLA

The Secretary then announces that this money will be saved out amongst the members in the next meeting. S/he, first of all, discusses with the members how much, if any, of the money will remain in the association's fund, so as to kick-start lending at a higher level during the next cycle. The members must all agree on this and the money is set to one side.

If any member owes the association money (from loan arrears), the amount equal in value to his/her debts is recovered by cancelling in his /her shares in the Passbook as shown in figure 8, annex 2. In this way the defaulting member is penalized, because the cancellation of the savings means that he/she will not receive the profit on those savings, but only the savings remaining.

Once the Money-counters are finished, the Secretary uses the calculator to divide the total of the Loan Fund by the total number of shares as the formula for determining the new single share value. For Example:

Total money to be shared _____

Total stamps in all members passbooks

The value got is the new value for the symbol/stamp. For example:

Table 12: Share Value

Total money to be shared	Total stamps/shares	Value of 1 share
2100	350	6

Next, the Secretary multiplies the number of shares in each passbook by the value of one share (S)he then announces the number of shares and the amount, *rounding down by the smallest unit of currency* For example, if Kakenga Moses had 10 stamps in his passbook, to get his actual amount to be shared the Secretary does the following: (USD \$6 x 10 stamps = \$ 60).

(S)he then asks the Money-counters to count out the amount and place it in each member's passbook, which is set aside

The Secretary then cancels all of the members' shares by drawing a large cross on each page of the passbook on which there are share stamps. This is done to all passbooks.

All members are given their passbooks with all the money. It is very important that every member verifies his or her money in front of others.

A table has been drawn below that shows individuals' savings and amounts to be shared:

Table 13: Individuals' Savings

Member's No.	Member's Name	Amount Saved (USD)	Total Number of Stamps	New stamp Value (USD)	Amount Shared (USD)
1	Byaruhanga Costantine	150	30	6	180
2	Rusoke Baguma Justus	50	10	6	60
3	Niyibizi Martin	250	50	6	300
4	Bwambale Zakayo	85	17	6	102
5	Masika Stella	50	10	6	60
19 ↓	TOTAL	1,750	350		↓ 2,100

Annex I: YSLA Management Committee Training

Topic 1: Group leadership

- Qualities of a good YSLA leader.
- Roles and responsibilities of a YSLA leadership team.

Topic 2: VSLA meeting procedures

Topic 3: Conflict resolution

Refer to training session 6 on conflict resolution and during this session, using examples, discuss in detail how the methods proposed can be used by the management team.

Topic 4: Group Records

Annex II: Constitution framework

Part 1: VSLA governance

1 BASIC INFORMATION ON THE VSLA

- Name of the VSLA _____
- Address: _____
- The VSLA was formed on (date): _____

2 OBJECTIVE OF THE VSLA

- The purpose of the VSLA is to be an independent, sustainable provider of savings, credit and social support to its members

3 WHO MAY BE A MEMBER OF THE VSLA?

- Lower age limit _____
- Gender _____
- Residence _____
- Other common circumstances _____

4 COMPOSITION OF THE MANAGEMENT COMMITTEE

- Chairperson
- Record-keeper
- Box-keeper
- Money-counters

5 ELECTION PROCEDURES

- Elections must be held at the beginning of each new cycle, or annually, whichever is sooner

- The minimum number of people that must stand for each position is 2
- The minimum number of members who must be present to hold an election is:
- The election procedure will use a system that allows everyone’s vote to be secret
- A candidate for any position must be proposed by another member and cannot nominate themselves

6 REMOVAL OF OFFICERS FROM THEIR POSITION BETWEEN ELECTIONS

- Any member of the Association may, at any time, request a vote of no confidence against a member of the Management Committee
- The Committee member must resign if the majority of members vote to remove him/her
- An election is required to fill the vacant position

7 MEETINGS

- To buy shares the VSLA will meet every _____ (week or two weeks)
- Shares will be bought at every meeting
- Loans may also be disbursed and repaid at every meeting after the first loan disbursement in the 4th week of a cycle
- The VSLA will conduct a share-out every year in which members will receive all of their savings and any profit the group may have made

8 MEMBERS LEAVING THE VSLA

If a member leaves before the cycle is finished, the money they have used to purchase shares will be returned to them, minus any loan balance, Social Fund arrears and fines that they owe

9 EXPULSION FROM THE VSLA

The reasons for which a person should be expelled from the VSLA are:

10 FINES

The following table lists the fines that will be charged

Reason for the fine	Amount
Failure to attend a meeting without notification	
Late to a meeting	
Not remembering VSLA rules	

Forgetting a key to the box	
Chatting through the proceedings	
Not remembering Loan Fund and Social Fund balances from the last meeting	
Failure of a member of the Management Committee to perform their duties	
(other)	
(other)	

11 AMENDMENTS TO THE CONSTITUTION

- 2/3 of the members must agree before the Constitution can be changed
- Any member can propose an amendment to the Constitution after _____ months

Part 2: Services offered by the VSLA

1 SAVINGS

- Members may buy 1 – 5 shares in each meeting
- The purchase price of a share will be: _____
- Members may contribute an equal agreed-upon amount at the start of every future cycle to speed up the growth of the loan portfolio *Only at this moment in the cycle*, the number of start-up shares can be more than 5 shares per member

2 LENDING

- The maximum amount that anyone can borrow is three times the value of their savings
- The maximum length of a loan term is twelve weeks
- The service charge on a loan will be _____% for the twelve weeks (3 months) of the loan
- A member must repay a loan before (s)he can take another
- If a member dies and has a loan remaining unpaid, it will be treated as follows:

- The highest priority for loans will be given for: _____
- The second highest priority for loans will be given for: _____
- The third highest priority for loans will be given for: _____

3 SOCIAL FUND

- The Social Fund is for grants only No loans will be made from the Social Fund
- The Social Fund contribution, per member, per meeting will be: _____
- Donations to the VSLA will be invested in the Social Fund
- All fines will be invested in the Social Fund
- All benefits paid by the Social will be agreed on a case-by-case basis by all of the members after discussion, but benefits paid to each member will be the same for similar cases

Name: _____ Signature: _____

Annex III: Meeting Procedures for a loan meeting with first loan repayments

Meeting step	Loan Meeting with First Loan Repayments – Procedures
1 Meeting Opening	<ul style="list-style-type: none"> • The Chairperson calls the meeting to order • The Chairperson tells the Record-keeper to perform a roll call, by member number • The Key-holders are called on to open the box, which remains in front of the Box-keeper, and the materials are taken out and placed in front of the Record-keeper • The fines bowl is placed in front of the Chairperson, so that fines can be collected during the meeting

Meeting step	Loan Meeting with First Loan Repayments – Procedures
2. Social Fund	<ul style="list-style-type: none"> • The Chairperson tells the Record-keeper to conduct the Social Fund activities and reminds the members of the amount they must contribute • The Record-keeper asks the members to recall the balance • The Money-counters remove the money from the Social Fund bag, place it in the money-counting bowl, count it, and announce the amount, which is put back in the Social Fund fund bag and set aside • The Chairperson says that contributions will be made to the Social Fund • The Record-keeper calls each member, by number, to give their Social Fund contributions to the Money-counters • When the member comes forward, they give their Social Fund contribution to the Money-counters and are given their passbook • Both Money-counters confirm that each member has given the right amount and place it in the money-counting bowl, announcing the amount • The Record-keeper notes down each member's contribution in the notebook and in the Social Fund contribution page of the member's passbook • When all contributions are completed, the Money-counters count the total amount in the money-counting bowl and announce the amount • The Record-keeper then verifies that this amount corresponds to the total value of Social Fund contributions written in the notebook • The Record-keeper then asks if anyone needs help from the Social Fund Members in need make their request to the VSLA • If a majority of the members approve, the money is handed over • Once this is done, the Money-counters count the total amount remaining • The Record-keeper uses the calculator to add this sum to the value of the money in the Social Fund bag • The Record-keeper records this amount in the 'Cash in the Social Fund' section in the notebook • The Record-keeper says that everyone should remember this amount for the next meeting • The new Social Fund money is then put in the draw-string bag and put back in the cash box

Meeting step	Loan Meeting with First Loan Repayments – Procedures
3 Savings	<ul style="list-style-type: none"> • The Money-counters then remove the money from the Loan Fund bag, place it in the money-counting bowl, count it, and announce the amount • The money is put back in the Loan Fund fund bag which is set aside • The Chairperson says that members will now buy shares • The Record-keeper calls each member to the front by their number • Each member comes to the front and buys between 1 - 5 shares, giving the money to the Money-counters and their passbook to the Record-keeper • The Money-counters count the money saved by each member, place it in the money-counting bowl and <u>announce the amount and the number of shares</u> that have been purchased by the member • The Record-keeper notes down each member's contribution in the notebook • The Record-keeper stamps the number of shares into the passbook and crosses out any unused blocks and notes down each member's shares in the notebook • <u>The member then checks that the number of shares stamped in the passbook is correct</u> • Once all the members have made their contributions, the Chairperson tells the Money-counters to remove the cash from the money-counting bowl and to count it • The Record-keeper then verifies that this amount corresponds to the value of the number of shares written in the notebook
4 Loan repayment	<ul style="list-style-type: none"> • The Chairperson tells the Record-keeper to conduct loan repayment activities • By referring to each member's passbooks, the Record-keeper identifies the borrowers and the amounts due • Each borrower is asked if a payment will be made in the meeting and, if so, the money is given to the Money-counters <u>who announce the amount</u> and place it in the money-counting bowl • The Record-keeper enters the payment amount in the borrower's passbook in the 'Paid' box • The Record-keeper then calculates the remaining balance due and enters it in the 'Balance' box in the passbook • The borrower then signs in the space provided • If the remaining balance due is zero, the Record-keeper signs the passbook and says that the loan is repaid, cancelling the loan with a diagonal red line drawn through the entire page
5 Calculating the new Loan Fund balance	<ul style="list-style-type: none"> • The Chairperson then tells the Money-counters to remove the cash in the money-counting bowl and to count it • The Record-keeper then uses a calculator to add this sum to the money in the Loan Fund bag and announces the total to the VSLA • The money in the Loan Fund bag is then physically combined with the money in the money counting bowl • The Record-keeper then tells the VSLA that this is the money available for lending in this meeting

Meeting step	Loan Meeting with First Loan Repayments – Procedures
6 Loan taking	<ul style="list-style-type: none"> • The Chairperson invites loan requests, reminding members of the maximum loan term (3 months) and maximum loan amount (3 times the member’s savings) • Members needing loans make their requests, stating 1 How much they need, 2 the purpose of the loan 3how long they need it for • The Record-keeper checks to see that the member has saved at least 1/3 of the amount they want to borrow If they have not saved enough they must reduce the amount of their request • The Record-keeper calculates the total value of the loans requested • If the total requested is more than the money available in the Loan Fund (the money in the money-counting bowl), the VSLA must discuss adjustments to the loan amounts until all members are satisfied • The Record-keeper calls each borrower forward in order of their number • The Record-keeper enters the Date of loan disbursement and the Date by which the loan must be repaid at the top of the page • The Record-keeper calculates the service charge payable for the whole loan period of 12 weeks In the case of groups that do not wish to charge interest, the Record-keeper enters a zero • The Record-keeper makes a total of the loan amount and the service charge (if any) and enters this in the Total due box, telling the member that they must repay this amount within 12 weeks • The Record-keeper tells the Money-counters to give the borrower the loan amount • The borrower counts the money, and signs the passbook, • The Record-keeper tells the borrower to announce the total amount due and by what date it will be repaid • This process is repeated until all loans have been issued • The Record-keeper tells the Money-counters to count the money remaining in the money-counting bowl and announce it to the members • The Record keeper records this amount in the ‘Cash in the Loan Fund’ page in the note book • The Record-keeper says that this is the current value of their Loan Fund • The Money-counters then put the Loan Fund in its draw-string bag and return it to the cash box
7 Closing balances	<ul style="list-style-type: none"> • The Chairperson takes the notebook from the Record-keeper and announces the total amount in the Social Fund, innstructing all members to memorise it for the next meeting • The Chairperson announces the total of the Loan Fund once again, and instructs all members to memorise it for the next meeting • The Chairperson then asks the Key-holders to lock the box
8 Closing	<ul style="list-style-type: none"> • The Chairperson invites members to discuss any other subject that may be of interest • The Chairperson announces the date and time of the next meeting • Once discussion is complete, the Chairperson closes the meeting

Annex IV: Group Records

Figure 1: Notebook/Group Record Book Layout

NAME OF ASSOCIATION: MAPENZI
ADDRESS: Kasese All Saints Church
CHAIRPERSON: Byaruhanga Costantine
SECRETARY: Babwetera Pascal
TREASURER: Masika Stella
YEAR: 2017

Figure 2: Layout of the Register - Example

Member's No.	Member's Name	DATES	
		02/05/09	09/05/09
1	Byaruhanga Costantine	√	√
2	Rusoke Baguma Justus	√	√
3	Niyibizi Martin	√	√
4	Nuwamanya Richard	√	√
5	Bwambale Zakayo	√	√
6	Masika Stella	√	x
	TOTAL	6	5

All of the members' names must be written in the register, which is used to record members' attendance. Members' roll call is normally undertaken at the beginning of each meeting. A register record for a cycle of 12 months should not take up more than two pages of the record book.

Figure 3: The Welfare Fund Ledger

Member's No.	Member's Name	DATES		
		02/05/09	09/05/09	16/05/09
1	Byaruhanga Costantine	2	2	2
2	Rusoke Baguma Justus	2	2	2
3	Niyibizi Martin	2	2	X
4	Nuwamanya Richard	2	2	2
5	Bwambale Zakayo	2	2	2
6	Masika Stella	2	2	2
	TOTAL	12	12	10
	Benefits repayments	0	10	0
	Benefits disbursed	10	0	12
	Balance	2	24	22

Members' names entered in the Welfare Fund Ledger. All members are required to contribute their share of the welfare fund in every meeting, which is recorded in this ledger. Members are allowed to contribute more than the agreed amount in a single meeting and also those who might not be able to top up in the subsequent meeting(s). All contributions collected should be recorded during that particular meeting. The bottom four lines show total individual members' weekly contributions, payouts (loans and grants) taken by members, pay-ins/ reimbursements and the actual balance remaining in the fund. A ledger for a cycle of 12 months should not take up more than nine pages of the record book.

Figure 4: Fines Ledger

Date	Amount
02/05/09	4
09/05/09	2

Figure 5: Member's Passbook Cover Page



Figure 6: Member's Passbook with Savings Stamped In

Single Share Value		USD <u>5</u>	
Cycle Number		<u>1</u>	
Meeting Date		Shares bought per meeting	
2/5/09	★		
9/5/09	★	★	
16/5/09	★	★	★
23/5/09	★	★	★
20/5/09	★	★	
6/6/09			
Starting number of shares		0	
Total number of shares bought this period		11	
Total number of shares redeemed this period		0	
Net shares end period		11	

The starting number of shares is 0 because the member is starting at 0. The total number of shares bought this period refers to the number of stamps the respective member has saved on this particular page (period means page). The total number of shares redeemed this period refers to the number of stamps the respective member has withdrawn on this particular page. The net shares end period refers to the actual total stamps the respective member has after deducting the redeemed ones. A Member's Passbook has two sections, namely the savings and the loans sections. Each member's weekly savings are recorded in the Passbook savings section using a symbol (an arrow, a star or a tree etc.) stamp.

Figure 7: Cancelled Savings at the End of the Cycle

Single Share Value USD $\frac{5}{1}$
 Cycle Number

Meeting Date	Shares bought per meeting				
2/5/09	*				
9/5/09	*	*			
16/5/09	*	*	*		
23/5/09	*	*	*		
30/5/09	*	*			
6/6/09					

Starting number of shares	0
Total number of shares bought this period	11
Total number of shares redeemed this period	11
Net shares end period	0

Figure 8: The Savings Ledger (Savings in USD)

Member's No.	Member's Name	DATE				
		02/05/09	09/05/09	16/05/09	23/05/09	30/5/09
1	Byaruhanga Costantine	5	20	5	10	20
2	Rusoke Baguma Justus	5	10	5	10	15
3	Niyibizi Martin	10	10	5	10	10
4	Nuwamanya Richard	15	10	5	10	15
5	Bwambale Zakayo	5	5	10	10	0
6	Masika Stella	25	10	15	10	20
	TOTAL	65	65	45	60	80
	CUMULATIVE TOTAL	65	130	175	235	315

Savings are mandatory for all members and no arrears are allowed. Members save 1-5 shares per meeting. Pre-recording in subsequent meetings/columns is not allowed. Thus, any missed saving is crossed. The bottom two lines show the total collection from individual members' weekly contributions and the accumulated amount. A ledger for a cycle of 12 months should not take up more than nine pages of the record book.

Figure 9: Member Loan Record - in the Passbook

Interest rate..... 10%

Loan No.	Date	Item	Amount	Signed
1	23/5/09	Loan	90	BZ
		Interest	9	
	20/6/09	Paid	40	Secretary
		Loan	59	
		Interest	5.9	
		Paid		
		Loan		
		Interest		
		Paid		
		Loan		
		Interest		
		Paid		

The example on the left is that of Bwambale Zakayo, who borrowed USD 90 on 23 May 2009. The loan attracts 10%, which is equal to USD 9 interest every month. He signed for the loan when it was received. Appending his signature conceals an agreement that he has received the USD 90 and will pay USD 9 interest every month as long as the principal remains USD 90, no matter how long the loan lasts.

Interest is applied on a reducing balance. For example, if Bwambale Zakayo pays back USD 40, his balance is USD 59 as principal and his interest will be USD 5.9. The loan can only be cancelled when the Secretary strikes out the loan and adds his/her signature or thumbprint to that of the borrower.

Figure 10: Weekly Record of Balances

Date	Item	Amount
02/05/2009	Cash in the box	69
	Cash in welfare fund	2

Figure 11: The Cash Book

Date	What happened	Cash in	Cash out	Balance
02/05/09	Savings	65	0	65
	Fines	4	0	69
09/05/09	Savings	65	0	134
	Fines	2	0	136
16/05/09	Savings	45	0	181
23/05/09	Savings	60	0	241
	Loans taken	0	90	151
20/6/09	Loan repayment	99	0	250

A set of meeting transactions are completed (Savings, Reimbursement, Fines and Disbursements etc.) and recorded in the relevant ledgers, and the totals are entered in the Cash Book. *This record is completed every end of meeting.* Note that reimbursements include interest payments. It is *not* necessary to record them separately because the system is balance-sheet-based and does not need to generate a Profit and Loss Statement – only net worth.

Annex V: YSLA Supervision and Mentoring Phase

This module is focused on both supporting and strengthening YSLA members in the methodology and equipping them with basic life skills. These specifically focus on building the capacity of YSLA members

to perform their roles as a General Assembly as well as a Management Committee. Additionally, it focuses on building their basic skills in budgeting, sexual reproductive health, decision-making, coping with emotions and stress, empathy and communication, business skills development, starting and managing income-generating activities. The module highlights what needs to be done during the intensive monitoring phase, the development phase and the maturity phase. Curricular outlines on these topics are provided in the notes under annex 1

Intensive Monitoring Phase

Routine monitoring activities are undertaken to support and strengthen YSLA operations. These ought to begin immediately after the training phase and last until the trainer undertakes phase assessment and graduates the group to the development phase. During this time, the trainer ensures that the General Assembly as well as the Management Committee are playing their roles. The trainer monitors the group performance against: attendance, saving levels, welfare contributions, loan management, adherence to internal rules and regulations, and meeting procedures. This takes a period of 16 weeks in the first cycle.

During this same period, life skills training in the form of dialogues can be introduced based on the level of YSLA conceptualization of the methodology core principles and best practices. It is advisable to introduce these trainings in the third month of the YSLA operations. These dialogue and mentoring sessions are conducted during YSLA weekly meetings before the commencement of the weekly meeting covering the following:

- Conflict management
- Coping and self-management skills: These include self-esteem, self-awareness, regulating emotions and managing stress.
- Interpersonal skills and making a contribution: These include social responsibility and cooperativeness, empathy, establishing and maintaining relationships, respect and appreciation of others.
- Communication skills: These include expression of thoughts, emotions and motives, values and assertiveness.
- Critical thinking and decision-making skills: These include self-reflection, autonomy, problem-solving, flexible and creative thinking in decision-making.
- Budgeting.
- Sexual reproductive health.

Note: Sequencing of these skills dialoguing will be determined by the skills gap assessment done by the trainer. Intensive phase evaluation outcomes will inform the trainer's focus during the development phase.

Development Phase

This phase take a period of 16 weeks. The trainer continues observing YSLA members' adherence to the methodology principles and best practices and addressing any major emerging issues on a biweekly basis. These may include absenteeism, tolerance to arrears, low loan fund utilization, failure to observe internal rules and regulations, and conflicts that are likely to cause disintegration of the group.

Based on the trainer's assessment, introduce business skill training, especially in groups with low fund utilization, irregular savings and demand from the youth. The trainer should use CARE's approved enterprise skills development training guides such as Selection Planning and Management of Income Generating Activity (SPM)/Enterprise Your life and ABT training guides.

Note: Types of income-generating activities (IGAs) differ for youth in school and those out of school.

Maturity Phase

This phase is meant to prepare the group for graduation/Action Audit. Therefore, the focus should be on reacquainting the General Assembly and Management Committee with their roles and responsibilities.

In this phase, the trainer, together with the youth, should start exploring external mentorship needs and opportunities. These may include:

- Action Audit training
- Attachment to apprenticeship programmes for the out-of-school youth and in-school youth that are in the long holidays.
- Working out mentorship procedures and attaching the youth to different mentors.

Annex VI: Year 2

- Follow-up on the attached apprentices and mentored youth.
- Organise financial services fairs that respond youth financial needs.
- Introduce YSLA topical interactive learning sessions facilitated by role model youth and mentors. Intimate partner violence (IPV), politics, personal hygiene and substance abuse would inspire the youth to live purposeful and productive lives.
- Leadership and power relations would also inspire the youth to live purposeful and productive lives.
- Linkage for credit from formal financial service providers. This should be for out-of-school youth only and, if still in school, for those in senior secondary school. How to work with formal service providers (FSPs) (negotiation skills), loan terms and loan interests and other financial products that they can access as individual clients.

Annex VII: Other optional Youth Capacity-building Modules

The additional topic outlines below are proposed for YSLA strengthening and individual capacity-building. This phase is relevant to facilitating youth transition into productive and responsible adulthood. These are add-ons to the YSLA methodology that enable youth to reap and enjoy the benefits of YSLAs. These trainings may be outsourced, depending on the nature and capacity of the implementer. These may be done when resources are available. Training materials and guidelines can be accessed on CARE website (www.care.international.org and *CARE MINARVA-Training guide folders*).

Budgeting and Money Management

The goal of this topic is to help the youth improve their budgeting and money management skills so that they are able to make better spending, savings and investment decisions.

Session Title	Purpose of the Session
Setting Financial Goals	<ul style="list-style-type: none"> • Explore the causes of personal/household financial pressures. • Set financial goals and determine how to reach them. • Describe what a financial plan is and how it can help achieve financial well-being.

Session Title	Purpose of the Session
Describing the Importance of a Budget	<ul style="list-style-type: none"> Define the term “budget” and explain how a budget is useful (Use Money Wisely learning sessions). List and categorise common household expenses. Identify and categorise personal/household income sources.
Making a Budget	<ul style="list-style-type: none"> Describe the steps involved in creating a budget. Draw up a budget. Give advice to each other about how to adhere to the budget. Identify something new about budgeting to share with family members.
Examining Your Money Management	<ul style="list-style-type: none"> Assess current money management strategies. Identify ways to improve money management through budgeting. Explain how to cope with irregular income and expenses.
Making Spending Decisions	<ul style="list-style-type: none"> Prioritise a broad range of expenses. Identify a set of guidelines to help choose spending priorities. Compare spending priorities with what expert financial planners recommend.
Staying within Your Budget	<ul style="list-style-type: none"> Define ways to address the difficulties of staying within a budget. Practise identifying ways to cut spending.

Coping with Emotions

Session Title	Purpose of the Session
Understanding Feelings	<ul style="list-style-type: none"> To enable young people to learn more about emotions, how they are differently expressed in order to live peacefully with others despite the emotional differences. To enable young people to learn how to manage their emotions as a step towards maturity and harmonious living. <p>Areas of focus</p> <ul style="list-style-type: none"> Identify and express different feelings, Understand that feelings can be expressed both verbally and non-verbally. Understand that it is normal for feelings to change and that they can change in intensity. Learn that young people share many emotions during adolescence.
Feelings That Hurt	<ul style="list-style-type: none"> To help the participants gain sensitivity to hurting feelings and begin taking care of how they affect themselves and other people. To establish the best means possible to overcome hurting feelings. <p>Areas of focus</p> <ul style="list-style-type: none"> Understand how negative feelings expressed by others or by oneself affect self-esteem and behaviour. Understand that some feelings hurt, but that there are ways to express them safely.

<p>A Stronger Me</p>	<ul style="list-style-type: none"> • To help the participants identify and use supportive structures for managing emotions. • To help young people explore their strengths as an aspect that can help them ably handle their emotions. • To help the participants practise the use of available relationships to manage emotions. <p>Areas of focus Explore feelings linked to HIV:</p> <ul style="list-style-type: none"> • Explore feelings linked with grief and loss • Learn coping strategies that lead to positive thinking and feeling. • Learn how to care for someone with HIV/AIDS.
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Communication

Session Title	Purpose of the Session
<p>How We Communicate</p>	<ul style="list-style-type: none"> • Enable the participants to understand what communication is. • Explore what constitutes a communication pathway. • Learn more about the barriers that affect communication and how to overcome them. Learn to listen attentively.

Decision-making

<p>Effective Communication</p>	<p>Session objectives:</p> <ul style="list-style-type: none"> • To enable the participants to know and practise effective communication skills. • To enable the participants to learn and practise good listening skills.
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Session Title	Purpose of the Session
<p>Decision-making</p>	<ul style="list-style-type: none"> • To equip the participants with the knowledge, skills, values and attitudes needed for effective decision-making. • To shape the abilities of young people to make more informed and safe decisions. <p>Areas of emphasis</p> <ul style="list-style-type: none"> • Each person has a unique pattern of behaviour that adapts to different situations. • Determining the risk in any situation is the key to safe behaviour. • Young people can choose and are responsible for their decisions in any situation.
<p>Safe Decision-making</p>	<ul style="list-style-type: none"> • To empower young people with skills and values that are dignifying and ensure their safety. • To introduce the youth to the habit of verification of every proposal made to

	<p>them so that they can make safe and informed decisions.</p> <p>Areas of focus</p> <ul style="list-style-type: none"> • Help young people think through and make decisions carefully. • Understand that the decisions they take can have many effects on themselves as well as on others. • Know why making a decision to delay sex is safe and learn strategies to do so.
Solving a Problem	<ul style="list-style-type: none"> • To empower adolescents and youth with skills for effective problem-solving. • To engage the participants in the habit of always searching for the best alternative to resolving conflicts. <p>Areas of focus</p> <ul style="list-style-type: none"> • Identify why problems occur and what steps can be taken to solve them. • Learn to choose the most appropriate situation by analysing the possible consequences.
How One Can Change Behavior	<ul style="list-style-type: none"> • To engage the participants in identifying winning alternatives to behaviour change. • To cultivate a culture that embraces the practice of creative thinking in the face of every challenge in life. <p>Focus areas</p> <ul style="list-style-type: none"> • Changing behaviour is difficult but possible. • Understand how young people unknowingly convince themselves not to change. • Understand that young people are the only ones who can take control of their lives and be responsible for them.

Sexual Reproductive Health

Session Title	Purpose of the Session
	<p>By the end of this course, the learner should be equipped with knowledge and skills related to the following topics:</p> <ol style="list-style-type: none"> 1. Reproductive anatomy and physiology to enable the youth to understand the biological differences between boys and girls. This also will enable them to understand the changes in their lives and how to manage them. 2. Gender and sex in relation to adolescent sexuality. 3. Adolescent sexuality. 4. Life skills in developing positive sexual behaviours. 5. Sexually transmitted infections (STIs). 6. Acquired Immune Deficiency Syndrome 7. (AIDS) 8. Contraceptive methods 9. Peer counselling services.

Business Skills Training

Objective: Enhancing youth’s business management skills to start and grow successful businesses that generate diversified income to improve their livelihood conditions.

Introduction of managing an income-generating activity (IGA) may guide members on what they can directly invest their credit in and properly manage their loans. Equipping youth with entrepreneurial skills and knowledge adapted to their context (in-school) introduces them to being self-sustaining rather than being 100% dependent on money received from their parents. There is need to guide the youth on “innovative income-generating activities” that are compatible with their schedules, especially those in school, as well as their age. Timely engagement of parents, guardians and siblings on youth rights, especially on asset ownership and use, is necessary in managing power relations between the youth and their other family members, especially those older than them. For example, recognizing that the youth can earn and manage money as well as acquire and own personal assets.

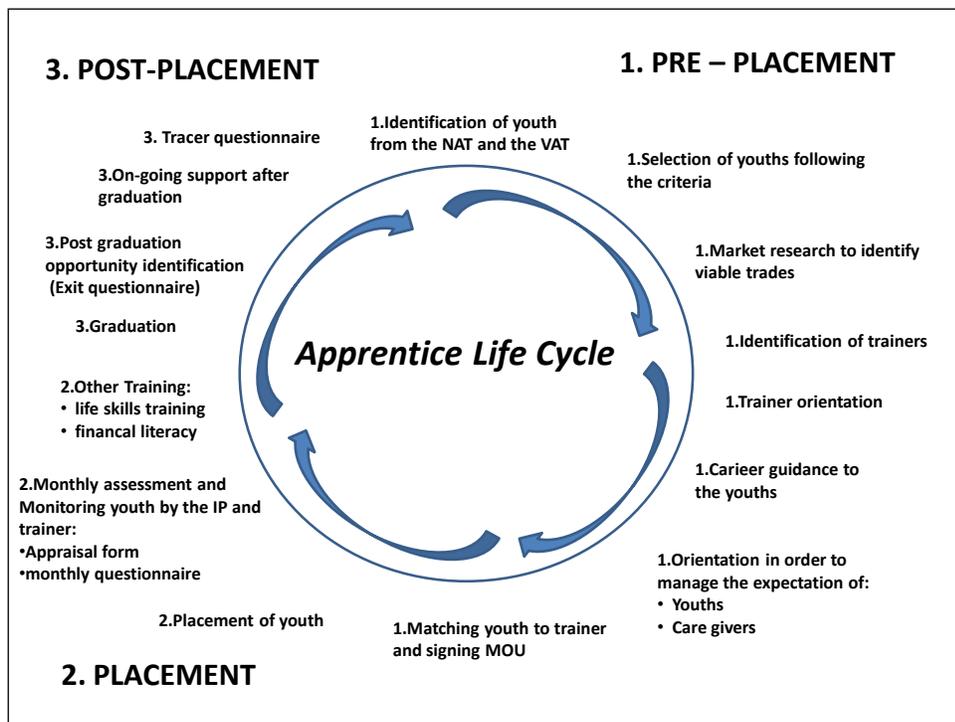
Session Title	Purpose of the Session
Business Plan Development	Resource planning. To pay for all that is needed to produce. Resources to be considered are tasks, financial resources, equipment, human resources and time.
Business Finances and Operations Management	Resources to be managed are tasks, financial resources, equipment, human resources and time.
Basic Marketing and Customer Care	Products, buyers, sellers/competition for the product/service that you want to sell.

Attachment for Apprenticeship Programme

Apprenticeship is an occupational on-the-job skills training. It consists of structured, short-term, supervised placements of youth focused around particular trades where these youth will be trained in basic vocational skills relevant to overcoming vulnerability for themselves and their households.

There are two different kinds of apprenticeship: informal and formal. Under informal apprenticeship, the youth learn a skill while working in a micro or small enterprise alongside a craftsperson (on-the-job learning). Under formal apprenticeship, the youth learn a skill while working in a micro or small enterprise alongside a craftsperson, but this on-the-job learning is supplemented with classroom-based instruction with a clearly defined curriculum.

The Youth Skilling Pathway Model



Bank Linkage

Financial linkages are mutually beneficial partnerships between informal and formal institutions that may result in an expansion of financial services to new or previously un-served segments of the population such as the youth and vulnerable persons.

This should be demand-driven. Therefore, if the youth decide to work with FSPs, then train them in linkages – with a focus on saving with FSPs. (Weeks 5-9)

There is need for early linkage because of security of money. Youth in school tend to save regularly, but won't take loans regularly because their businesses are run largely during the holidays. As a result, savings accumulate to very high amounts because there are few loans distributed between these periods. This makes groups' funds vulnerable to thieves. They need bank accounts.

Thus, discussion with the group on the different FSPs clarifying the advantages and disadvantages of working with FSPs will inform the youth's decision on whether to link, when to link and for what. Giving clear information on the different requirements to engage with different financial service providers will guide the youth through the section on the most suitable service provider.

Therefore, sharing the different youth products (digital and non-digital) on the market is important for the youth as they decide on the FSP to link to:

- Encourage youth to use mobile money for their own security. Carrying large amounts of cash around is dangerous, particularly for girls. Train them in the digital financial products available. (Weeks 10-13)
- Link ready YSLAs to formal financial institutions for savings. (Weeks 14-16)

- Engage parents' regarding the security of youth's money. Youth are particularly susceptible to temptation – new hairstyles, new shoes, sports betting, and new phones – so they need control and guidance.
- In unison with the group, reflect on barriers that may prohibit youth from accessing financial services: Legal barriers? Access and use of technology barriers? Social norms and gender barriers?

Coaching and Mentorship of individual youth

For the mentorship process, follow the following steps:

- Project goal- expected results.
- Analysis of the viable opportunities.
- Identification of mentees.
- Analysis of mentees' gaps/ profiling.
- Strategy to address root cause of the problem.
- Identification of mentors.
- Building the capacity of the mentors.
- Matching mentees and mentors.
- Monitoring – Assess at every stage to inform the next focus.
- Evaluation and learning.

Market Linkage/Inclusion in Relevant Value Chains

Market inclusion refers to designing and implementing appropriate interventions that would result in increased participation by vulnerable groups in current and future markets. The increased participation is expected to translate into increased benefits in terms of increased income as well as food and nutritional status. These benefits will include increased productivity, better prices and, eventually, better income and a reliable and consistent market.

Core principles in the implementation of market inclusion

- There is need to recognise and address complimentary constraints outside the producers levels. Also, recognise that not all youths can immediately engage in value chain activities but should be supported to eventually graduate from social assistance programmes like cash/food transfer to IGAs. In some instances, provide subsidies only when necessary to avoid market distortion.
- Focus on interventions that lead to increased productivity and add significant value to the final products.
- Engage with private sector delivery channels.
- Focus on changing behaviour and process and not just on solving identified problems.
- Avoid becoming part of the value chain but strengthen the systems, for example address market imperfections and withdraw when the market starts functioning well or intervene where there is market failure only, e.g. lack of finance, market information.
- Work with existing commercial initiatives and avoid establishing parallel market channels.
- Avoid setting up interventions that compete with existing businesses and services.
- Work backwards from the market demands to identify points of leverage for opportunities.

- The project should focus on facilitating and not directly implementing value chain development processes, knowledge transfer, improving access to technical and financial inputs, assisting in group formation.
- Engage and work with multiple lead firms to prevent the creation of monopolies, thus providing more opportunities for local producers.
- Process activities in market and value chain development.

Leadership and Relationship Skills

Purpose of this training: Every teen can be a leader. Therefore, it is important to help the youth explore their leadership skills by equipping them with additional knowledge and information, including:

- The qualities of leaders.
 - Working with others and power relations.
 - Self-awareness.
 - Creative thinking and risk-taking.
 - Communication.
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