

The Savings Box

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The credit union movement in The Gambia was started by the Irish League of Credit Unions Foundation in 1992. All the credit unions in The Gambia are supported and supervised by The National Association of Co-operative Credit Unions of The Gambia (NACCUG). This organisation is now funded by its member credit unions. There are now 75 Credit Unions in The Gambia, some of these are workplace credit unions mainly operating in the capital city, Banjul, and the others are community credit unions, with many of these in rural areas. The main source of income in the rural areas is from (small scale) farming, mainly growing ground nuts and cashew nuts. The catchment area of a rural community credit union contains between 10 and 25 villages. Some of these villages are over 10 kilometres from the credit union office. This is quite a long distance and very few families own a bicycle or motorcycle.

One (lady) member said: *"Before we had the credit union, when we received money we spent it all quickly and often had no money when we needed it. Now with the credit union we put some money aside for future use. Our savings also allow us to borrow money from the credit union at low interest rates to buy fertilizer to improve the yield on our crops, and to send our children to school. It has helped me start a business by giving me a loan to buy materials and tools. Overall, the credit union is helping eradicate poverty in our community."*



The metal savings boxes used by members in rural communities

In a rural community credit union, members (the majority of whom are women) receive a Savings Box which they locate in their (food) store.



Tomás and Seesay, NACCUG Compliance Officer

The Savings Box is a wonderful invention. It is no ordinary "piggybank" savings box. It is made from steel and has a handle on it to facilitate carrying it to the credit union office. Its unique design encourages savings. This is how this works: The Savings Box has two doors, one inside the other. The doors have different locks and keys. The member has a key to the external door. They are the only person with a key to this door. When the member has money to save they open the external door of the Savings Box and insert the money through a narrow slot which is at the top of the inner door. The member does not have a key to the inner door. The key to the inner door is held by the credit union manager. Therefore, the Savings Box can only be opened when both the member and the credit union manager are present. This has the huge advantage of discouraging impulse spending. And also, as one member explained to me: *"if you leave the money in your room your children may take it and*

spend it. Also, when a neighbour comes to you looking to borrow some money, promising to

repay you tomorrow, you cannot access the money in the savings box. And, as we all know, Tomorrow Never Comes. The Savings Box is a big help to us to keep saving for the time we need it for education costs for our children and to buy fertilizer."

Members living near the credit union office carry the savings box to the credit union on a regular basis. The credit union manager visits each member in the outlying villages once every month to collect their savings. Some of the credit unions have bought a motorcycle for this purpose. Only the credit union manager has a key to the inner door. Both doors of the savings box are opened and the member counts the money and gives it to the credit union manager. The manager then checks the money in the presence of the member and writes out a receipt which is given to the member. The savings deposit book, which is held by the member, is then



Meeting with Board of Directors of Foni Jarrol District Credit Union

updated to reflect the cash deposit. The manager retains a carbon copy of the receipt and updates the account of the member in the credit union office using this document.

The Savings Box is sponsored by the Irish League of Credit Unions Foundation and Irish Aid (which is part of the Department of Foreign Affairs). It will be a core element in a new project to set up credit unions in Sierra Leone.



Tomás presenting on the need for continuous risk assessments within CU governance and operations.



A successful workshop discussing all things credit unions and sharing CU experiences to address challenges.

The **Governance Volunteer Programme** is an opportunity for directors of Credit Union Boards to share their knowledge and experience of governing credit unions with our credit union partners. Our volunteers travel to The Gambia for five days to undertake credit union visits and host a workshop on issues pertaining to good governance for credit unions.

***Tomás participated in the Governance Volunteer Programme, travelling to The Gambia for one week in October 2018, to share the Irish credit union experience.**