

Community-led Finance for Adequate Housing

Experiences from Africa, Asia and Latin America



About this publication

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This publication is a CoHabitat initiative led by urbaMonde and its local partners and allies in Africa, Asia and Latin America.



Convinced that inhabitants and users of urban spaces should be at the centre of all processes that shape the city, urbaMonde – a Swiss and French NGO – has a mission to support groups of inhabitants who implement community-led housing projects and are committed to making their cities more sustainable and inclusive.

urbamonde.org



CoHabitat is an international network of civil society organisations and their allies working to advance people-led solutions addressing both global and local dimensions of the housing crisis. Several members and partners actively contributed to the reflections presented in this publication, including Multipro, urbaSEN, the Senegalese Federation of Inhabitants (FSH), People's Process on Housing and Poverty in Zambia (PPHPZ), the Asian Coalition for Housing Rights (ACHR), and a number of ACHR member organisations such as the Urban Poor Consortium (UPC), Sevanatha Urban Resource Centre, Hunnarshala Foundation, Platform of Community Action and Architecture (POCAA), Lumanti Support Group for Shelter, and the Philippine Action for Community-led Shelter Initiatives (PACSII).

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Introduction

The global financialisation of cities has transformed housing from a fundamental human right into a speculative asset. As real estate markets are increasingly driven by investment logic, property values have soared, housing affordability has plummeted, and urban inequality has deepened—especially in large cities of the Global South. Combined with stagnant wages, austerity policies, and insufficient public housing investment, this trend has created a global housing crisis, leaving hundreds of millions of people without access to safe and affordable homes.

At the same time, low-income communities are systematically excluded from formal financial systems—unable to access basic services like credit, mortgages, or insurance. This financial exclusion reinforces housing inequality, as families cannot afford to buy homes, improve existing structures, or invest in their long-term stability. It also intersects with other forms of discrimination in housing markets, disproportionately affecting women, informal workers, migrants, and racialised groups.

In this context, **community-led housing (CLH)** emerges as a practice that empowers low-income residents to organise themselves collectively and in solidarity, to plan, finance, build, manage and sustainably improve their living spaces at all scales of the city. Through solidarity, inclusion, self-management, democratic processes and mutualisation of resources, residents collectively reclaim their rights to land and to adequate housing. These movements amplify the voices of low-income and marginalised groups, enabling them to directly influence the planning and management of their living environments.

A cornerstone of these efforts is the establishment and operation of **community-led financial mechanisms (CLFMs)**, which are designed and managed by the communities themselves to address their economic and social needs. Beyond providing financial tools, these mechanisms serve as powerful drivers of mobilisation, capacity-building, and ultimately, **community empowerment**. They take various forms - such as savings groups, revolving funds, or financial cooperatives - but share common principles:

- **Community ownership and control:** In many mainstream financing models, communities are passive recipients of funds governed by external rules and priorities. In contrast, CLFMs shift that dynamic entirely. Here, communities not only generate and manage their own resources, but also retain ownership over how those funds are used. Even when additional capital comes from outside, it is integrated into a system controlled by the community itself.
- **Collective management and bottom-up decision making:** CLFMs are structured to embed decision-making at every level—from neighbourhood savings groups to national federations. Each layer has its own governance body, allowing decisions to emerge from the grassroots while being articulated federating at the local or national level, allows them to strengthen their advocacy work and promote a larger recognition of their models. This multi-layered structure ensures that local voices shape strategic directions and that accountability flows both upward and downward. The result is a system that reflects members' real needs, strengthens organisational capacity, fosters transparency, and builds leadership across all levels of the community.
- **Solidarity and inclusion:** CLFMs are especially impactful for individuals and groups excluded from formal financial systems due to poverty, informal employment, gender, or lack of credit history. Designed and managed by the community itself, these mechanisms tailor lending criteria, repayment plans, and guarantees to members' realities, offering low interest rates, flexible terms, and an environment of mutual support.

CLFMs do more than offer access to ethical credit. They build local economic resilience by keeping money circulating within the community. Funds are reinvested in housing, education, health, and livelihoods, amplifying impact and reducing reliance on precarious or top-down aid. In the process, community members—especially women and marginalised groups—gain financial literacy, management experience, and political agency. Over time, these mecha-

nisms become platforms for broader organising and structural change.

While CLFMs are rooted in community leadership and self-management, their development and sustainability often depend on strong support systems. Technical assistance plays a vital role in facilitating these mechanisms, helping communities build self-reliance and social cohesion, establish transparent structures, navigate regulatory environments, strengthen financial practices, and scale their efforts.

This publication is based on a collaboration with nine different grassroots support organisations to document nine cases of CLFMs across Latin America, Africa, and Asia – mechanisms these organisations have actively supported for years, and in some cases, even decades. These examples range from well-established national systems to early-stage experiments. The cases presented here reflect years of joint learning between communities and their allies, offering insight into diverse governance models, strategies for implementation, and the challenges of scaling or sustaining such mechanisms. More than technical solutions, these stories reflect collective struggles for justice, autonomy, and dignity—and point toward more inclusive and democratic models of urban development and financial inclusion.

The role of women

Across all cases analysed in this publication, a common feature clearly stands out: community finance is predominantly led and managed by women. In several contexts — such as Senegal, Nepal, Sri Lanka, and India — these mechanisms are entirely run by women's groups. In others, like Nicaragua and Zambia, women represent a strong majority of members and leaders.

This represents a striking contrast with the mainstream financial sector. According to a [2023 report by the Official Monetary and Financial Institutions Forum](#), only about 14% of the heads of central banks, commercial banks, sovereign funds, and pension funds (out of 336 institutions surveyed) are women.

At the current rate of progress, it could take up to 140 years to achieve gender parity in financial leadership.

Community-led finance, however, follows the opposite trajectory. These mechanisms are not only essential for advancing financial inclusion among low-income populations, but also serve as powerful vehicles for women's empowerment. The women leading these initiatives are living examples of the deep and lasting change such models can create. Often having faced gender-based discrimination and social exclusion, they have emerged as leaders — not only within their households, but also within their communities — and, in some cases, are now running for local government positions.

Their experiences challenge the dominant paradigms of finance, proving that equitable, inclusive, and locally governed financial systems are not only possible but already thriving. By placing trust, solidarity, and shared decision-making at their core, these community-led models point the way toward a more just and gender-equitable financial future — one that this publication seeks to document, celebrate, and amplify.

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Approach and analytical framework

This publication is part of an ongoing collaborative effort between urbaMonde and its partners to document, reflect on, and strengthen community-led practices. Since 2022, this has taken the form of a systematisation process co-developed with grassroots organisations. The aim is to build shared knowledge, support peer learning, and develop popular education tools that elevate local experience and draw collective lessons from community-led housing initiatives.

In 2024, the first systematisation project — “**Community Empowerment in Community-led Housing Initiatives**” — presented an overview of the inspiring solutions put in place by communities and their support partners to create empowering conditions for bringing CLH projects to fruition. A major insight that emerged from that work was the central importance of community-led financial mechanisms in support-

ing these empowerment processes. As a result, a second systematisation project was initiated, this time dedicated to exploring the functioning, challenges, and evolution of CLFMs across diverse contexts.

Over the course of one year, from 2024 to 2025, urbaMonde worked alongside nine grassroots and support organisations in Latin America, Africa, and Asia to document how CLFMs are implemented and sustained. This process included several collective meetings, an in-depth review of available documentation, complemented by two-hour semi-structured interviews with each partner, focused on understanding how CLFMs operate, who is involved, what challenges they face, and what makes them sustainable and scalable. The comparative analysis of the results revealed a set of shared dimensions that strongly influence the performance and resilience of CLFMs.

These include:

Mindset, community engagement & trust

This category comprises factors related to the attitudes, perceptions, and cultural dynamics that influence people's participation in CLFMs. It deals with how community members perceive and engage with one another and the savings process itself.

Capacity & skills

This category refers to the core need for developing human resources and internal capacity to manage CLFMs - both at support organisations and within communities.

Governance & leadership

This category focuses on the formal structures, leadership roles, accountability, and the processes that enable the savings initiative to run smoothly and with integrity over time. It's about how decisions are made, who holds which responsibilities, how the processes are managed, and how accountability is ensured.

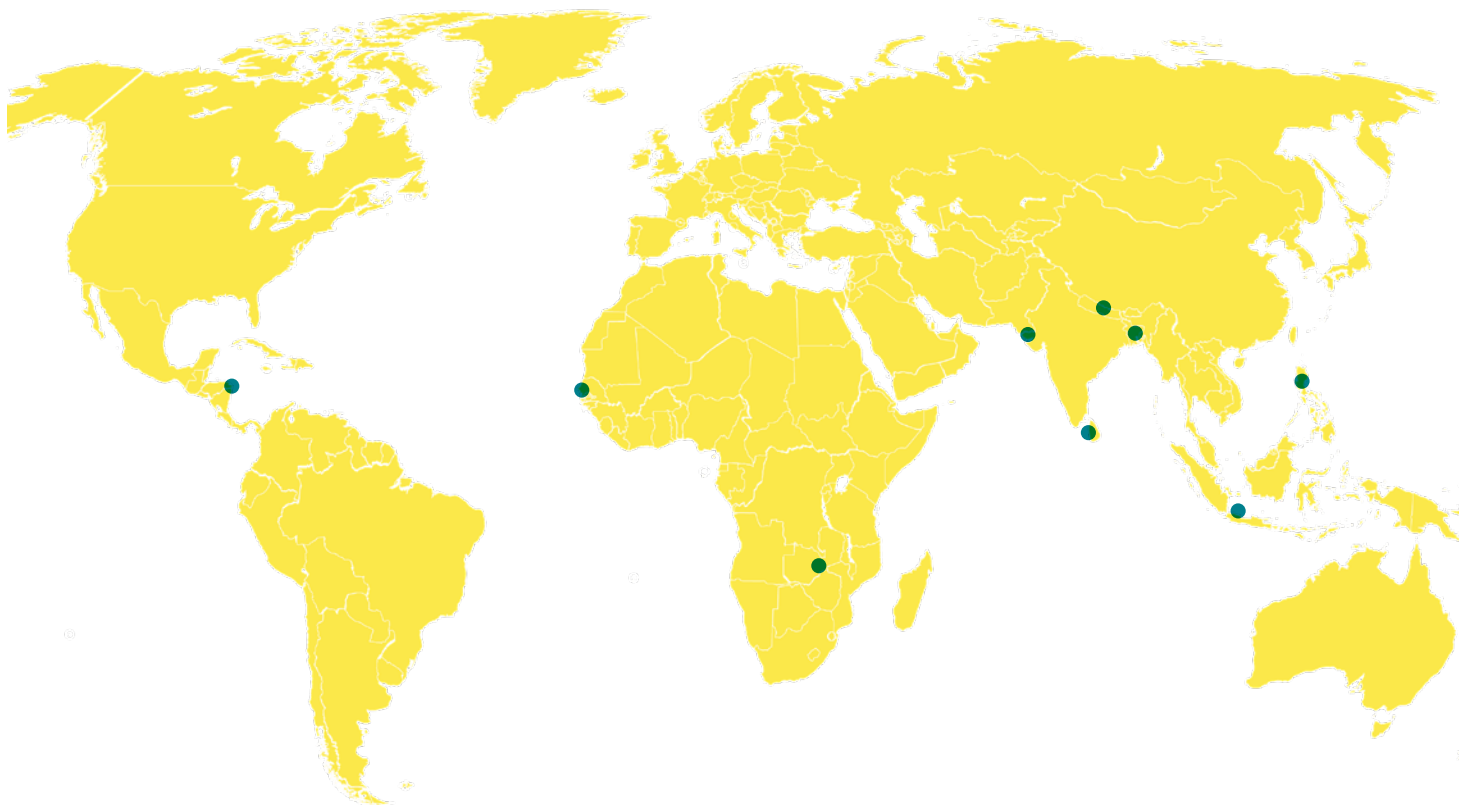
Financial & social sustainability

This dimension focuses on ensuring that CLFMs remain viable over time—both financially and socially. It involves the sound management of savings and loan systems, designing financial products that are accessible and relevant to community needs, and maintaining the balance between financial discipline and social cohesion.

Institutional & regulatory frameworks

This category encompasses the legal, normative and regulatory frameworks within which the funds operate, including external, contextual factors based on laws and regulations in place.

This publication brings together diverse experiences from three continents to highlight both the common foundations and context-specific strategies of effective CLFMs. Rather than offering prescriptive models, it presents grounded insights meant to inspire reflection, adaptation, and action—inviting practitioners, policymakers, and communities to value and support CLFMs as key tools for inclusive, community-led urban development.



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Women-led Savings & Credit Cooperatives

Asia - Nepal



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Lumanti Support Group for Shelter is a Nepalese NGO working to reduce urban poverty by improving housing and living conditions for the urban poor. Working primarily in cities like

Kathmandu and Pokhara, it focuses on on-site upgrading, secure land tenure, housing support, and access to sanitation, water, and credit. Lumanti also promotes disaster resilience, particularly through grassroots women's groups, and supports community-led finance through women's savings and credit cooperatives.

From informal savings groups to legally established financial cooperatives

Lumanti has been promoting community-led finance mechanisms since its creation in 1993 as one of its central lines of action. Inspired by successful models like Mahila Milan in India, Lumanti introduced the concept in Nepal in 1997, helping women in poor settlements form savings groups. The first savings groups were formed in three poor settlements in Kathmandu, where the women began saving just five rupees per month in a common loan fund. These groups offered an alternative to exploitative money-lenders and fostered economic empowerment, confidence, and solidarity.

As savings efforts grew, women began to formalise their initiatives under Nepal's Cooperative Act, leading to the creation of **women-led savings and credit cooperatives (SCCs)**. SCCs offer financial services to members in the form of savings accounts and loans to support healthcare, education, housing, etc. By July 2024, 36 cooperatives in 24 cities had 49,440 members and US\$25 million in savings — most of which is in constant circulation in loans.

To strengthen collaboration and learning across cooperatives, the **Community Women's Forum (CWF)**

was established in 2010. Registered as an NGO, CWF supports the SCCs through training, monitoring, and coordination. It also operates a national fund, which allows CWF to deposit capital in the cooperatives, enabling their provision of funds for loans. Despite modest beginnings, this fund has already contributed to the SCCs with US\$191,750 to support land acquisition, housing, and community upgrades, ensuring resources remain within communities and grow over time.

In addition to providing technical support for community-led projects, Lumanti plays a key role in supporting the SCCs (financial management, legal aspects, etc.) and strengthening their financial resources. It notably channels donor funding through projects, e.g. the Five Model Cities and ACCA projects, which financed collective housing initiatives. In these cases, the funds were injected into **city-level revolving Urban Community Support Funds**, co-managed by CWF, SCCs, authorities, and sometimes private actors. These funds were loaned to the communities, who repaid them entirely, allowing others to benefit from these resources.

Key data, August 2025

Number of cooperatives:

36

Number of saving groups:

1,625

Number of members:

49,440



Amount collected in savings:

US\$ 25 million



Loan disbursement:

US\$ 16 million



Loan repayment rate:

91%



Over the past 20 years, Lumanti has:

Implemented

38

housing projects across Nepal, including on-site upgrading, new construction, post-disaster reconstruction, and relocation,

benefitting **9,213** families.

How does it work?

SAVINGS

A **savings group (SG)** is composed of 25–40 women from the same or nearby communities. In large communities, there will be several savings groups.

Meetings are organised monthly, to collect savings, repay loans, discuss new requests, and address community issues.

Members save monthly; each group has a coordinator who collects savings, deposits them at the cooperative office without delay, and serves as a communication bridge between the group and the cooperative. Each member is issued a savings passbook, in which all deposits are recorded.

A **savings and credit cooperative (SCC)** is formed by several SGs. It is governed by an elected executive board (every two years) and composed by multiple sub-committees: loan, education, accounting, monitoring, health, etc. Each women's SCC operates as an autonomous organisation, developing its own internal policies and regulations in compliance with national cooperative laws. While independently managed, the cooperatives are connected and supported through the CWF, which facilitates coordination and shared learning.

Each SCC holds an annual General Assembly for audit review and planning. It works based on an independent policy-setting within government frameworks. All SCCs are women-led; men may be members but have no decision-making power.

Most cooperatives offer five types of **savings schemes**. All are held at the cooperative level and generate an interest income for the members:

- **Mandatory monthly savings:** At least 50 Nepalese rupees (NPR) (US\$0.50) per member, which cannot be withdrawn for three years, earning **7% annual interest**.
- **Additional savings:** Minimum deposit of 500 NPR (US\$5), withdrawable at any time, earning **6% annual interest**.
- **Piggy-bank savings:** Monthly savings of 30 NPR (US\$0.30), withdrawable after one year, earning **5% annual interest**. Requires a one-time start-up fee of 120 NPR (US\$1).
- **Children's savings:** For children under 13, saving 50 NPR (US\$0.50) per month, earning **7% annual interest**.
- **Fixed savings:** Available to family members of cooperative members, with a minimum deposit of 10,000 NPR (US\$100); earning **7% annual interest** for 6-month deposits and **10% annual interest** for 3-year deposits.

In addition to these standard savings, some cooperatives offer up to **16 types of optional savings and loans schemes** for purposes such as housing, land, education, festivals, health, loan repayment, and exchange visits.

LOANS

Loans are issued exclusively through the SCC, using only members' pooled savings—no external capital is involved. Each loan must first be approved by the borrower's savings group and guaranteed by three members, before being reviewed and authorised by the SCC's loan committee.

Loans cover housing improvement and construction, land acquisition, livelihoods, education, health, emergencies, foreign jobs, toilets, and debt repayment. Interest rates vary as each cooperative sets its own loan terms and interest rates depending on the loan purpose:

- **Housing:** 12% | **Land:** 10–12%
- **Livelihoods, education, health, migration, agriculture:** 12–18%
- **Water/sanitation:** 0–10% | **Debt repayment:** 18%

Eligibility usually requires 6 to 12 months of saving. Repayment terms are determined flexibly, according to loan size and the member's situation. Most loans are individual, but some loans go to groups for housing resettlement projects or collective enterprises. Cooperatives monitor loan use and repayment through monthly loan committee meetings, quarterly meetings with savings group coordinators, and regular community visits. If a borrower struggles to repay, committee members and group coordinators visit the household to understand the issue. When justified, loan terms may be extended to support members facing financial hardship. Fines apply if defaults persist. The **repayment rate is approx. 91%**.

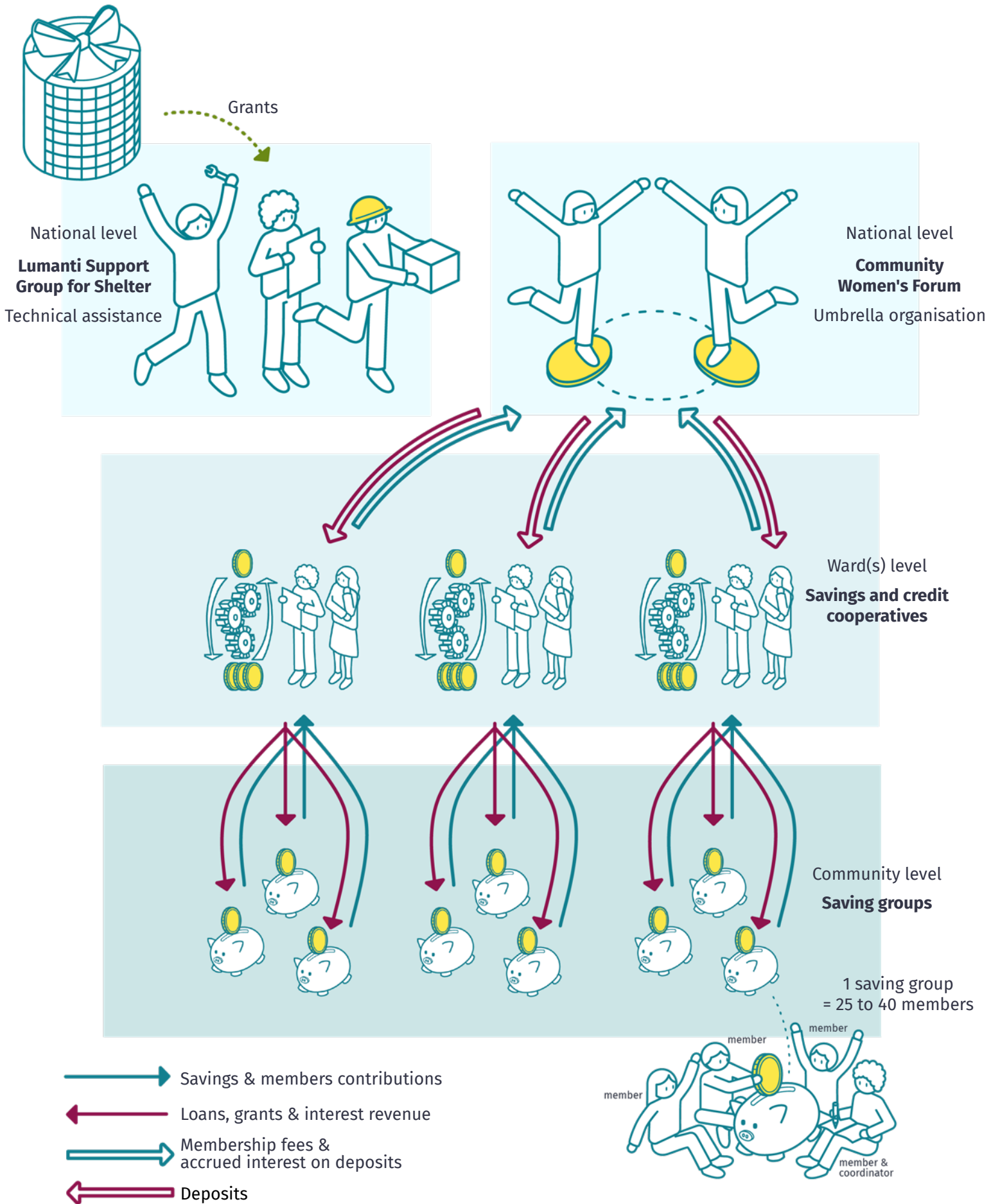
Loan Use (% of all loans):

- **Livelihoods:** 45% | **Housing:** 25% | **Land purchase:** 6% | **Education:** 5% | **Health:** 4% | **Foreign jobs:** 4% | **Agriculture:** 4% | **Debt repayment:** 2% | **Other:** 5%

Each SCC reinvests income earned from loan interest into a structured range of cooperative special funds. First, 25% of the total profit goes into a Reserve Fund, which supports the institutional development of the cooperative, including capacity building for both staff and members. The remaining profit is then distributed as follows:

- 65% – Share Bonus Fund (distributed equitably and annually to SCC members)
- 5.5% – Community Development Fund (gives grants to small-scale infrastructure projects)
- 5% – Staff Bonus Fund
- 5% – Bad Debt Funds (to address the already existing bad debts)
- 5% – Loan loss provision (to cover potential losses arising from non-performing loans)
- 5% – Provision for Cooperative Development
- 5% – Cooperative Awareness Fund (education & promotion of cooperatives)
- 0.5% – Cooperative Promotional Fund (submitted to the public federation of cooperatives)
- 4% – Disaster Management Fund (in response to possible disasters), to which SCC members contribute 100-200 NPR (US\$1-2) per year.

In addition to these, many cooperatives manage Welfare Funds, supporting members in cases of birth, death, illness, etc., funded through annual member contributions of around US\$1-2.



Challenges

Mindset, community engagement & trust

Initial lack of trust:

Building community trust took years of sustained engagement. Many residents were unfamiliar with collective savings and cautious of outsiders.

Stagnation in some cooperatives:

Not all cooperatives continue to grow. Some meet basic functionality and then stop expanding or innovating, limiting their broader impact.

Governance & leadership

Maintaining community principles:

Some cooperatives faced fund mismanagement, particularly when influenced by commercial models, losing its community principles. Prompt oversight by Lumanti and CWF has been essential in preventing larger crises.

Financial & social sustainability

Funding constraints for institutional support:

As donor priorities shift, securing long-term, flexible funds for Lumanti's technical and accompaniment work has become increasingly difficult.

Capacity & skills

Digitalisation & technical skills:

Recent regulations require digital bookkeeping, which remains a barrier, especially for small cooperatives. To adapt, many cooperatives rely on volunteer support from educated family members. Training needs are rising for cooperatives' staff, but resources remain limited.

Rising demand:

Rapid expansion has stretched Lumanti's support capacity. The lack of core funding for staffing and technical assistance poses a growing challenge.

Limited start-up funding:

Lumanti no longer provides direct financial support to new cooperatives, though material and coordination assistance continues. This shift has affected start-up momentum.

Heavy compliance burdens:

Internal and external audits ensure transparency but demand strong management capacity that smaller cooperatives often lack.

Institutional & regulatory frameworks

Complex regulations:

Legal limits on geographic expansion and bureaucracy hinder the growth of promising cooperatives. More flexible frameworks are needed for informal sector-specific models.

Best Practices

Mindset, community engagement & trust

Trust-building & community mobilisation:

To overcome initial scepticism, Lumanti invested in sustained engagement, door-to-door outreach, and symbolic actions that helped build community confidence and foster solidarity. These foundations enabled the development of savings groups based on collective responsibility.

Culturally rooted practices:

Lumanti adapted familiar rural savings traditions (e.g., Aamaako Samuha) to urban settings, making community-led financial mechanisms easier to accept and replicate.

Governance & leadership

Leadership rotation:

Leadership is rotated every three years, encouraging democratic participation and preventing the concentration of power.

Oversight & accountability mechanisms:

Cooperatives conduct both internal and external audits, with Lumanti and CWF providing additional monitoring. Community members play an active role in detecting and reporting irregularities, ensuring transparency and corrective action when needed.

Capacity & skills

Capacity building:

Savings groups underwent learning phases before registering as cooperatives, ensuring they were equipped to manage governance and funds.

Training, experience sharing & institutional support:

Lumanti provided technical training in cooperative management and financial literacy. Regional exchanges—facilitated with support from the Asian Coalition for Housing Rights (ACHR)—enabled community leaders to learn from other Asian experiences. Early partnerships with UNDP and ActionAid further helped Lumanti strengthen its institutional base and reach over 45 communities.

Peer learning & network-based scaling:

Community-to-community learning played a key role in the spread of women's SCCs. The establishment of the CWF in 2010 provided a national platform for technical support, quarterly reviews, and governance training. Funded by member contributions (NPR 5/member), CWF has institutionalised peer accountability and reinforced cooperative growth.

Institutional and regulatory frameworks

Formalisation & legal recognition:

Formalisation brought transparency and accountability and helped secure community ownership. Lumanti drew inspiration from models like Mahila Milan (India) and the Women's Coop (Sri Lanka), choosing the cooperative path for its legal protections and institutional strength.

Public recognition:

Through ongoing advocacy, CWF and SCCs, supported by Lumanti Support Group for Shelter, have gained recognition from local authorities as key development actors. Their collaboration in Urban Community Support Funds and participation in public committees on water, sanitation, and housing demonstrate how strong community organisation can influence policy and secure institutional support.

Financial & social sustainability

Diversified community funds:

Cooperatives manage a range of funds tailored to community needs ensuring their capacity to respond to pressing and urgent needs faced by members, such as natural catastrophes, death of family members, etc.



photo: ©Lumanti NGO

Stories of impact

A case of Thecho Mahila Jagaran Cooperative, Thecho, Nepal

Context

Thecho: a story of community-led transformation

Thecho is a historic Newar settlement located just 11 km south of Kathmandu. Despite its proximity to the capital, Thecho long suffered from neglect and lack of investment, especially during Nepal's 25-year vacuum in local governance, which left many village development committees (VDCs) without adequate resources. The community, largely dependent on agricultural subsistence, lacked the financial capacity to improve living conditions. As a result, essential infrastructure like toilets and drinking water systems were virtually absent—over 1,200 households in Thecho had no sanitation facilities, with open defecation common and frequent outbreaks of water-borne diseases like cholera and diarrhea.

In 2001, Lumanti Support Group for Shelter, in partnership with WaterAid Nepal, began working with Thecho to address these urgent needs. Initial efforts

focused on community mobilisation through sanitation awareness and training of local health volunteers. Gradually, with persistence, the community engaged. The project supported the construction of 154 pit latrines and 225 eco-san toilets—dry toilets that also produced fertilizer used by local farmers—marking a transformative shift in both hygiene and agricultural practices. A community water tank was also built and managed by a local user group.

By 2006, direct grants were phased out, and Lumanti introduced a revolving fund to continue supporting sanitation improvements – based on its successful experience supporting urban vulnerable communities through collective savings. This shift laid the groundwork for the establishment of the **Thecho Mahila Jagaran Cooperative**, a women-led SCC that continues to empower local residents through savings, loans, and collective management.

Thecho Mahila Jagaran Cooperative

In 2006, the community of Thecho initiated its first savings groups to manage a revolving fund for toilet construction. Within two years, seven groups with over 300 members were actively mobilising savings for basic needs. To strengthen coordination and formalise their work, the groups established the Thecho Mahila Jagaran Cooperative in 2008, with an initial share capital of NPR 150,000 and a dedicated Toilet Fund of NPR 450,000. Since then, over 500 families have accessed sanitation loans through this fund.

The cooperative has since evolved into a robust, women-led institution. As of today, it counts 3,072 members and manages more than NPR 129 million (US\$ 950,000) in collective savings. These funds sup-

port loans for housing, education, livelihoods, and land, empowering members—particularly women—to improve their quality of life and financial independence.

Beyond finance, the cooperative plays a pivotal role in local development. It has partnered with local government, NGOs, and health institutions to organise health camps, improve sanitation and hygiene, and deliver small-scale infrastructure projects, such as drainage repairs, water tank restoration, and open space upgrades. A key milestone was its partnership with ACHR's ACCA program in 2012, which enabled community-driven infrastructure improvements based on prior mapping and heritage documentation

led by the cooperative and supported by local architecture students.

Despite early skepticism, the cooperative's women leaders have demonstrated strong organisational capacity, earning trust from the broader community and municipal authorities. Several have since joined municipal committees on WASH and development planning.

In times of crisis—such as the 2015 earthquake, which destroyed 60% of Thecho's homes, and the COVID-19 pandemic—the cooperative played a central role in coordinating relief, supporting reconstruction, and offering flexible financial support to vulnerable households. Its actions during these periods strengthened its reputation as a reliable and resilient grassroots institution.

From a small initiative focused on toilets, Thecho Mahila Jagaran Cooperative has grown into a key driver of inclusive development and local governance—led by women, rooted in community priorities, and supported by strong partnerships.



photo: ©Lumanti NGO

Impact in the community

Impact at the individual and family levels

The Thecho Mahila Jagaran Cooperative, a fully women-led institution, has significantly transformed the lives of its members and their families:

- 3,072 women have joined the cooperative, gaining access to financial services and collective decision-making spaces.
- 1,024 women have received loans to start or expand small businesses, resulting in increased financial independence and an average 33% rise in income levels.
- In many cases, women have used loans not only for their own ventures but also to support their husbands' work—challenging traditional gender roles and strengthening household resilience.
- 727 families have taken out loans for education, enabling their children to access higher education or pursue job opportunities abroad—leading to increased remittances and improved financial stability.

tion or pursue job opportunities abroad—leading to increased remittances and improved financial stability.

- 1,181 families have used loans to repair, upgrade, or rebuild their homes, improving safety, comfort, and long-term housing security.
- 20% of the cooperative's total loan portfolio has been directed to land and housing, underlining strong demand for shelter financing.
- After the 2015 earthquake, the cooperative played a key role in recovery by offering low-interest housing reconstruction loans, helping members rebuild their homes and regain a sense of stability and dignity.

Beyond financial gains, women have become more active in household financial decision-making, gaining confidence and recognition as contributors to family and community well-being.

At community level

The Thecho Mahila Jagaran Cooperative has become a central institution in the settlement, fostering financial inclusion and community development:

- Offers 13 diverse savings schemes, including for education, housing, and children, helping members plan for the future and respond to emergencies.
- Through these schemes, the cooperative has built financial assets of US\$ 5,655 and non-liquid assets worth US\$ 1,955.
- Income from loan interest is reinvested into the community via dedicated internal funds (see Loans section), supporting social welfare, infrastructure, and disaster response.
- From a modest beginning with just 7 savings groups, it has grown into one of the largest community cooperatives supported by Lumanti.
- The cooperative has mobilised total savings of NPR 12,91,75,993.20 (approximately US\$ 949,823).
- Today, 98% of women in Thecho are cooperative

members, reflecting broad-based participation and strong community trust

At city level

The Thecho Mahila Jagaran Cooperative is now formally recognized as a key partner in local development and women's empowerment. It has received repeated acknowledgments from the District Cooperative Division Office, the National Cooperative Federation, and has been named Best Cooperative in the City more than three times. This recognition underscores its growing influence and strong partnership with municipal authorities.

At national level

Thecho Mahila Jagaran Cooperative is a leading member of the Community Women's Forum (CWF), extending its influence beyond Thecho to neighboring wards, communities, and other cities. It actively supports emerging cooperatives within the CWF network, promoting solidarity and collective growth across the region.

A testimony by Laxmi Tara Dangol

This is the story of Laxmi Tara Dangol, a determined woman from Thecho whose journey from a quiet member of a women's group to a nationally recognized grassroots leader has inspired many across Nepal. Originally from Kathmandu, Laxmi was married at a young age and moved to her husband's small community in Thecho. At just 25 years old, with a secondary education completed, she found herself unable to secure employment and was financially dependent on her husband's limited income. On top of that, she carried the full responsibility of child-care and household duties. At the time, there were no structured services for food security, social protection, or livelihood support in the area, particularly targeted for women.

In search of support and solidarity, Laxmi came across a women's saving group, which later was registered as Thecho Mahila Jagaran Cooperative and

joined a local women's saving group in 2007 as saving coordinator. She began attending meetings, hoping to find a way to support herself and uplift others in similar situations. Encouraged by the group and inspired by its purpose, she started volunteering in 2008 when the cooperative was officially registered.

Her dedication and eagerness to learn did not go unnoticed. Gradually, she took on more responsibilities within the organisation, facilitating programs, helping women understand their rights, and encouraging collective action. Her growing involvement led her to a part-time role, and soon after, she was working full time to support the cooperative. During this time, she received various training in social mobilisation, leadership, and community engagement.

Laxmi's journey of empowerment soon became a pathway for others to follow. She began mentoring women, leading training sessions on gender equal-

ity and empowerment, and spreading awareness about the power of saving, emphasising how financial literacy can boost women's confidence and independence. She worked tirelessly to ensure that women's groups were linked with essential services and opportunities, planting seeds of resilience in communities that had long been underserved.

In 2014, after years of dedicated involvement, Laxmi deepened her role as a trainer and community mobiliser within the cooperative. Her leadership and commitment culminated in her election as Chairperson of Thecho Mahila Jagaran Cooperative, a position she held from 2016 to 2024. Throughout her tenure, she guided the cooperative with vision and integrity, helping it grow into a powerful force for community transformation. Her expertise and grassroots experience have also earned her recognition beyond her community. She has collaborated with several local, national, and international organisations, including the Huairou Commission, where she

facilitated workshops on leadership, advocacy, and capacity-building for women. She also plays a key role as a member of CWF's board and supports the other women-led cooperatives in the country.

Today, Laxmi remains actively engaged in a women-led leadership program in Thecho. She works to build awareness among marginalised women and is a passionate advocate for gender justice. Her voice has reached national and international platforms, where she has represented grassroots women in key policy discussions. She continues to lead initiatives aimed at improving the socio-economic conditions of women in her community. Following the 2015 earthquake, she also played a vital role in supporting recovery efforts, offering both practical training and emotional support to affected women.

Laxmi's story is a powerful reminder of what women can achieve when they are supported with the right tools, knowledge, and opportunities.

photo: ©Lumanti NGO



Women's Coop

Asia - Sri Lanka



photo: ©Women's Coop



The Women's Development Services Cooperative Society, commonly known as **Women's Coop**, is a grassroots community organisation that emerged in 1989 in Colombo, Sri Lanka. It was founded on the principles of savings and credit to address the daily struggles faced by poor women living in urban settlements. At its core, Women's Coop aims to empower women by fostering financial independence, providing access to credit, and promoting holistic community development.

A nationwide women-led cooperative

The Sri Lanka Women's Coop, began in 1989 when nine women from a Colombo slum, with support from community activist Nandasiri Gamage, created a small loan fund with just 45 Sri Lankan rupees (LKR) (around US\$1 at the time). Initially supported by the National Housing Development Authority, the group soon chose to manage their own savings independently, rejecting bureaucratic constraints.

In 1990, they registered as a district-level cooperative society with the Department of Cooperatives Development (DCD) of the Government. As the initiative spread across towns and cities, Women's Coop became a national-level cooperative federation in 1992. Today, it is a vibrant, women-driven movement with over 125,000 members and 279 branches, recognised by the DCD. Each branch operates as a community-level bank, offering savings, loans, and welfare services designed around members' needs.

Women's Coop functions through a three-tier democratic structure:

Small group level- The foundation:

At the grassroots level, small groups of 5 to 15 women from the same community meet weekly to save, manage loans, update records, and discuss group matters. Each member holds a leadership role in **subject areas**: finance, housing, health, entrepreneurship, agriculture, education, and disaster management, embodying the principle that "everyone is a leader". The group's elected office bearers— Chairperson, Secretary, and Finance Secretary — oversee operations, with the Finance Secretary playing a key role.

Branch level - Community-level funds:

Small groups are the basic self-managed units where women save together, make emergency loans, and practice collective leadership. When at least 10 small groups with a minimum of 80 members total, operate in the same or nearby settlements, they federate to form a branch. The branch manages larger savings and loans. All loans and transactions at the branch level are conducted collectively via the group, never

directly to individuals, ensuring shared responsibility and accountability. New groups must first function for nine months and undergo performance evaluations before joining a branch.

Each branch is governed by a committee composed of elected **Finance Secretaries** from the savings groups. From this pool, key roles—Chairperson, Finance Secretary, Institutional Secretary, Deputy Chairperson, and Assistant Secretary—are elected every three years under the supervision of the cooperative's audit section and the DCD.

In line with the leadership model, leaders assigned to subject areas in all savings groups form **thematic forums**. These forums then elect five-member **action committees**, responsible for coordinating activities in their subject area at the community level. One representative from each action committee is elected to join the branch management, ensuring subject-area perspectives are reflected in governance.

National level – Strategic Oversight:

At the top tier, Women's Coop is governed by the **National Executive Committee** and the **National Executive Council**, which provide oversight, strategy, and policy direction. Supporting them is the **National Leaders' Council**, made up of Finance Secretaries from all 279 branches. Additionally, subject-specific councils—formed by leaders of action committees from each branch—operate at the national level. These ensure a strong connection between grassroots leadership and national strategy.



The **National Executive Council** includes:

- **Finance Secretaries**, elected from the National Leaders' Council (one per 10 branches, with exceptions for smaller districts).
- **One representative from each subject-specific national council**, who contribute to discussions but do not contest for executive positions.

From within the Council, elections are held for five key positions that make up the **National Executive Committee**: President, Finance Secretary, Institutional Secretary, Vice President, Deputy Institutional Secretary.

Through this inclusive, democratic, and tiered structure, Women's Coop empowers poor women, promotes collective leadership, and builds resilient communities across Sri Lanka.

Key data, August 2025

Number of branches:

279

Number of saving groups:

6,975

Number of members:

125,000

Since the program covers the entire family, including in-laws, benefits go to around 850,000 persons. That represents nearly 4% of the total population of Sri Lanka.

Amount collected in savings (branches level):

US\$ 33.89 million

Loan disbursement
(branches level):

US\$ 43.82 million

Default rate
(branches level):

0.01%

Savings & the right to housing

US\$ 16.4 million

in loans issued over the past 6 years, resulting in

6,143

new housing units for Women's Coop members.

Nearly all members have benefited from multiple home improvement loans, enabling on-going upgrades.

Six health clinics built and operated across five districts, providing affordable healthcare.

How does it work?



SAVINGS

At the **group** level:

- During weekly meetings, each member of a savings group contributes a **compulsory savings amount of 5 LKR (US\$0.02)** per week to the group, with the option to make additional voluntary savings. The collected funds are kept within the group, secured in a cash box.

At the **branch** level:

- **Mandatory group membership:** Once a savings group has joined a branch, it is required to obtain branch membership by paying 1,000 LKR (US\$3.30) annual membership fee. Further, it needs to open a savings account for money transactions between the branch and the group.
- **Mandatory individual membership:** It is compulsory to every member of a group to purchase at least 1 share of the branch at the value of 100 LKR (US\$0.30) and pay a one-time membership fee of 100 LKR (US\$0.30). Further, group members are required to open a savings account at the branch, and they can continue voluntary savings. The branch will pay interest for such savings of the members at the rate of 6% per year.

The **branch** has the **legal authority to accept sav-**

ings from members and non-members and issue loans. The financial base of a branch is built through member shares, group membership fees, member savings, loan interest, and member contributions to welfare and insurance schemes.

In addition to compulsory group savings and voluntary branch-level savings, there are several other types of savings products available. These operate at different levels and are open to both members and, in some cases, non-members:

- **Children's Savings:** Designed to encourage children to save for school-related expenses and small personal items.
- **Non-Member Savings:** Branches accept savings from non-members, offering a 6% interest rate.
- **Fixed-Term Deposits:** Available to both members and non-members, these deposits earn a higher interest rate than regular savings.
- **Society Savings:** Welfare societies and community-based organisations are also able to save with Women's Coop.
- **Shares:** Members contribute 3 LKR (US\$0.001) per month to their branch and 1 LKR (US\$0.003) per month to the national Women's Coop.

LOANS

At the **group** level:

Mandatory savings are primarily used for **emergency loans**, which are available to members as needed. Members are required to repay their emergency loans promptly to ensure availability for others. The interest rate or service charge for emergency loans is 1% per week, equating to 48% per year. The funds remain within the group, circulating as emergency loans. Loan interest earnings are used for group management, community projects decided by the group, and the remaining balance is evenly distributed among group members.

At the **branch** level:

Loans are issued to members through their savings groups, which collectively receive and guarantee the loan. This group-based approach fosters mutual accountability, builds trust, and significantly reduces the risk of default.

Annual loan interest rates vary depending on the type of loan:

- **Housing loans** have a 12% annual interest rate.
- **Income generation and other loans** carry an 18% annual interest rate.

To be eligible for loans, members must purchase shares in their branch. These shares form the member's asset base, which determines how much they can borrow: up to ten times the value of their assets.

A unique feature that helps increase members' asset base and encourages timely loan repayment is the **loan tax**. A 5% tax is charged on every loan, with the deducted amount credited to the member's account at the branch. This growing asset base enables members to qualify for larger loans over time. Addi-

tionally, these assets remain as fixed-term deposits that earn annual interest, providing further loan security.

When a member needs a loan, she submits a written request to her savings group, which reviews it based on her needs, repayment capacity, loan history, and savings. If approved, the group submits the request to the branch on her behalf. The loan is issued to the group—not the individual—with all members signing as guarantors, along with a family member to ensure household awareness and support. This process helps prevent repayment issues. Standard loan approval takes 1–2 weeks, but emergency requests (e.g., for medical needs) can be processed within a day.

There are no specific restrictions on the purpose of loans a member can request, whether for housing, business development, education, etc. The only limitations are that loans cannot be used for illicit alcohol/drug selling or for re-lending the money.

Welfare and insurance mechanisms

To support its members in times of crisis, Women's Coop has developed a range of welfare and insurance mechanisms at the branch level. These include access to free monthly health services, family and individual insurance plans covering death, disability, and major medical treatments, as well as special schemes for breadwinners and spouses. Most contributions are affordable, can be paid in installments, and are managed collectively by the branches. At the national level, Women's Coop also runs an Education Aid Fund to assist with schooling-related expenses. Together, these schemes strengthen the resilience of members and their families, reinforcing the cooperative's commitment to social protection and community solidarity.

Challenges

Mindset, community engagement & trust

Shifting mindsets:

In its early years, Women's Coop struggled to encourage savings among women facing poverty and daily hardship, with no local support systems beyond exploitative money-lenders. The goal was not just financial, but to build discipline, solidarity, and a collective spirit. Achieving this required persistent trust-building and community engagement to balance urgent needs with long-term empowerment.

Social consciousness:

Although Women's Coop has grown into a nationwide network offering diverse financial services and health programs, isolated issues still arise at the group level, particularly regarding the treatment of some members. While not widespread, these cases have prompted a renewed focus on fostering empathy, collective values, and social awareness. The Coop works to build this consciousness from an early age through cultural initiatives, children's art and reading programs, and the celebration of religious and cultural festivals.

Capacity & skills

Foundational struggles:

Another key challenge was starting the small group savings model without external support, relying solely on the capacity and commitment of poor women. As the movement grew, external actors offered assistance, but the leadership carefully navigated these offers—accepting only support that aligned with the movement's values and safeguarded its grassroots integrity.

Governance & leadership

Leadership defections:

In 1997, the Women's Coop faced a major challenge when a prominent leader broke away from the movement, taking control of several branches and forming a separate cooperative. In the years that followed, three other district-level leaders attempted similar break-aways. Despite these setbacks, the organisation's leadership responded with democratic resolve, strengthening internal structures to prevent future divisions and reinforcing the unity and integrity of the movement.

photo: ©Women's Coop



Best Practices

Financial & social sustainability

Rooted growth:

Women's Coop has grown organically by responding directly to the lived experiences and needs of its members. New financial products and support systems emerged from the ground up, shaped by what communities required most. This needs-based evolution has kept the Coop flexible and member-centred. At the same time, expansion is deliberately gradual, ensuring that every new member is fully trained, understands the cooperative principles, and is deeply engaged. By balancing responsiveness with careful scaling, Women's Coop maintains both relevance and sustainability.

Shared prosperity:

Women's Coop operates as a self-sustaining financial system where income generated through members' savings and contributions is reinvested directly into the community. Interest earned from loans funded by members' deposited savings is distributed to benefit members in a holistic way: 60% is returned to members as interest, encouraging continued saving and financial security; 25% supports a branch-level health fund, providing free or subsidised healthcare for members and their families; and 15% covers branch operational costs. Similarly, income from insurance and welfare funds—contributed by members themselves—is largely reinvested to expand those services. 68% of this income is credited back to insurance and welfare accounts, while the remaining 32% is used to manage and strengthen those programs. This transparent and member-centred income distribution ensures that the benefits of growth and sustainability are equitably shared.

Transparency & trust:

Women's Coop ensures financial security and accountability through a system designed to be both transparent and participatory. At the group level, weekly savings are stored securely in a lockbox, with responsibility shared among members to prevent misuse. Branches hold accounts in commercial banks for essential transactions but avoid depositing excess funds externally—instead, surplus money is loaned to other branches in need, with national office approval. Over 2,000 trained internal auditors—drawn from the membership—monitor transactions at all levels, supported by government-conducted external audits. Bookkeeping remains largely manual to allow broad member participation, particularly for those with limited digital skills, reinforcing collective ownership and financial literacy across the cooperative.

Institutional and regulatory frameworks

Formalisation:

The Women's Coop is officially registered with the Department of Cooperatives Development in Sri Lanka. This registration ensures that its various **structures comply with specific rules and regulations** related to financial oversight and auditing, ensuring accountability and transparency within the organisation.

Mindset, community engagement & trust

Community-driven solutions:

A key strength of Women's Coop has been its ability to adapt to the immediate needs of poor communities while building long-term, sustainable practices. In the early years, even the smallest loans—such as 100 LKR to buy milk—met urgent daily needs. As members saw the power of using their own savings to solve problems, the practice of saving gained momentum and spread organically. At the same time, savings groups were intentionally designed as more than financial tools—they became collective platforms for solidarity, dialogue, and mutual support. These safe spaces allowed women to share burdens, voice concerns, and build confidence together. Over time, they evolved into strong community support networks, fostering empowerment and social inclusion alongside financial resilience.

Governance & leadership

Savings discipline & commitment:

Since its founding, Women's Coop has emphasised savings discipline by requiring members to contribute a minimum of 5 LKR per week—a consistent practice that builds financial habits and personal responsibility. Weekly group meetings reinforce this commitment by serving as spaces for collecting savings, updating records, and fostering solidarity. These regular interactions strengthen engagement, accountability, and mutual support, helping members stay connected and committed to their shared goals.

Everyone is a leader:

Unlike many community development models where leadership rests with a few, Women's Coop ensures that every member of a savings group holds a leadership role.

Capacity & skills

Peer-to-peer training:

Women's Coop builds local capacity through a combination of peer support and structured training. From the earliest stage—even before joining the cooperative—new groups receive hands-on guidance from experienced members in their community, supported by the local branch. This peer-led training focuses on financial record keeping, leadership, minute-taking, and meeting facilitation. Senior members often attend meetings to offer practical, on-the-job support. At the branch level, the cooperative provides formal training in financial management, general administration, and fund oversight. To ensure consistency across all levels, branches are equipped with standard formats, ledgers, and stationery for clear and systematic documentation.

Group-level autonomy & collective responsibility:

Women's Coop empowers its members by keeping a portion of savings at the group level, allowing women to manage funds directly and access money quickly in emergencies. This local autonomy strengthens trust, confidence, and ownership. When larger loans are needed, the group—not individual members—submits the request to the branch, and the loan is issued to the group collectively. This structure reinforces shared accountability, deepens engagement, and ensures that repayment is a collective responsibility. By managing money together, women build strong bonds, decision-making skills, and a lasting sense of community purpose.

Voluntary membership:

Women's Coop operates on the principle of voluntary membership and does not actively seek or recruit new members to join savings groups. Instead, community residents who are interested in becoming part of the Cooperative do so of their own accord.

Stories of impact

A testimony by Mrs. J.A.Rashoma Dilhani, Vice Chairman and Alternative Finance Secretary of U.E. Perera Mawatha branch of the Women's Coop at Rajagiriya

Meet Mrs. J.A. Rashoma Dilhani, a remarkable woman from Rajagiriya, Sri Jayawardanepura Kotte, Sri Lanka, who stands today as the Vice Chairperson and Alternative Finance Secretary of the U.E. Perera Mawatha branch of the Women's Coop. At 54 years old, married with two daughters—one married, the other working at a private bank—her journey is a powerful testament to resilience and empowerment.

Years ago, Mrs. Dilhani worked in a garment factory, but after marriage and starting a family, she had to leave her job. Life was tough. Her family depended solely on her husband's modest income as a security guard, struggling to make ends meet in a temporary home. But everything began to change in 1996 when she discovered the Women's Coop savings group in her community.

Drawn by the promise of support and solutions to her family's economic challenges, Mrs. Dilhani joined a neighboring women's group. From the start, the cooperative's continuous awareness sessions and financial literacy programs empowered her. Weekly meetings became more than just about saving money—they were a space where women shared their challenges, supported each other, and learned how to access vital government services.

Through the cooperative, Mrs. Dilhani found her voice and confidence. She took on the important role of finance secretary at the group level, earning trust and respect. Her dedication and leadership skills soon led her to the branch management committee, and today she proudly serves as Vice Chairperson and alternate finance secretary for a branch that includes 31 groups.

Her achievements speak volumes: with multiple housing loans from the cooperative, Mrs. Dilhani built a beautiful two-story house on her own land. She rents out the upstairs, earning US\$ 100 a month—income that covers her loan repayments of US\$ 850.

Over time, she's saved US\$ 3,360 in compulsory savings and accumulated US\$ 370 in share capital. Beyond cash, her home and land are valued at an impressive US\$ 150,000.

What fills her with even more pride is seeing her two daughters join the savings program, continuing the cycle of empowerment. Reflecting on her life before joining the Women's Coop, Mrs. Dilhani says she has achieved all her life goals. Now, she's deeply committed to serving her group and branch, thriving in a network of strong women leaders, and carrying with her a sense of pride and social recognition she once never imagined.

photo: ©Women's Coop





Community Savings in the Homeless People's Federation Philippines

Asia - Philippines



photo: ©PACSII



The Philippine Action for Community-led Shelter Initiatives, Inc. (PACSII) is a non-governmental support organisation established in 2002 to strengthen and

accompany the work of the Homeless People's Federation Philippines, Inc. (HPFPI). As the Federation's intermediary partner, the NGO PACSII plays a key role in organising, mobilising, and building the capacities of community-based initiatives across the country. Its mission is to support grassroots-led processes toward secure housing, disaster resilience, and sustainable community development, with a focus on ensuring that the urban poor lead the planning and implementation of their own solutions.

From garbage dumps to a nationwide savings movement

The community finance movement of the HPFPI began in Barangay Payatas, Quezon City, home to one of Metro Manila's largest informal settlements surrounding a massive garbage dump. Despite health and environmental challenges, thousands of residents relied on scavenging recyclable waste for their livelihood. In 1993, the poorest families organised as the Payatas Scavengers Association, supported by Father Norberto Carcellar and the church-based NGO Vincentian Missionaries Social Development Foundation, Inc. Together, they sought collective solutions to improve living conditions, launching their first savings program in 1995 based on the Grameen microloan model. However, this approach required heavy staff involvement, which proved unsustainable.

In 1997, community leaders from Payatas visited India through an exchange program organised by the Asian Coalition for Housing Rights (ACHR) and learned about the community-led savings model from Mahila Milan. Unlike previous models that depended on external financing, this approach empowered communities to manage their own savings and loans internally, fostering women's empowerment and

stronger community organisation.

Following this, Payatas established its first daily savings group, with mobilisation efforts led through parish Sunday masses and training by local church leaders. Though loans were initially small, they allowed members to invest in microenterprises like recycling and vending, breaking reliance on exploitative moneylenders. This financial autonomy built community confidence and paved the way for collective housing initiatives.

Payatas' experience inspired visits from other regions—including Davao, Mandaue, and Iloilo—where residents learned about these savings groups and social development programs, returning home to replicate the model with parish support. This grass-roots method filled a critical gap, as many communities lacked government assistance.

As the savings groups multiplied nationwide, they united to form the HPFPI, now linking groups across 16 cities and municipalities in six regions such as Metro Manila, Bicol, Central and Western Visayas, Davao, and Cotabato.

Key data* for Luzon, Cebu, Iloilo and Davao provinces

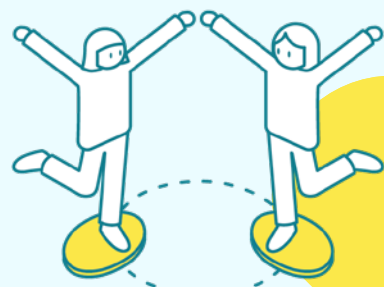
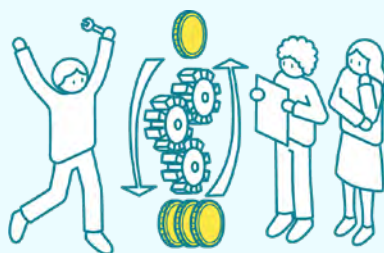
Number of saving groups:

667

Number of members:

6,705

households



Total savings collected:

US\$ 2.29 million

Savings-based loans disbursed:

US\$ 2.23 million

Average loan repayment rate:

82.3%

*Figures reflect the highest recorded data over 30 years of the savings program. Some records, particularly for Cebu, are unavailable due to data loss (device failure, fire, flooding).

Savings & the right to housing

95+ hectares of land collectively acquired, securing tenure for at least **7,245** families.

1,673 housing units built or rehabilitated.
2,800+ families benefited from housing initiatives and community infrastructure improvements.



How does it work?

SAVINGS

Savings groups within HPFPI typically consist of 5 to 10 members. These can remain informal or choose to formalise, depending on the community's needs. In areas with insecure land tenure, multiple savings groups often organise themselves into either a Homeowners' Association (HoA)—if land has been acquired or is in the process—or a Community Association (CA) if land acquisition is still pending. These associations coordinate local activities, while HPFPI regional offices provide oversight and support across their region.

Savings practices vary by region, especially regarding minimum contributions and loan management. Each group determines its savings frequency—daily, bi-weekly, or monthly—based on members' preferences and capacity. Some regions, such as Davao and Metro Manila, recommend minimum contributions, while others allow full flexibility.

Most HPFPI-affiliated communities manage four primary types of savings, each serving distinct purposes:

Group Fund Savings (Compulsory)

This is the foundation of each group's financial activity. Members contribute regularly—daily, weekly, or monthly—with typical minimums ranging from 20 Philippine pesos (PHP) (US\$0.35) to 600 PHP (US\$10) per month. The fund is used to provide small individual loans for needs such as education, business, and emergencies.

City Fund Savings

Members contribute a fixed monthly amount, often 10 PHP (US\$0.15) to a pooled city-level fund, which sup-

ports group loans for housing, land acquisition, and community improvements. Most City Funds are managed locally. In regions like Metro Manila and Davao, where the Federation spans multiple cities, contributions are pooled at the regional level and managed as City Network Funds (CNFs). These strengthen collaboration and resource-sharing among community and homeowners' associations. Each CNF sets its own terms, procedures, and repayment schedules, but one core rule applies: only organised savings groups or associations—not individuals—can access loans, and only if they have demonstrated consistent savings.

Urban Poor Development Funds (UPDF)

The UPDF is a city-level or community-level fund that supports land acquisition, housing, site development, infrastructure, and livelihood projects. Members contribute 20 PHP (US\$0.35) to 100 PHP (US\$1.75) monthly, with savings kept as non-withdrawable collateral for collective loans. Interest rates range from 6% to 36% annually, depending on the loan type, with repayment periods typically spanning 10–15 years for land and housing, and 1–5 years for upgrading.

Welfare Fund Savings

Members contribute regularly to cover emergency insurance needs. In most cities, contributions are forwarded by the regional offices to Country Bankers Insurance Group, which provides grants for urgent needs such as funeral and hospitalisation expenses.



photo: ©PACSI

LOANS

Loan systems within HPFPI are decentralised. Each regional office defines its own loan policies — including interest rates, repayment terms, and loan amounts — which are uniformly applied across all savings groups within that region. This structure allows regions to adapt financial rules to local realities and community priorities.

HPFPI supports various types of loans, tailored to individual needs. Housing and land acquisition loans typically carry an interest rate of 6% per year. In some donor-funded projects, this can rise to as high as 18%, while in disaster-affected communities, the Federation may waive interest entirely. Loans for site upgrading — such as road improvements or drainage — are also commonly set at 6% per year.

Livelihood loans tend to have lower rates, ranging from 1.5% to 6% annually, depending on the region and terms. Disaster response loans, such as those for emergency housing materials, are generally interest-free. Community savings loans — taken from internal group funds — are short-term and bear interest rates between 0.5% and 3% per month. In Metro Manila, for example, the rate is commonly set at 0.5% per

month, or 14% per year.

Funds pooled at the city level, such as the City Fund, may be used for larger community infrastructure projects. These typically carry a 6% annual interest rate. However, activities related to community organising or capacity-building are often supported interest-free.

Loan approval processes also vary by level. For individual loans taken from compulsory savings, the savings group or associations agree on the loan amount and terms based on what the borrower can repay.

For larger community-based loans — such as for housing or land — the association must prepare a proposal and submit it for approval by the Federation's regional office. In cases where external project or donor funding is involved, the national Federation office and its partner PACSI take the lead in managing funds, often coordinating with local government units when public land or resources are concerned.

While savings are mostly pooled and managed at the city level, there is not yet a national savings fund.

Challenges

Mindset, community engagement & trust

Shifting motivation & expectations:

Many members reduce or stop saving once they achieve their primary goals, such as securing land or upgrading their homes. This affects the sustainability of the system, as regular contributions are essential for maintaining community funds that support other groups. At the same time, newer members often join with the expectation of receiving land or housing, especially after seeing past projects supported by external funding. However, fewer recognise the broader, long-term value of savings in addressing everyday challenges faced by urban poor communities.

Governance & leadership

Challenges of decentralisation:

Each region within the HPFPI operates under its own savings and loan policies, making it difficult to consolidate, monitor, and evaluate data across regions. The autonomy of registered associations adds complexity, as these entities are legally independent and often adopt their own rules, limiting the Federation's ability to enforce common standards. Learnings from one area cannot always be applied elsewhere, slowing down the scaling of successful practices. The absence of Federation's national-level programmes also makes it harder to embed accountability mechanisms and consistent check-and-balance systems. This fragmentation creates inefficiencies, weakens institutional memory, and can lead to uneven capacity and performance across communities.

Capacity & skills

Limited capacity:

HPFPI was built on grassroots savings initiatives, which predated its formal establishment. In the early years, training, bookkeeping, and support were driven by local volunteers and parish staff, with limited project funding enabling some regional operations. As external support has declined over time, the Federation's ability to manage funds at the regional level has weakened, reinforcing the need for financial management to remain decentralised at the group or association level. At the same time, sustaining accountability across all levels remains a challenge due to limited human and financial resources. Strengthening internal systems and providing ongoing training are priorities, but without reliable core funding, both the Federation and its support NGO, PACSII, struggle to consistently provide the necessary support.

Manual bookkeeping:

All regions in the Philippines face challenges in monitoring savings due to its reliance on paper-based record-keeping. This manual system makes tracking and oversight less efficient, leading to inconsistencies and difficulties in ensuring proper financial control.

Aging leaders:

The aging of community and federation leaders, coupled with a lack of younger, committed successors, has contributed to the gradual decline of savings group activity. Recognizing the urgency of this leadership gap, the Federation began organising its youth members more systematically in 2024.

Financial & social sustainability

Financial imbalances:

From 2000 to 2010, several regions, including Payatas, Iloilo, Davao, and Cebu, experienced challenges in sustaining their savings and loan systems. In many cases, the amount being saved was not enough to meet the demand for loans and withdrawals. This imbalance made the systems financially unsustainable, especially when members took loans but stopped saving or defaulted on repayments. As a result, adjustments had to be made — including setting stricter loan ceilings and minimum savings requirements — to restore balance and protect the stability of the savings mechanisms.

Mismanagement of funds & loss of trust:

Widespread financial mismanagement—both by savings collectors and those handling centralized funds—led to the collapse of savings schemes across regions in the mid to late 2000s. In response, the Federation overhauled its savings and loan policies, introduced stronger internal controls, and worked to recover lost repayments. Depending on where mismanagement occurred, savings management was either kept at the community level or centralised regionally, with oversight maintained through periodic reporting and, in some areas, surprise audits to verify records and funds. These incidents significantly undermined trust in the system. As word spread, even communities with no prior Federation involvement became hesitant to join, fearing similar problems.

photo: ©PACSII



Best Practices

Mindset, community engagement & trust

Exchanges and learning:

Exchanges between communities and regions have greatly contributed for savings schemes to spread throughout the country.

Culture of saving:

The federation encourages new savings groups to focus on consistency rather than the amount saved. Even small contributions help build the habit. As members gain confidence and see the benefits, they often choose to increase their savings voluntarily, fostering long-term financial discipline.

Safety net:

Beyond financial goals, savings groups provide members with crucial support in times of crisis—such as death, disasters, or pandemics. These benefits foster trust, solidarity, and sustained engagement by offering a shared safety net and reinforcing a collective sense of responsibility across communities.

Empowerment:

By allowing communities to shape their own systems and set collective priorities, the savings process has strengthened self-reliance and empowered residents to advocate more confidently for their needs with local authorities.



photo: ©PACSII

Governance & leadership

Inclusivity:

The early growth of savings groups in the Philippines was supported by local parishes and Vincentian priests, particularly under the leadership of Father Bebot Carcellar, who later established PACSII. As communities developed the capacity to manage savings activities independently, the Federation gradually shifted fund management away from church spaces. This move aimed to ensure inclusivity across faiths and to promote a more community-driven, rather than charity-based, development model.

Savings as a foundation:

For PACSII and HPFPI to support a community in its efforts to secure housing and land, residents must first be organised in savings groups. This guarantees that any investments made in the community are later reinvested in other communities, following the revolving principle of community funds.

Financial & social sustainability

Resilience:

For the federation, savings are more than financial—they are a means of uniting communities. Despite past setbacks, they remain committed to improving their approach by learning from experience and promoting transparency when organising new groups. While savings efforts have declined in some areas, collective savings continue to play a vital role in advancing land, housing, and community development goals.

Engaging the next generation:

To promote youth leadership and ensure long-term sustainability, the federation has begun organising youth-focused activities, including a 2024 Youth Summit and the formation of youth savings groups. By involving young people in financial and community decisions, the federation fosters new leadership and strengthens future community engagement.



photo: ©PACSI

Institutional & regulatory frameworks

Formalisation:

To strengthen their ability to advocate for land rights, negotiate with local governments, and access public urban development programs, some savings groups began registering as residents' associations or homeowners associations.

Policy and public investment:

Through sustained savings efforts and federation-building, communities have successfully partnered with local and national governments to access land, housing, and public funds. This model demonstrates how grassroots financial systems can serve as a credible foundation for negotiation, formal recognition, and inclusion in public decision-making.

People-led savings for land and housing in Bangladesh

Asia - Bangladesh



photo: ©POCAA

POCAA | পোকায়া
platform of community action and architecture

The **Platform of Community Action and Architecture (POCAA)** is a Bangladesh-based platform that connects professionals from di-

verse fields (architects, engineers, urban planners, sociologists, geographers, etc.) with community networks, united by a shared commitment to supporting low-income communities. POCAA began its journey in 2013. Since then, it has provided technical support for the implementation of city-wide low-income housing development initiatives in Jhenaidah, Dinajpur and Dhaka. Its mission centres on engaging urban and rural communities, particularly those with limited resources, to foster healthy housing, sustainable infrastructure, and environmental and economic development through co-creation processes.

Building community finance for collective housing

Community-led savings practices are well known among vulnerable groups in Bangladesh and have seen varying degrees of success over the years. Historically, savings groups were communal and large-scale, serving a range of business and social needs within the community. However, since the rise of NGOs involvement in the 1970s and 1980s, reliance on external support has increased significantly—sometimes undermining the organic, community-driven nature of these groups.

The emergence of diverse structures, governance systems, and operational models tailored to local contexts makes it difficult to define a single, uniform model of community-led financial mechanisms across the country. Often part of broader community development or slum upgrading initiatives, these practices have helped establish community savings as a foundation for people-led housing efforts.

With support from the Asian Coalition for Housing Rights (ACHR), POCAA has strengthened this approach by providing technical guidance and supporting the formation of savings groups, particularly in Dhaka and Jhenaidah, as part of collective housing initiatives. POCAA promotes a participatory approach, helping groups shape their rules and structures based on community input, and encouraging decisions that reflect members' needs and capacities. For instance, in Dhaka, savings groups from low-income communities have shown sustained commitment by pooling their resources to purchase land—viewed not only as a means of securing their right to land and adequate housing, but also as a way to safeguard their savings from inflation.

Currently, POCAA-supported savings groups operate independently and are not part of a formal federation, limiting their ability to pool resources or share risks.

Key data, August 2025

Savings groups supported by POCAA:

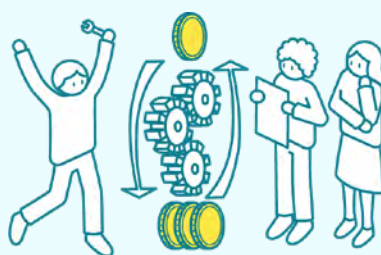
Gabtoli, Dhaka (since 2021) / Korail, Dhaka (since 2024) / Kalyanpur, Dhaka (since 2025)

Total members:

74 women

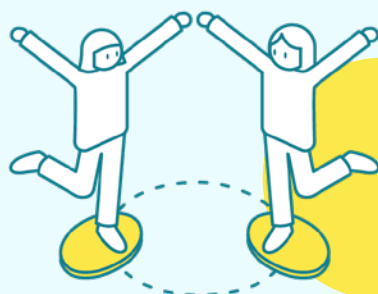
Total savings collected:

US\$ 1,115



Capital for collective housing development (fund endowment):

US\$ 80,115



Average repayment rate:

80%

How does it work?

SAVINGS

Savings groups (SGs) typically consist of up to 20 members with an elected leadership, and decisions are made collectively during regular meetings. These decisions may be formally documented or informally agreed upon, depending on the group.

The frequency and minimum amount of savings vary across SGs and are collectively decided within each community. To ensure inclusivity, the minimum amount is based on what the poorest member can contribute—e.g., if one can save only 30 Bangladeshi taka (BDT) (US\$0.25), that becomes the SG's standard. The savings interval also reflects members' livelihoods: small business owners often prefer weekly savings, while those in formal jobs tend to opt for monthly contributions. SGs also establish internal rules to address exceptional circumstances, like how to handle a member's savings and responsibilities in case of death or financial hardship.

Each SG member maintains a personal passbook for their transactions, while a designated leader

or cashier keeps centralised records and stores the savings. Once the total amount grows significantly the group can open a joint bank account to securely manage the funds collectively.

POCAA-supported SGs typically operate with two core components:

- **Regular savings**, with the group collectively deciding on the amount and purpose of the contributions. These funds are often used to support income-generating activities.
- **Collective housing projects** channelling external funding into housing loans (upgrading, construction and land acquisition), which are repaid into a SG-managed revolving fund, enabling ongoing support for collective housing improvements.

The level of community **organisation** varies across regions. In Dhaka, SGs are often self-managed, while in Jhenaidah, young volunteers are involved to assist with bookkeeping and support, adapting to local capacities.

LOANS

Each POCAA-supported SG defines its **own loan repayment system**, tailored to local conditions. In cities like Dhaka, higher incomes allow for larger repayments. Communities typically agree on repayment periods of 5 to 8 years, balancing affordability with long-term feasibility. Housing loan **instalments** are often set to match previous rent amounts, helping members maintain similar monthly expenses.

When POCAA secures **external funding** (essentially grants), housing funds are first received in POCAA's project account and then disbursed to SGs as grants for **housing loans**. The SGs, in turn, allocate the funds to individual members as loans. As households repay, the funds are reinvested to support other members, creating a **revolving system** that expands access to

housing improvements over time. SGs also decide how to use external support—sometimes combining loans and grants. For instance, in the framework of a housing improvement project with ACHR, one group allocated 25% of the funds as grants and 75% as revolving loans.

Until now, SGs supported by POCAA have been designing their housing loan repayment with a focus on **maintenance costs rather than interest rates**. As a result, there has been no interest charged on any of these housing loans. Instead, maintenance costs are added, typically ranging from 2% to 5% of the loan amount.



Challenges

Community savings schemes in Bangladesh are varied in their forms and origins — some have emerged through community development initiatives, others through NGO programs, and some have developed spontaneously based on traditional community practices. The challenges outlined below

reflect POCAA's broader understanding of these diverse models. While not limited to the communities POCAA directly supports, this overview draws on their wider knowledge and offers a general picture of the common difficulties faced by community savings groups across Bangladesh.

Mindset, community engagement & trust

Trust challenges:

Trust issues arose when some members stopped repaying loans or lost confidence in community leadership.

Eviction risks undermine housing investment:

In areas like Gabtoli, the threat of eviction and the temporary status of settlements discourage residents from forming savings groups or investing in housing, despite initial interest.

Financial & social sustainability

NGO-dependency and lack of long-term sustainability:

While external support in areas like bookkeeping and management is crucial, the key challenge is balancing assistance without undermining self-sufficiency.

Fragmented systems with differing structures and practices:

This diversity poses challenges in unifying these groups under a common framework or federation, making it difficult for communities to sustain cohesive, self-managed financial structures. POCAA aims to connect SGs and community organisations through a national network.

Capacity & skills

Limited skills within the community:

Low literacy levels in SGs complicate bookkeeping, making external support vital for proper record-keeping. Relying on others to read records can create mistrust and communication issues.

Institutional & regulatory frameworks

Lack of institutional support for community finance:

Government scepticism and the absence of tailored financial systems obstruct community-led housing efforts.

Lack of formal recognition:

In Bangladesh, there is no legal framework to register savings groups for community-led housing, leaving them informal and ineligible for public support.

Land scarcity as a barrier:

Limited land availability and profit-oriented policies hinder community-led housing. Without tenure security, communities lack access to public funding, making it difficult to sustain collective financial and organisational models.

Governance & leadership

Challenging management and follow-up:

Limited internal capacity created difficulties in assigning and compensating money collectors, hindering the sustainability of SGs.

Fluctuating membership:

With people leaving, joining, or group sizes shrinking, the stability of the group is often challenged.

Best Practices

Mindset, community engagement & trust

Strong tradition of collective savings:

Collective savings is deeply embedded in Bangladeshi communities, forming the basis for microfinance models like Grameen Bank. In Dhaka's Korail, POCAA supports a resilient, housing-focused SG formed by active residents who draw on past experiences and allocate part of their savings for group management, showcasing the adaptability of community-led efforts.

Showcasing local success stories:

Jhenaidah's collective housing process emerged as a key reference, seen as a model to present to the government and other stakeholders. By highlighting successful local initiatives, they demonstrated that such approaches are feasible and replicable within their own context, which motivates and inspires community members to engage in collective efforts.

Financial & social sustainability

Rootedness in communities' real needs and priorities:

Participatory approaches in which communities lead every step—from savings systems to spatial planning—while receiving technical support from POCAA, foster ownership, inclusivity, and long-term sustainability.

Capacity & skills

Learning from other experiences:

Inspired by the Community Organization Development Institute (CODI) model developed in Thailand and other savings experiences in Asia, groups in Bangladesh studied other countries' approaches, drawing lessons from their strengths to adapt and develop their own locally grounded strategies.

Institutional & regulatory frameworks

Advocacy strategies:

POCAA advocates for community-led housing by pushing for supportive financial and governmental structures. These efforts are developed collaboratively with NGOs, networks, and experts to design ethical, context-specific mechanisms that empower urban poor communities.

Kampung cooperatives savings scheme

Asia - Indonesia



photo: ©UPC



Urban Poor Consortium (UPC), founded in 1997, is a non-profit, non-governmental organisation based in Indonesia. For over 20 years, it has worked to

defend, mobilise, and provide technical assistance to the urban poor, helping them live with dignity, gain recognition as citizens, and secure their right to adequate housing and their right to land. UPC supports the development of housing cooperatives by building capacity, advocating, and offering technical support. They assist communities in organising, registering as cooperatives, and connecting with other partners and networks, such as the Jakarta Urban Poor Network. UPC has played a key role in the growth of housing cooperatives in Jakarta over the past five years.

From fragmented savings to a national cooperative network

Community savings in Indonesia have developed over the past two decades, beginning with early exchanges among community leaders and NGOs inspired by savings initiatives across Asia. Although initial efforts were fragmented, momentum grew after the 2002 Asian People's Dialogue in Indonesia, which brought together groups from 13 Asian and two African countries and strongly encouraged the launch of community savings schemes. However, early savings group initiatives also encountered a number of persistent challenges. Many groups formed around short-term goals tended to dissolve after a year, as the long-term purpose of the fund remained unclear. Weak repayment systems, including the absence of clear regulations for defaults and ineffective collection mechanisms, led to low repayment rates and eroded trust among members. Moreover, the handling of funds was often inefficient — in some cases, the perception of external contributions as aid diminished the motivation to repay, while widespread mismanagement contributed to the collapse of entire group systems. Finally, the lack of federation structures at city or national levels meant that oversight remained local and often limited, restricting both monitoring capacity and access to broader resources.

In 2017, UPC and several allies revisited the idea through exchanges with Sri Lanka's Sevenatha NGO and the Women's Coop, one of Asia's leading community finance models. These exchanges inspired a new initiative to support the housing cooperative movement in the kampungs (informal settlements) in Indonesia—meeting urgent needs while advancing long-term land and housing rights. In 2024, UPC

returned to Sri Lanka to deepen its learning.

This developed into a multi-level savings scheme embedded within a cooperative structure: small savings groups are formed within a kampung-level housing cooperative. These kampung cooperatives combine then into provincial branches and ultimately form a national secondary umbrella cooperative. Committees at each level are made up of representatives elected from the level below: savings groups select members for the kampung cooperative committees, which in turn appoint representatives to the provincial branches. The provincial branch functions as a local federation connecting kampung cooperatives in the same province and acting as a bridge to the national cooperative. These branches are all part of the national cooperative. Legally, only the kampung and national levels are registered cooperative entities, while provincial branches do not have separate legal status but operate as substructures of the national-level cooperative.

It's important to note that this system is still in its **early stages**. In 2024, a pilot with three savings groups identified challenges, which informed the development of a training-of-trainers program that helped members establish and manage their own small savings groups. The system is now active in 90 kampungs across 14 cities and 8 provinces, including Jakarta's kampung Muka, Aquarium, Kunir, and Marlina. As land and housing struggles are long-term processes, this savings mechanism was conceptualised to address the immediate needs of cooperative members while also strengthening and sustaining community mobilisation over time.

Key data, August 2025



90 kampungs involved

42 Kampung-level housing cooperatives, with **3,671** members

4 branches in 4 different cities

75 savings groups, with **1,004** members*

*Not all cooperative members are part of a savings group yet, as SGs are gradually being formed.

Savings & the right to housing

Over the past 7 years:

355 new housing units constructed in 3 kampungs.

23 home renovations completed in 7 kampungs.

Community residential facilities (roads, drainage, parks, street lighting, septic tanks, bridges, community halls, and gardens) built in **16** kampungs.

7.9 hectares of land secured in 3 kampungs.

Spatial plans for residential areas revised in **18** kampungs.

Collective building permits issued in the name of cooperatives in 20 kampungs, covering a total of **4,338** houses.



How does it work?

SAVINGS

Savings groups (SGs) are formed within kampung-level housing cooperatives, each consisting of 10–15 members (“groups of ten”). The number of groups per cooperative depends on its size. For example, Kampung Aquarium (189 families) has 7 groups; Kampung Muka (1,000 people) aims for 100 groups; Kampung Marlina (147 members) has 10 groups.

Each SG elects a committee with at least four key roles—treasurer, secretary, auditor, and key holder—with additional roles added as new services, such as health support, are introduced.

Groups meet **weekly** to contribute two types of financial inputs:

- **Mandatory Equity** – Member capital invested into the cooperative system.
- **Mandatory Savings** – Savings retained at SG level for internal use.

1. Mandatory Equity Contributions

Mandatory equity represents members’ capital stake in the cooperative enterprise and is essential for sustaining cooperative functions at all levels. Each

member contributes a **minimum of 5,000 Indonesian rupiah (IDR)** (US\$0.30) per week as mandatory equity. This amount is distributed as follows:

- A portion remains in the group’s **cash box**.
- The rest is shared between the **kampung cooperative**, the **provincial branch**, and the **national cooperative**.

Contribution amounts per level vary and are collectively decided at each level (savings group, kampung cooperative, branch), except for the national federation share, which is fixed at 500 IDR (**US\$0.03**).

2. Mandatory savings

Mandatory savings are weekly contributions made and owned by each member, with minimum amounts agreed upon by the group. Kept securely in a cash box, these savings are not subject to deductions, can be used as a revolving loan within the group, and are available for withdrawal once a year.

In addition to weekly mandatory equity and savings, members and cooperatives pay **one-time**

membership fees:

- **Members** contribute between **100,000–200,000 IDR (US\$ 6-12)** for shares in their kampung cooperative, which they can reclaim upon leaving.
- **Kampung cooperatives** pay **500,000 IDR (US\$30)** to join the national cooperative.

Use of funds across levels

Each level of the cooperative uses the savings and equity in different ways to benefit its members:

Group level:

These funds are used for **small revolving loans** within the group. Members can withdraw their savings annually, without interest gain.

Kampung cooperative:

These funds are invested in **the kampung cooperative's social enterprises**, generating income

to support services like building maintenance, administrative costs, and salaries. Some cooperatives redistribute limited profits among members, while others reinvest them fully.

Provincial branch:

Funds are used for **real-sector services** like food distribution and may serve as loan capital, depending on agreements with affiliated kampung cooperatives.

National cooperative:

The national cooperative pools contributions and external funding (e.g. grants from **SELAVIP** and **ACHR**) into a **core national fund**. This supports **credit access for livelihood activities**, infrastructure development, and other community priorities. Future plans include integrating **government funds** to further expand impact.

LOANS

The loan scheme operates on multiple levels, each with distinct requirements and shared responsibilities. Small groups function flexibly under internal agreements, while accessing funds at the branch or national levels requires at least six months of active saving from savings group members.

Currently, as the mechanism is still in its early stages, most loans are managed at the small group or kampung cooperative level, using a mix of mandatory equity, compulsory savings, and profits from social enterprises. National-level lending remains limited, with SELAVIP funds—exclusively allocated for housing upgrades—being the primary example.

External resources, including contributions from SELAVIP and international partners such as ACHR, will be administered by the national cooperative and distributed via provincial branches to kampung cooperatives. These loans are repaid collectively, with shared responsibility across all levels.

Loan applications begin within the small group and are escalated as needed, with each level acting as a guarantor and requiring 80% approval from the members.

Interest rates, typically around 10%, are set collectively by cooperative members. Rates vary depending on loan size and purpose and are used to cover administrative costs, grow cooperative capital, and fund social needs through cooperative services (e.g., medical emergencies, weddings). In such cases, support is provided as a grant, not a loan.

Loan purposes vary (e.g., livelihoods, education, health), but Selavip funds are reserved solely for housing. Funds from Selavip include a 5% operational fee—used for supervision and contractor costs—not as profit. Since the scheme is new, interest rates are not yet standardised nationally and are currently set by each cooperative.

Social services such as health and education support are offered free of charge and financed through cooperative profits. These services are locally managed—at the kampung, provincial, or national levels—and tailored to community needs. While kampung cooperative and branch levels may propose new service programs, national initiatives require agreement across provinces to be implemented system-wide.

Challenges

Mindset, community engagement & trust

Initial scepticism:

Building trust takes time, and when UPC introduces savings groups, many are sceptical, claiming they lack money to save.

Sustaining member engagement:

Beyond the collection of mandatory contributions, maintaining active and meaningful participation demands consistent work to nurture members' interest and strengthen their commitment — a necessary and ongoing challenge.

Financial & social sustainability

Aligning savings with the housing struggle:

Community savings must be integrated into the broader fight for land and housing rights; focusing solely on credit and loans poses a risk of creating a parallel effort that dilutes the cooperatives' core advocacy and long-term goals.

Governance & leadership

Transitioning to formal accountability:

The new scheme requires small groups to shift from an informal culture—where decisions were often made verbally without written records—to a structured system of accountability. This includes maintaining meeting minutes, preparing financial statements, collecting member signatures, and appointing an auditor to oversee financial and administrative matters. While this transition presents challenges, it is essential for building transparency, trust, and effective financial management across the cooperative network.

Institutional & regulatory frameworks

Adapting to a shifting political landscape:

Ministerial restructuring after the election (2024) has disrupted existing agreements, requiring renewed engagement to rebuild relationships and restore commitments, particularly on land issues.

Lack of regulatory frameworks:

The housing cooperative model remains unrecognised and unregulated in Indonesia. As a workaround, kampung-level housing cooperatives are registered as service cooperatives, given that they provide housing as a service to their members. Establishing clear regulations for housing cooperatives could improve their legitimacy and unlock access to government housing programs and related benefits.

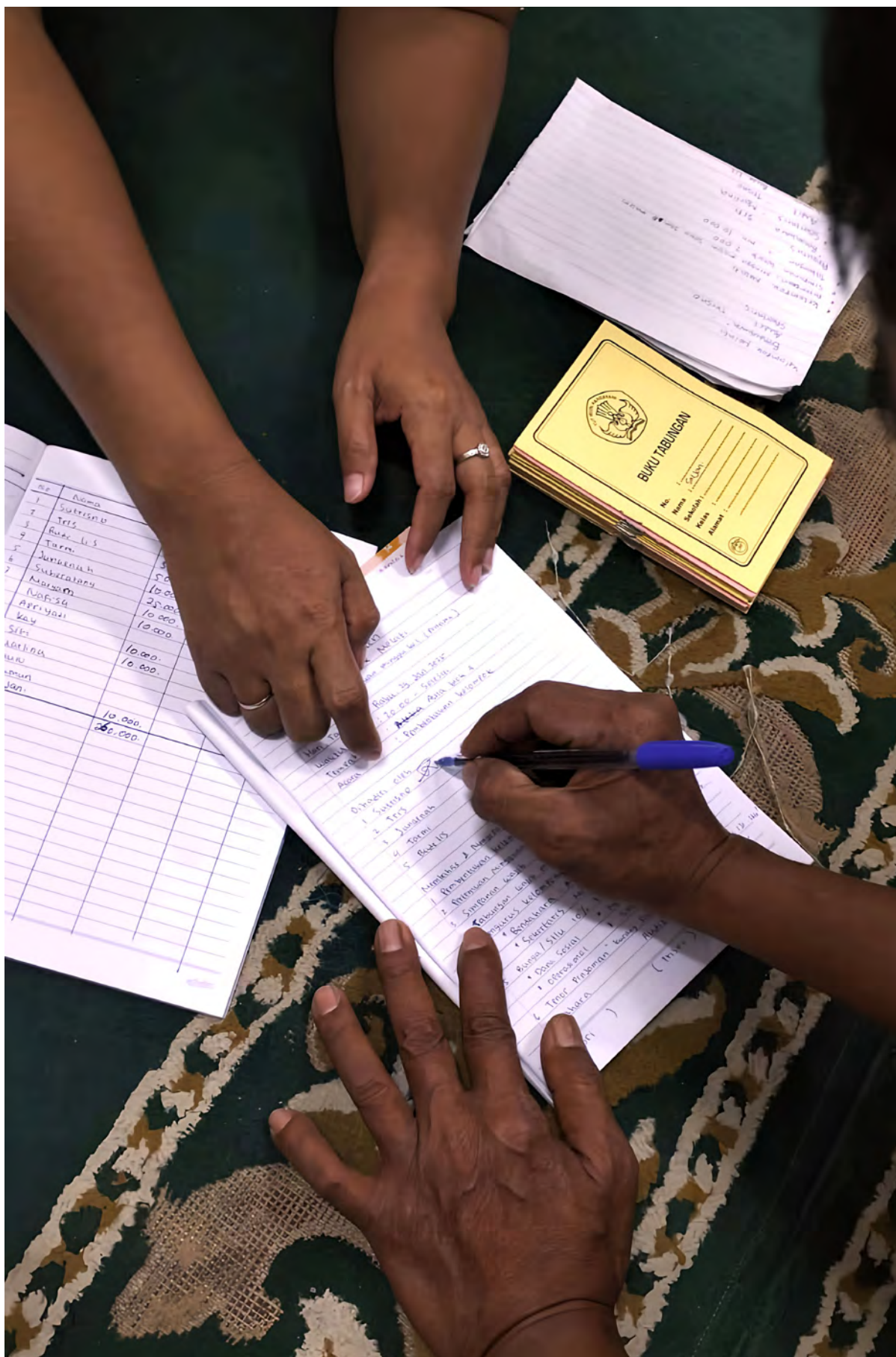


photo: ©UPC

Best Practices

Mindset, community engagement & trust

Building trust through time and experience:

By encouraging small contributions and showcasing successful examples, UPC helps communities gradually understand and trust the process.

Learning and tailoring successful models to local needs:

Unlike external NGO programs, this community-led scheme is trusted because it's self-managed and self-funded—designed by and for the people it serves. By learning from existing models, especially from the Women's Coop in Sri Lanka, and adapting them to local needs, communities have created a self-managed and self-funded savings scheme. This locally owned approach fosters trust, strengthens accountability, and builds the foundation for long-term sustainability.

Housing first, credit second:

While kampung cooperatives may run small businesses more effectively than other informal groups, the core focus remains on housing and asset management—credit activities are supportive, but their primary mission is to secure the right to adequate housing and land to vulnerable communities.

The strength of collective participation:

The mechanism's power lies not in individual savings amounts, but in broad participation—small contributions from many create significant impact.

Sustaining engagement:

Securing land rights is often a long and uncertain process, taking anywhere from 2 to 10 years. This prolonged timeline can lead to frustration and disengagement among members. To sustain community motivation and participation during this period, it is crucial to address members' immediate needs. The community savings scheme helps achieve this by offering tangible benefits—such as access to small loans, death insurance, and other support services—that improve daily life and maintain engagement in the broader community process.

Governance & leadership

Empowering every member as a leader:

Inspired by the principle of “everyone is a leader” of the Women's Coop in Sri Lanka, Indonesian savings groups are developing a model where all members take roles and responsibilities. Instead of relying on designated coordinators, all members will develop the skills and experience needed to manage the group collectively, fostering a more sustainable and participative structure.

Promoting shared financial responsibility:

The structure of the savings scheme promotes shared responsibility across different levels: kampung cooperatives, provincial branches, and the national cooperative. Each level manages its own resources, allowing them to act as guarantors for loans, ensuring a balanced and accountable approach to financial management within the system.

Capacity & skills

Piloting and training for sustainable savings:

In Jakarta, UPC worked closely with kampung cooperative representatives to co-develop and test the savings mechanism, using a step-by-step process to ensure it met local needs and surfaced practical challenges. Grounded in hands-on pilots and peer learning, the model grew directly from community experience, making it more relevant, adaptable, and sustainable.

Building confidence through training:

Training, especially the training of trainers methodology applied by UPC, empowers people with the knowledge and confidence to independently form and sustain small savings groups within their communities.

Building a strong network:

UPC forms alliances with grassroots groups, NGOs, universities, and community networks in each province and city, strengthening local collaboration and leveraging existing structures and expertise to support kampung cooperatives within a holistic approach.

Financial & social sustainability

Pooling funds through a multi-level savings structure:

The current scheme enables communities to pool and share resources across local, provincial, and national levels, giving members access to loans beyond their own savings.

Sustaining housing maintenance costs:

Without government subsidies for long-term housing maintenance, kampung cooperative members contribute monthly to cover such costs. These funds also support cooperative-run businesses, whose profits help reduce this financial burden. However, expenses remain high, prompting efforts to develop a stronger business model to further subsidise maintenance and ensure long-term sustainability.

From daily support to long-term advocacy:

Beyond immediate support, community funds strengthen the broader struggle for housing and land rights, allowing a strategic response to communities' most pressing needs. For example, instead of collecting money door to door so the cooperative can afford to join or organise a protest or an advocacy initiative, kampung cooperatives can now use their own funds—showing how community-led finance can power both day-to-day resilience and long-term advocacy to guarantee better public support and regulations for kampungs.

Women-led self-help groups in India

Asia - India



photo: ©KMVS / Hunnarshala Foundation



Hunnarshala Foundation is an Indian non-profit organisation based in Kutch, Gujarat. Formally established in 2003, its origins trace back to the 2001 Kutch earthquake, when a diverse group of

professionals, NGOs, researchers, and artisans united to support community-led reconstruction efforts. Born from the belief that communities—just as they manage crafts or microfinance—can also lead the rebuilding of their own habitats, Hunnarshala empowers people to design and manage their housing and settlements. The foundation offers expertise in housing design, settlement planning, disaster recovery, water and sanitation systems, and more, grounded in people-centric, environmentally sustainable, and artisan-driven approaches.

Women-led revolving fund for housing and beyond in Kutch

Since 2009, various civil society organisations, including Hunnarshala Foundation, Sakhi Sangini and Kutch Mahila Vikas Sangathan, have been supporting vulnerable communities in the district of Kutch, in Western India.

A local housing fund was established in 2009 with seed funding of 814,156 Indian Rupees (INR) (around US\$ 17,000 at the time) from the Asian Coalition for Housing Rights (ACHR), using housing as the entry point for collaboration between different local NGOs and communities. This initial support laid the foundation for a **revolving loan fund**, which was later expanded and sustained through secured financial contributions from Sakhi Sangini, a women-led collective, founded in 2008, whose objective is to improve the overall condition of women from urban slums in Kutch and surrounding regions.

The set-up and management of this local revolving fund was also supported by Kutch Mahila Vikas Sangathan (KMVS), a Kutch-based women's organisation, which has been organising and mobilising rural women of Kutch into local collectives capable of independently working towards developing women's ability and confidence to address issues of their concern.

The main goal of the revolving fund is to address the urgent housing needs of local women. Inspired by different collective savings models in India, a Self-Help Group (SHG) model was developed, enabling families to contribute small daily savings and, in turn, access small loans from the pooled community funds, with the goal of building adequate homes with gradual repayment. Initially, the approach was

not settlement-based but focused on motivated individuals across different areas in Kutch. Between 2008 and 2009, community leaders invited families to join, starting with just 5–6 scattered households, in a pilot initiative. As these families made visible progress and repaid their loans, trust in the process grew. Repaid funds were recycled into the local revolving fund pool, allowing more families to benefit. Within 2–3 years, the model proved successful, reaching hundreds of households. Today, the movement includes around 250 SHGs and 4,100 members.

While housing was the initial focus, the fund gradually expanded to support other essential needs such as medical expenses, education—broadening its impact while keeping housing at the core. These area-based groups now operate independently under the technical assistance and management support of Sakhi Sangini, which serves nowadays as an umbrella organisation for SHGs.

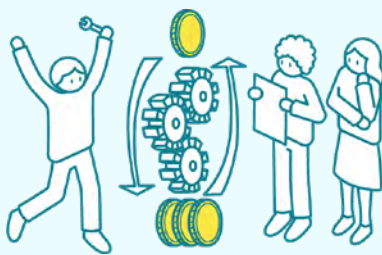
In the absence of a national framework, the focus remains on local and regional implementation across both urban and rural areas of Kutch. While the core work is rooted in Kutch, the initiative has expanded to smaller towns to develop scalable, context-specific models—not through direct replication, but by influencing government policy. After successfully completing 314 new houses, the effort extended to eight additional cities (Mansa, Dehgam, Chaklasi, Jamjodhpur, Khambhalia, Bhachau, Rapar, and Anjar). These smaller cities, often underserved by large-scale urban programs, benefit most from tailored housing strategies suited to local land, resource, and governance conditions within India's decentralised system.



Key data, August 2025

167 self-help groups

4,415 members
(100% women)



Total savings collected:

US\$ 470,000

Collective housing loans disbursed:

US\$ 1,385,000

Loans repayment:

US\$ 1,240,000

Interest earned on loans:

US\$ 202,000

Savings & the right to housing

429 new housing units
constructed and

125 units rehabilitated.

How does it work?

SAVINGS

Each SHG is typically formed within a specific geographic area to facilitate logistics and foster regular meetings, creating a support network within communities. On average, each SHG comprises 15–20 women, although group size may vary based on local context and needs. Every SHG is managed by a **working committee** of 5–6 women responsible for holding regular SHG meetings, overseeing savings and loans, maintaining records, and reporting to Sakhi Sangini. During meetings, they share information and discuss outcomes, including the number of loan applications submitted, how much money has been disbursed, and the details of each case. It is mandatory for them to maintain accurate minutes of their discussions, as well as other essential documents, ensuring transparency and accountability throughout the process.

Group members contribute 10 INR (US\$0.10) per day, and these funds are pooled and transferred to a **centralised housing committee**, hosted and coordinated by Sakhi Sangini. This committee—made up of community leaders, technical experts, and representa-

tives from Sakhi Sangini, KMVS, and Hunnarshala Foundation—manages loan disbursement, prioritising the most vulnerable families. It also defines key financial policies, including interest rates and repayment terms.

To join, new members must approach the working committee of the SHGs, which is responsible for selecting new members, and save a minimum amount of 300 INR (US\$3.50) per month for at least six months, demonstrating financial discipline before becoming loan-eligible.

All SHGs maintain their own bank accounts, which supports transparency, accurate record-keeping, and regular group meetings. The accounts also accrue interest, providing additional income to members from their own savings. Since the Sakhi Sangini is registered as a trust, it benefits from tax exemptions, allowing the funds to grow tax-free. Regular reporting to the government further ensures accountability and regulatory compliance.

LOANS

Once savings requirements are met, individuals can apply for a loan through the working committee, which assesses the request based on the amount, purpose, and repayment capacity of the member. For loans under 150,000 INR (US\$1,700), the SHG working committee can approve them; higher amounts require approval from the central housing committee.

Borrowers must sign a simple, one-page agreement between them (or their family) and the housing committee. Loans are disbursed into the SHG bank account, allowing the group to maintain oversight and ensure responsible use of funds. SHGs charge a processing fee of 5 INR (US\$0.05) per 1,000 INR (US\$10) borrowed.

There is no rigid categorisation for the types of loans offered – families receive support based on their specific needs. For example, loans may be used to access healthcare services, cover educational expenses such as school or college fees, or support housing upgrades. The maximum loan amount is currently set at three times the member's accumulated savings.

For housing loans, including upgrading and new construction, the approved amount is disbursed in a single payment once the loan is approved. Repayment is structured over 18-24 monthly instalments with a 12% annual interest rate. Beneficiaries make monthly repayments to their respective SHGs, while the SHGs submit quarterly instalments to Sakhi Sangini. The standard housing loan repayment period was initially four years but is now adjusted based on family needs. A 1% penalty applies for missed payments without valid reasons, though defaults are rare due to manageable monthly instalments. Families can apply for new loans after full repayment.

Around 75% of the revolving fund has been successfully repaid, while 25% remains unrecovered due to borrower hardships or other major challenges.

Currently, most of the loans provided are not necessarily related to housing - since an important progress was made at that level for communities in Kutch. Instead, most are primarily focused on health, education, and wedding costs.

photo: ©KMVS / Hunnarshala Foundation



Challenges

Mindset, community engagement & trust

Cohesion and community dynamics:

Experience shows that some communities—particularly those with strong social cohesion or shared backgrounds—have found it easier to mobilise collective action. In more diverse or heterogeneous areas, where families come from different social, caste, or religious groups, initiatives may face additional hurdles. These contexts can present communication challenges and differing levels of initial trust or understanding, which may affect the sustainability of certain savings groups or projects. These variations highlight the importance of context-specific approaches, ongoing dialogue, and trust-building efforts, especially in areas with limited prior collaboration.

Loan perception:

Initially, loans were seen as risky, especially since poor families often had no access to formal credit and were forced to rely on exploitative moneylenders. This created fear and mistrust around borrowing. Over time, with support from local NGOs raising awareness and helping communities understand the benefits of community finance, perceptions began to shift. Sensitisation efforts were key in building trust and ensuring that loans could respond to real needs, such as housing or education.

Building trust:

In some communities, varying levels of trust and belief in the initiatives have led to challenges in loan repayment. While some individuals may lack the means to repay, others may be less engaged due to ineffective communication or limited understanding of the initiative's goals. Community leaders often play a vital role in mediating these situations and reinforcing the importance of collective responsibility.

Governance & leadership

Episodes of mismanagement:

While having formal bank accounts provides an important layer of financial security for savings groups, challenges related to financial mismanagement can still arise. In one instance, a group member responsible for collecting contributions was not consistently depositing the funds into the group's bank account. Fortunately, this discrepancy was identified through the system of issuing and cross-checking receipts.

Financial & social sustainability

Selection of the first beneficiaries:

During the pilot initiatives, back in 2009, one initial challenge was identifying families who were both in genuine need of housing and capable of repaying a loan.

Balancing priorities:

Since building a house can take up to months, families might face unexpected urgent needs—like health emergencies or loss of income—during the process. In such situations, adaptability is key: rigidly prioritising housing alone can lead to poor decisions or added stress.

"A decade ago, when the government changed and the housing schemes shifted, the group adapted their strategy.

Instead of requesting houses, they began asking for land, stating, "We don't need houses; give us land, and we'll save and build our own."

photo: ©KMVS / Hunnarshala Foundation



Best Practices

Mindset, community engagement & trust

Building trust through community-led efforts:

The initiative grew organically from within the community, led by trusted local leaders rather than external actors. Early adopters were cautious, but as visible progress emerged, more families chose to join. This bottom-up approach fostered ownership and strengthened trust among members. Ongoing engagement, mutual support, and the consistent presence of community leaders helped reinforce collective commitment. Seeing that loans were being repaid and that participants remained accountable further solidified confidence in the process.

Strengthening solidarity through SHGs:

SHGs foster strong solidarity among women, creating spaces for mutual support and discussion. These groups help formalise connections, turning existing social bonds into a collective force, finance being one of the tools that reinforces this collaboration.

Financial transparency:

Maintaining clear financial records and holding regular meetings to openly discuss available funds played a key role in building trust within the group. This consistent transparency encouraged accountability, strengthened confidence in the process, and reinforced members' commitment to the collective effort.

Capacity & skills

Learning from other experiences:

Exposure to other community-led finance initiatives in India inspired community members in Kutch. Seeing how similar communities tackled shared challenges motivated them with a stronger commitment to engage and act locally.

Training and skill building:

Sakhi Sangini provides regular literacy and financial literacy training to equip community members with essential skills like account-keeping. As the initiative expanded, a structured city-wide schedule was developed to offer a range of trainings across settlements—covering topics such as women's health, well-being, and construction skills like flooring, tiling, and finishing. These sessions are complemented by continuous support through regular meetings and active oversight, ensuring progress, addressing challenges, and providing a space for open discussions. This support is paired with technical guidance, acknowledging that financial aid alone is not sufficient for success.

Governance & leadership

Women's leadership and empowerment:

Through active participation and leadership in the self-help groups, women have gained greater autonomy, challenged traditional norms, and built a strong support system rooted in community trust, demonstrating how locally-led initiatives can drive both social change and financial inclusion.

Financial & social sustainability

Affordability of repayments:

Monthly instalments are more manageable than annual ones, enabling families to repay loans more consistently and with less financial strain.

Integrated approach:

The goal is to avoid isolating issues and instead embed initiatives within a broader framework of mutual support, addressing interconnected challenges like domestic violence and fostering collective growth. This approach views the community as a whole, allowing for organic development by considering all aspects of its functioning, in which community members actively participate in discussions, collaborate on solutions, and ensure that initiatives are shaped by local needs and collective input.

Institutional & regulatory frameworks

Land regularisation and technical support:

To navigate the legal complexities of housing, groups initiated land regularisation with support from architects and engineers who assessed feasibility, reviewed city plans, and ensured construction aligned with legal and planning requirements—enabling sustainable housing development.

Collective negotiation power:

The SHGs became a powerful platform for community-led advocacy, with women consistently engaging the government over 14 years. Their unified voice transformed a housing initiative into a broader movement for land rights, ultimately securing access to housing funds through sustained negotiation.

Stories of impact

A testimony by Hansaben Vaghela, resident of Ramdevnagar

Name: Hansaben Vaghela
Settlement: Ramdevnagar
Organisation: Sakhi Sangini

Formed in 2008–2009, the savings group in Ramdevnagar emerged within an informal settlement grappling with the absence of basic services, no tenure security, and the looming threat of eviction. Most residents—daily wage earners in the construction sector—began by contributing just 2 rupees a day. This simple act of collective saving marked the beginning of their journey toward financial security and empowerment.

Hansaben, who joined the group at the age of 19 or 20 shortly after getting married, recalled the challenges of adjusting to city life after moving from Desalpar, a village 25 kilometers away. Pregnant with her second child and determined to ensure a better future for her children, she set her sights on providing them with an education—something she had to give up after the 5th grade. Motivated by this vision, she began saving 100 rupees a day—well above the group average of around 60 rupees. At the time, about 500 women were involved in savings groups across Bhuj, with 60–80 women organised into small 20-member groups in Ramdevnagar.

Over time, the savings group became a powerful force for transformation in the community. Hansaben described how it brought women together, fostered solidarity, and raised awareness about shared struggles and local issues. It also opened access to loans for essential family needs. In her own case, she took a loan to buy a chhakda (a small transport vehicle) to support her husband's construction materials delivery business. With an initial down payment of 25,000 rupees from the group, her family gained a new level of financial stability.

The group also brought a shift in household dyna-

mics. Women, previously sidelined in financial matters, began gaining recognition and respect. Before the savings group, many relied on exploitative loans with interest rates as high as 20%, often pledging valuables like jewelry. The group offered a dignified and affordable alternative—one that built financial strength and restored confidence.

By 2013, the model had grown into 23 registered Bachat Mandals (Self-Help Groups), demonstrating its expanding impact. Encouraged by the support around her, Hansaben went back to school and completed her 10th-grade education in 2017 through night classes—a remarkable achievement given the demands of her family life. Beyond financial gains, many women used their savings to upgrade their homes, improving their living conditions alongside their status within the household.

Hansaben also shared how the financial independence she gained reshaped her personal identity. Managing her own money gave her the freedom to make choices—like choosing to wear a salwar suit and jeans instead of a saree—small but meaningful steps toward personal autonomy.

During the COVID-19 lockdown in 2020, the strength of the savings group truly shone. When her husband lost his job as a school auto-rickshaw driver, Hansaben turned to her savings. She invested 16,000 rupees to repair their old house and open a small grocery shop. “That money wasn’t just savings—it was my income,” she said with pride. The shop now earns up to 500 rupees a day. She also took a loan to purchase a battery-operated scooter, easing her children's school commute. Even during this challenging period, women accessed low-interest loans without fear or dependence, reinforcing the group's role as a safety net and source of resilience.

The group's flexibility and support attracted young women with caregiving responsibilities, offering

a model that allowed them to participate from home. Today, members are focused on upgrading their homes—improving interiors, furniture, and flooring—while continuing to borrow responsibly, only taking new loans once previous ones are repaid.

Now, under Hansaben's leadership as President of Sakhi Sangini, the savings network has grown to an impressive 160 groups, each comprising 15–20 women. What began as a modest daily contribution has evolved into a powerful, women-led movement that is transforming lives—one rupee at a time.

photo: ©KMVS / Hunnarshala Foundation



The Revolving Fund for Urban Renewal

Africa - Senegal



photo: ©urbaSEN



urbaSEN is a Senegalese NGO founded in 2009 bringing together urban professionals to co-design local solutions in vulnerable,

flood-prone suburbs of Dakar. It places residents at the heart of urban planning by actively involving them in the design and management of their own territory. To amplify the voices of vulnerable populations, it co-founded in 2014 the Senegalese Federation of Inhabitants (FSH), whose membership today is 96% women. Together, they support communities in defining and implementing urban projects aimed at reducing inequalities and building a more inclusive city.

By pooling household financial resources through a collective savings mechanism, they strengthen local capacities, support community organisation, facilitate dialogue with authorities, and promote initiatives centred on human rights and the needs of the most vulnerable.

Securing housing rights through community finance in Senegal

The revolving fund of the Senegalese Federation of Inhabitants (FSH) was launched in 2016 as part of an urban renewal project led by urbaSEN in collaboration with the Swiss-French NGO urbaMonde. The donor's funds allocated for this project were initially required to be deposited in a financial institution. However, after six months of research, the only available options came with prohibitive fees of 12% to 15%. Faced with this impasse, urbaSEN initiated a broader reflection: what if the funds were managed directly by the communities themselves? Convinced by this innovative approach, the donor agreed to support the initiative. This is how the revolving fund for urban renewal was born.

The first loans were tested in the municipality of Djiddah Thiaroye Kao (DTK), with a small group of beneficiaries from the FSH. Careful monitoring over several months showed a strong repayment rate, confirming the relevance of the model. Encouraged by this success, urbaSEN strengthened the structure of the fund by improving monitoring tools and clarifying the conditions for loan access.

The idea of establishing a federal savings system

within the FSH emerged when nearly half of the initial allocation had been used. Resident groups were encouraged to save collectively in order to strengthen the fund, build financial autonomy, and deepen their commitment. Savings thus became a central pillar of the scheme: only resident groups that are members of the FSH and have established a savings system are eligible to receive technical support from urbaSEN for their community-led housing projects.

Today, the revolving fund provides access to tailored financing for vulnerable populations, who are excluded from traditional banking systems and microfinance institutions, enabling them to improve their housing and living conditions.

Through the revolving fund, the FSH, with the technical support of urbaSEN, promotes practices of solidarity and collective governance that strengthen the decision-making power of vulnerable households—both in the suburbs of Dakar and in other regions of Senegal. More than just a financial tool, the revolving fund for urban renewal embodies a development model rooted in collective solidarity and the empowerment of residents.

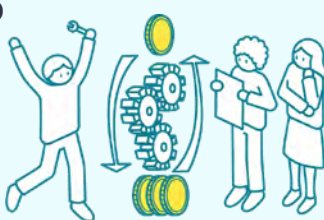
Key data, September 2025

Number of saving groups:

679

Number of members:

around **19,860**
(96% women)



Amount collected in savings:

US\$ 300,500

Endowments to the revolving fund:

US\$ 300,000

Total capital on Sept 2025:

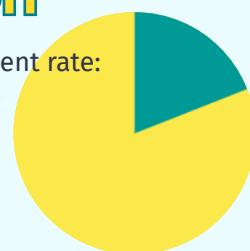
US\$ 631,000

Loans disbursed:

US\$ 1.75 million

Loan repayment rate:

81%



Savings & the right to housing

1,114 houses rehabilitated,

improving living conditions of over **11,000** people in Dakar suburbs.

47 IGA loans given. **170** community infrastructure projects completed.



How does it work?

SAVINGS

Savings groups consist of 25 to 30 members, usually from the same neighbourhood. Each group contributes to the revolving fund through a federal savings deposit set at 5,000 West African CFA francs (XOF) per month (US\$9). These savings are pooled to sustain and strengthen the revolving fund, which is also supported by donor allocations, solidarity deposits, and interest from loans granted to households and groups.

There are two levels of savings:

- the **federal savings** from all groups, pooled at the federation level, which contributes to the revolving fund for urban renewal;
- and the **savings created and managed by the members at the group level**. Each group has full autonomy to set the amount of contributions and the terms for using the savings kept internally. Practices vary between groups: some set a savings amount of 1,000 XOF (US\$2), others 300 XOF (US\$0.55). The frequency of contributions is also flexible, ranging from daily to monthly. The key element for the federation is not the amount or frequency, but the existence of a structured savings mechanism. Therefore, any group requesting support from the federation must have previously established a savings system and also contribute to the federal savings.

LOANS

At the group level, the savings pools are used to provide small short-term loans (1 to 3 months) to support members' income-generating activities, while also maintaining a solidarity fund to cover expenses related to family or social events such as illness, death, marriage, or baptism. All the money in the savings pool is redistributed on the eve of each Eid celebration: the overall balance of the savings is calculated, and the total amount, including interest, is distributed among group members in proportion to their shares (the number and value of shares varying depending on the group).

At the Federation level, member groups can obtain different types of loans from the revolving fund for urban renewal:

- The first type of loan is intended for the rehabilitation of individual housing plots. It is available to individual members of groups affiliated with the FSH. The loan amount can be up to 1 million XOF (US\$1,770). To be eligible, the applicant must belong to an active group within the FSH, and the group must regularly contribute to the federal savings. The loan carries an interest rate of 5% and is repayable over 20 months, with a one-month deferral period.
- The second type of loan supports Income-Generating Activities (IGAs) led collectively by groups affiliated with FSH, with amounts ranging from 250,000 to 1 million XOF (US\$ 440 to US\$1,770). Loans carry a 5% interest rate, repayable over 20 months, with a one-month deferral period.
- A third type of financing allows residents to contribute to the funding of collective works, such as public facilities or community infrastructure. These loans are granted to FSH member groups that live and operate within the concerned municipality. The amounts disbursed depend on the type of project and the defined level of the group's contribution to the financing of the works. The funded projects mainly focus on flood management (infiltration pits, drainage networks, permeable paving, footbridges, infiltration areas, etc.) and the upgrading of public spaces. These loans are subject to the same conditions as the previous ones: 5% interest,

repayable over 20 months with a one-month deferral period. These projects are part of tripartite financial arrangements, involving financial participation from local public actors (most often the municipalities), a contribution from the residents—who collectively take out a loan from the revolving fund—and the remainder provided by project donors in the form of grants.

The 5% interest collected on the loans granted is redistributed to strengthen the entire solidarity mechanism. The distribution is as follows:

- 1% is returned to the local savings of the borrowing group, thereby enhancing its collective capacity for action;
- 1% is used to finance the operation of the FSH and support its local assistance;
- 1% is paid to urbaSEN to fund technical support;
- 2% is reinvested in the revolving fund, ensuring its sustainability and the ability to grant new loans.

To apply for financing, a member must first submit their request to their savings group, which reviews and approves it. The FSH then provides the group's president with a needs assessment form (available from the technical team) to formalise the request, which is then officially submitted to the FSH.

Once validated by the FSH, the beneficiary selects a local artisan who prepares an estimate covering materials and labor. The urbaSEN construction team conducts a site inspection, meets with the artisan, and produces a counter-estimate to adjust the costs. After the final amount is agreed upon, the file is recorded in urbaBase (a digital tool for monitoring revolving fund transactions), and the revolving fund manager sets the repayment schedule based on the counter-estimate. The loan is then granted, allowing the works to begin.

Loans related to IGAs follow strategic guidelines defined by the FSH and implemented by credit committees in each region. These committees, made up of women who are themselves involved

in income-generating activities, assess applications based on criteria adapted to the local economic context (potential customers, pricing, competition) and provide guidance, monitoring, and training to groups—promoting peer-to-peer skills transfer. The funded projects vary from region to region to ensure their economic viability in relation to local opportunities.

Financial management is based on a collective responsibility approach. The loaned funds are not disbursed to an individual beneficiary but are transferred to the FSH, which makes them available to the group as a whole. As the loan recipient, the group is responsible for proper management of the funds. With the support of urbaSEN, the group collectively decides how to use the resources—such as collectively purchasing materials or paying masons—or assists the member beneficiary in carrying out their project.

The FSH ensures loan recovery while raising awareness among its members about peer solidarity and the importance of collective savings. This work is carried out in close collaboration with FSH relay groups—representatives of the federation identified in each locality—who play a central role in facilitating and monitoring the mechanism. These representatives are responsible for supporting groups, collecting federal savings, and overseeing loan repayments, thus ensuring the fund's sustainability and reliability.

Acting as a true link between the communities and the federation, those representatives ensure a continuous presence on the ground, relay essential information, and oversee adequate coverage of intervention areas. They receive regular training through various activities to strengthen their skills and, in turn, be able to train the groups they support.

Challenges

Mindset, community engagement & trust

Mistrust:

During the early years of the fund, when the trust relationship between urbaSEN, the FSH, and the residents was still at an early stage, many wondered, "Will my money be used properly? Will there be any misuse?" This mistrust must be taken into account in the collective management of funds, particularly in efforts to raise awareness, mobilise, and strengthen community capacities.

Misconceptions related to the presence of foreign partners:

Frequent visits from international donors funding the projects have sometimes led to misunderstandings within the communities. Some residents came to believe that the funding was donated with no obligation to repay. This misconception weakened the discipline necessary for the proper functioning of the fund. To address this issue, urbaSEN decided to limit these visits and emphasise the clarity of the loan contractual framework.

Institutional & regulatory frameworks

Donor understanding:

Despite the revolving fund's results, some donors remain sceptical about community management. Yet, their support is essential to finance technical assistance and large-scale projects. More direct dialogue with beneficiaries and a better understanding of local realities are necessary to overcome these concerns.

Governance & leadership

Mismanagement of funds:

Some individuals attempted to divert the revolving fund for their own benefit. An initial mistake was entrusting group presidents with the direct collection of repayments, exposing them to temptations of negligence or misappropriation. In some cases, funds were used for personal purposes or distributed without respecting the rules, and some people tried to circumvent procedures through privileged relationships. These experiences led urbaSEN to strengthen the management framework: from now on, every repayment must be made during a group meeting, material purchases are often managed collectively, and urbaSEN's technical team carries out strict and regular monitoring in the field. In case of non-repayment of a loan, the corresponding construction project can be suspended, affecting the entire group involved. Finally, the introduction of the digital tool urbaBase now allows real-time tracking of loans, savings, and repayments, consolidating the transparency and rigour of the system.

Financial & social sustainability

Structural dependency:

The revolving fund cannot cover its social, technical, and management costs through interest rate gains alone. It therefore relies on external support (public, international cooperation, or philanthropic) and should be understood as an operational tool embedded in broader policies and support systems. Its long-term sustainability depends on strong community organisations, adequate technical support, and integration into institutional frameworks beyond short-term projects.

Best Practices

Mindset, community management & trust

Ancestral practice:

The revolving fund builds on long-standing traditions of community solidarity, inspired by **tontines**—groups of people, often from the same neighbourhood, who pool their contributions into a shared fund managed collectively.

Building trust:

To establish the trust necessary for setting up the revolving fund, urbaSEN implemented ongoing information and awareness-raising efforts, starting well before financial matters were addressed. Through constant and close dialogue with women's groups, urbaSEN continuously responded to doubts, gradually creating a climate of trust. This awareness process has never been a one-time event but has been an ongoing, essential, and cross-cutting component of all initiatives undertaken.

Community ownership:

The revolving fund is built on a strong sense of ownership among the savings groups, who see themselves as collective owners of the fund, notably through the federal savings mechanism that pools members' contributions into a common fund.

Gradual growth:

urbaSEN initially focused its efforts for three years on a single municipality. This pilot phase aimed to test the model, demonstrate its effectiveness, and build a solid foundation before scaling up. The tangible results observed—especially the improvement in living conditions for low-income families—sparked growing interest in neighbouring municipalities. Thanks to word of mouth and local social networks, the mechanism then spread naturally to other areas.

Governance & leadership

Shared governance:

The sense of ownership of the mechanism by residents is strengthened through shared governance among urbaSEN, the FSH, the groups, and their members, with each party assuming clear responsibilities in the management, monitoring, and repayment of loans.

Dialogue and awareness:

The internal functioning and management of the mechanism rely on dialogue, as well as individual and collective accountability. Challenges that arise have always been addressed on this basis, emphasising dialogue, awareness-raising, and access to information.

Transparency:

Transparency is a core value in the operation of the revolving fund. When a loan is granted, a multipartite contract is established between urbaSEN, the FSH, the group, the beneficiary, and the craftsman responsible for the work, ensuring clear commitments from each party. In addition, accountability to members is maintained through regular information sessions and annual general meetings organised by the FSH. These gatherings provide opportunities to share results, discuss challenges, and ensure open management that is known to all.

Capacity & skills

Gradual integration:

To prevent a massive influx of new groups that might not fully understand the mechanism and are motivated solely by access to funds, a procedure has been implemented. Before registering with the FSH, a federation representative visits the community to engage with residents and ensure they fully comprehend the commitments involved in joining.

Local anchoring through concrete action:

urbaSEN establishes itself in a new region by first launching a tangible project that addresses the immediate needs of residents, quickly capturing their attention and fostering their engagement. Each new presence is also accompanied by mobilisation, training, and awareness-raising activities about the importance of savings and the role of the federation. urbaSEN intervenes only in areas where the federation is already established, ensuring a solid local foundation and sustainable expansion.

Financial & social sustainability

Accountability to the group:

To ensure loan repayments, urbaSEN relies on collective responsibility. Loans are always disbursed in the presence of all group members, which strengthens the borrower's commitment to the group and ensures transparency. In Senegal, social pressure encourages borrowers to honour their commitments so as not to weaken the communal fund. urbaSEN and FSH regularly remind members that the resources belong to the entire group and must be repaid so others can benefit.

Collective responsibility:

When a loan is granted to a member, the responsibility for repayment does not rest solely on the individual but also on their savings group, which acts as guarantor. In the event of default, the group must repay the debt, encouraging members to carefully assess the borrower's repayment capacity before approving a loan. The federation also serves as a guarantor and, in exceptional circumstances affecting the beneficiary household (such as job loss, disaster, or death), it covers the repayment to protect the fund and support other members.

Expansion of scope:

Initially, the revolving fund was exclusively dedicated to housing finance. However, under pressure from the federation, its use has gradually expanded to other types of activities, notably support for IGAs, which are viewed as drivers of savings.

Support for vulnerable households:

Even with favourable conditions, the most vulnerable households often cannot borrow from the revolving fund. To assist them, the FSH and urbaSEN provide non-repayable financial support through international cooperation projects, particularly to offer sanitation solutions to especially vulnerable households (for example: construction of sanitation units including toilets and a shower in homes lacking sanitary facilities)¹.

Multiplier effect:

The appeal for funders and donors lies in the fact that these allocations offer an alternative to the traditional subsidy model, enabling a more sustained impact of the money on the ground. Today, more than 10 years after the creation of the revolving fund, each dollar invested leverages an average of US\$2.3.

¹ See the data related to the [Integrated Flood Risk Management program](#) and the [CAHF study](#)

Scaling up savings for infrastructure in Zambia

Africa - Zambia



photo: ©KYC TV



The **People's Process on Housing and Poverty in Zambia** (PPHPZ), founded in 2005, is a local NGO that supports the Zambia Homeless and Poor People's Federation (ZHPPF). It offers technical assistance in areas such as community mobilisation, savings schemes, cooperative formation, and youth engagement.

Together, PPHPZ and ZHPPF address issues affecting vulnerable communities, including insecure land tenure, inadequate housing and services, climate change, and limited livelihood opportunities. Their approach emphasises community-led solutions, resource mobilisation, advocacy for pro-poor policies, and strategic partnerships. Internationally, they are part of Slum Dwellers International (SDI), a network spanning 22 countries across Africa, Asia, and South America.

Savings scheme of the Zambia Homeless and Poor People's Federation

ZHPPF was founded in 2001 with support from the Zimbabwe Homeless People's Federation, which helped establish the first community savings groups (SGs) in Zambia. The initiative aimed to empower the poor, especially women, to bring about positive change in their lives, particularly in relation to secure tenure, decent housing, access to basic services, and livelihoods. It emerged organically: Zambian women who regularly crossed into Zimbabwe began exchanging with Zimbabwean women and learning about their savings practices. Impressed by the improvements these had brought, they were inspired to start similar initiatives in Zambia.

Initially large (up to 100 members), SGs are now structured into smaller, more manageable units of 10–50 members, typically organised by household proximity. About 90% of members are women. Groups meet weekly, and leadership roles are assigned based on commitment, financial responsibility, and active participation.

Governance structure

In Zambia, informal settlements are known as compounds. Each compound hosts multiple savings groups. Neighbouring compounds come together to form a community—a broader area without official administrative status. Communities in the same province elect representatives to coordinate at the provincial level. This structure is replicated across provinces.

SGs will provide reports on their savings at provincial level meetings, which aims to ensure financial transparency. Provincial meetings are ideally monthly but depend on available resources; communication increasingly uses digital tools to cut costs.

At the national level, about 5 to 8 leaders represent provinces, guiding advocacy and maintaining cohesion. A national assembly of SGs sets policies like loan interest rates and fund management regulations.

Community Savings and the Swalisano Urban Poor Fund

At the local level, SGs pool small, regular contributions that help members meet immediate needs. However, to enable communities to undertake larger investments – such as housing construction or improved water access – the **Swalisano Urban Poor Fund** was established in 2005 as a capital fund. Unlike daily savings, this fund is designed for long-term, high-impact infrastructure projects that surpass what individual or group savings can cover.

Over time, these two streams – daily community savings and Swalisano capital contributions—have grown in parallel, strengthening the financial base of the movement. To further support this growth, PPHPZ mobilised complementary resources from external partners. This gave rise to the concept of "hot and cold money":

- Hot money refers to resources generated directly by the community through their own savings.
- Cold money refers to external contributions leveraged through partnerships.

This dual financing model allows communities to lead their own development while accessing the scale needed for infrastructure and housing.

Thematic Coordination Across All Levels

ZHPPFs work is organised around **eight thematic areas** that reflect core community priorities:

- Land
- Health
- Daily Savings
- Swalisano Urban Poor Fund
- Experience exchanges
- Skills and Training
- Technical (housing, sanitation, etc.)
- Data (profiling, mapping, media)

At the savings group level, in addition to the roles of treasurer and secretary, each member is elected as a coordinator for one of these priority areas. This thematic structure guides action across all levels – from local savings groups to provincial coordination.

Key data, September 2025

Number of saving groups:

756

Number of members:

49,000

Swalisano Urban Poor
Fund capital

US\$ 60,000

Loan disbursed
(Swalisano Fund)

US\$ 333,000



Savings & the right to housing

5,000

housing units constructed
or rehabilitated, all with
water and sanitation access.

250,000

hectares of land
secured or regularized.

**9 public infrastructure
projects completed**

2 public toilets, 5 resource centres,
and 2 green spaces.

How does it work?

SAVINGS

The SGs began with very small daily contributions, helping build trust, community ties, and local leadership. Over time, the system evolved: savings can now be made daily or weekly and serve different purposes.

The SGs manage three main types of funds:

- **Daily or weekly savings:** Small amounts saved regularly, varying by group (e.g., 10 Zambian Kwacha (ZMW) (US\$0.45) daily or 50 ZMW (US\$2) weekly), used for a specific purpose defined by the group.
- **Health and funeral savings:** Funds dedicated to medical bills and funeral expenses.
- **Swalisano Savings:** For larger projects like land, housing, water, and livelihoods. The current contribution is 60 ZMW (US\$2.50) per member per month, but plans are underway to increase this to around 800–1,000 ZMW (US\$35–45) per year to better finance these projects and respond more effectively to the existing demand. This contribution is non-refundable but provides benefits such as access to loans, training, and other support. Contributions can be made monthly, weekly, or even as a lump sum, if a member has the full amount available and chooses to pay it all at once.

These three funds are generally considered essential, though each group can adapt savings components and add other savings based on their specific needs. The importance of each component varies by region. For example, in Lusaka, land access is challenging, and some groups save specifically for land acquisition.

People save in different ways, through cash boxes, mobile phones, or individually. Daily and health savings are usually kept within local groups, recorded by members and overseen by group treasurers. Ideally, contributions to the Swalisano Fund should be deposited in banks and managed through a central provincial account. However, because of bank fees and other administrative barriers, these contributions are currently retained and managed at the group level. In contrast, the external capital (“cold money”) raised for the Swalisano Urban Poor Fund remains centralized and is drawn upon when members request larger loans—such as for housing or certain income-generating activities (IGAs). Looking ahead, the goal is for savings groups to once again channel their Swalisano contributions into a centralized provincial account, managed at the regional level.



photo: ©KYC TV

“They not only collect money, they collect problems and they collect solutions.”

LOANS

Members of the SGs can request loans at the different levels and for different purposes.

At the SG level, members can request small loans from their savings group. These loans are drawn from the pooled daily savings of group members and typically cover short-term or urgent needs, for instance, to fund income-generating activities (IGAs) or cover medical expenses.

To qualify for SG loans, members must be active in the group, regularly save, and have a good history of repaying past loans. The group discusses the request collectively, reviews the member’s record, and agrees on the loan amount, interest (usually around 10%), and repayment timeline.

Members facing health emergencies can also request loans. These are interest-free and repaid over time. While the amounts are generally smaller, the social protection they offer is critical for low-income households.

For more ambitious investments or larger loan amounts, such as building homes, improving water and sanitation systems, or livelihood projects, members can access housing and livelihood loans through the Swalisano Urban Poor Fund. For these loans, members are required to make an upfront guarantee deposit, which is a non-refundable contribution paid into the fund at the time of the loan request. This deposit counts toward the total loan amount, effectively

reducing the balance the borrower must repay. Typically, the deposit is 10% of the requested amount for livelihood (IGA) loans and 25% for housing loans. Some groups may allow flexibility depending on the funds already available in the group.

IGA loans from the Swalisano Urban Poor Fund are typically granted to the entire group, with each member receiving a portion to invest in their own business. In that way, the group as a whole remains collectively responsible for repaying the loan. For housing loans, the loan is individual; members are personally responsible for it. A respected community member usually acts as a guarantor. For housing loans, no cash is given directly to the requesting member. Instead, the federation manages the purchase of building materials and hires the necessary workforce (masons, etc.). This approach not only ensures transparency and efficiency, but also allows the federation to buy in bulk and negotiate better prices with suppliers.

The loan approval process to access the Swalisano Fund begins at the SGs and community levels and also involves review and approval by the Swalisano committee at the provincial and national levels.

The interest rate is generally around 5% for housing loans to 10% for livelihood loans, though this may change depending on inflation or local economic conditions. Repayment is typically structured over five years to balance affordability and sustainability.



photo: ©KYC TV

Challenges

Mindset, community engagement & trust

Delayed access breeds frustration:

Delays in accessing land or housing can lead to frustration and disengagement, especially when community members do not see tangible results within a predictable timeframe.

Mixed commitment levels:

As the movement expanded, sustaining collective discipline became harder. Longstanding members valued loan repayment, while newer or less-engaged members sometimes did not. Differences in motivation within groups led some to honour commitments, while others defaulted – especially after receiving land or housing. The issue worsened when loans were extended to non-members, who, lacking prior involvement, often saw funds as NGO donations and felt less obliged to repay. These challenges underscore the need for ongoing education, shared accountability, and strong collective ownership.

Governance & leadership

No set timeline for leadership transitions:

Long-standing leadership sometimes caused problems. Newer members often felt they had little say or ability to challenge these leaders due to their established authority. Over time, groups recognised the importance of leadership rotation to ensure a more inclusive decision-making process.

Cost-effectiveness of loan collection:

Effective loan recovery relies on regular follow-up visits by loan collectors, which can be resource-demanding. This must be balanced with available resources to maintain fund sustainability.

Financial & social sustainability

Managing loan defaults:

There have been cases in which members who access loans from both microfinance institutions and the Swalisano Fund prioritise repaying the microfinance lenders due to their stricter enforcement, while neglecting repayment to the Swalisano Fund. This behaviour can undermine the community's collective efforts and the sustainability of the fund. The Federation mediates to recover funds and find solutions.

COVID disruption:

The pandemic hindered in-person support and exchanges, weakening some savings groups while others adapted by launching income-generating activities with their saved funds. The crisis also prompted the Federation to explore new communication tools, including virtual meetings, fostering innovation across the network.

Best Practices

Mindset, community engagement & trust

Beyond finances to community support:

Weekly meetings provide a space not only to discuss finances but also to address community challenges, encouraging members to improve their lives and take positive action together.

A gateway to opportunities and growth:

Mobilising communities requires patience and clear communication about the long-term, people-driven nature of the process. While results aren't immediate, access to community-led finance enables visible improvements – like toilets, water access, and IGAs – that build trust and motivation. As communities witness change, members gain confidence, women step into leadership, and youth feel empowered to drive transformation.

Saving among youth:

Encouraging youth to save is more effective when they focus on specific, meaningful goals, making savings relevant and manageable.

Inclusive participation across all levels:

The process is inclusive, allowing participation at all levels, from grassroots to national policy advocacy. Members engage through platforms like community exchanges and peer learning, gaining insights they can apply locally. Involvement in the SDI network further broadens their perspective, enabling them to learn, share experiences, and contribute to collective growth both nationally and internationally.

Capacity & skills

Enhancing efficiency through technology:

The Federation adopted digital tools like WhatsApp to improve communication, coordinate visits, send loan reminders, and easily share banking information.

Peer learning and exchange visits:

The federation facilitates regular exchange visits locally and, when possible, supports visits across regions or even internationally building solidarity and fostering innovation. Peer-to-peer exchanges allow groups from different cities or neighborhoods to learn from one another through training visits and shared experiences.

Governance & leadership

Developing multi-tier leadership:

Different leadership levels have emerged, with strong leaders guiding teams and building trust. As older leaders retire or pass away, their knowledge is transferred, ensuring continuity and opportunities for new members to lead.

Collective responsibility in loan repayment:

Decision-making on handling defaults varies, and ultimately, the decision-making power lies with the people—some write off debts, others pursue legal action, while some collaborate to support members in recovering, reflecting the group's collective approach and autonomy. In cases where an entire group defaults on their collective loan, corrective measures are implemented at the provincial level. For example, the defaulting group is barred from accessing new loans until the outstanding amount is repaid. Additionally, they may be excluded from certain Federation activities as part of the enforcement process.

Institutional & regulatory frameworks

Formal registration:

While most SGs remain informal due to the high cost of registration, PPHPZ continues to provide legal support on their behalf. However, with the rollout of the Constituency Development Fund – offering loans, grants, and education support – there is growing incentive for groups to formally register. To access these government resources, some groups are now registering as general, housing, or agricultural cooperatives. This shift is being encouraged to unlock broader development opportunities.

Pooling resources to secure land access:

In Lusaka, facing limited public land, the Federation targeted private vacant plots and pooled savings to overcome high prices and acquire land.

Financial & social sustainability

Combined actions:

Communities save their own funds, while support organisations such as ZHPPF and PPHPZ strengthen these efforts through fundraising and partnership development – together increasing the pool of community-managed resources.

The Revolving Fund of Matagalpa

Latin America - Nicaragua



photo: ©Multipro



The **Cooperative of Multidisciplinary Professionals R.L. (MULTIPRO R.L.)**, founded in 2014 in Matagalpa, Nicaragua, supports vulnerable communities by promoting the mutual-aid cooperative housing model based on collective ownership. Through specialised technical support, strategic partnerships, and training in cooperative values, the organisation strengthens the capacity of cooperatives to manage their housing projects autonomously and in a participatory way. To date, it has supported the creation of seven housing cooperatives, benefiting 105 families with access to land, and enabling 21 of them to build secured adequate housing.

Solidarity finance in Matagalpa: Ethical credit for housing cooperatives

MULTIPRO promotes three key tools to strengthen the housing cooperative movement in Matagalpa: (1) CECОВI, the mutual-aid housing cooperative umbrella organisation of Matagalpa, which coordinates resource management, strategic planning, and political advocacy; (2) the Cooperative Training School, which trains cooperative members in collective management and cooperative principles; and (3) a local revolving fund for ethical and solidarity-based credit, aimed at land acquisition and housing construction, managed jointly with CECОВI.

The revolving fund in Matagalpa emerged as a direct response to the housing cooperatives' need for an accessible financing mechanism to acquire land. Given the high cost of urban land and the precarious socio-economic conditions of many of their members – most of whom are excluded from the traditional financial system due to informal incomes and the inability to take on high interest rates – it became essential to establish a solidarity-based and self-managed financial tool.

The first investment for the fund came from urbaMonde through an international cooperation project financed with public funds from the Vaud Federation of Cooperation in Switzerland, which provided US\$ 30,000 annually between 2015 and 2017. Initially,

the funds were channelled through a revolving loan fund managed by the Central of Housing Cooperatives of Nicaragua (CENCOVICOD), based in Managua. This fund supported the first loans to cooperatives in Matagalpa, including Santa María de Esquipulas, Modesto Zeledón, La Perla, and Solidaridad. However, challenges quickly arose: the cooperatives faced bureaucratic obstacles in affiliating with the central body, as well as delays in the processing of their applications.

In response to these challenges, local organisations decided to create their own structure tailored to the territorial context: the Central of Housing Cooperatives of Matagalpa (CECOVI), composed of representatives from the cooperatives. At the same time, a dedicated revolving fund for Matagalpa was established, managed by the professional cooperative MULTIPRO, in coordination with CECОВI and urbaMonde.

Since 2019, this fund has been managed locally, allowing for more agile, transparent, and context-specific administration. Beyond strengthening the cooperatives' autonomy, it has enhanced their decision-making power over resource use, becoming a key tool for the growth of the housing cooperative movement in the region.

Key data, September 2025

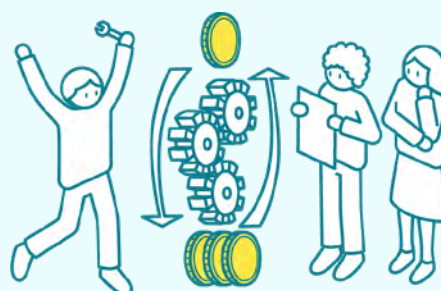
Number of Housing cooperatives:

7 cooperatives with
secured land, of which
2 cooperatives in the
construction phase

2 finalised
cooperatives

Number of members:

105 households



Capital of the revolving fund:

US\$ 254,879

Loans disbursed:

US\$ 215,497



How does it work?

SAVINGS

Savings are made at the level of each housing cooperative and remain within the cooperative. These savings are a requirement for cooperatives to access loans for land acquisition and housing construction, as they are considered a key guarantee of sustainability and organisational strength. To qualify for a land acquisition loan, cooperatives must have saved at least 20% of the land's value; for housing construction loans, they must have saved 5% of the estimated construction cost.

LOANS

When applying for a loan, financial and social technicians from Multipro conduct a socioeconomic study to understand the situation of cooperative members. This allows the formulation of a financing plan that fits their realities. Based on this information, the loan conditions are adjusted according to the situation of the member with the lowest income, ensuring access without over-indebtedness and strengthening the sustainability of the fund.

Based on this analysis, a technical committee, composed of members from CECOV and Multipro, evaluates the application and votes on whether to approve the loan.

The loan is granted directly to the cooperative, which represents itself as a collective entity to the revolving fund, jointly assuming responsibility for the credit.

The financial terms are designed to be accessible:

- For land acquisition: an annual interest rate of 3% and a repayment period of 3 years.
- For housing construction: an annual interest rate of 3%, with a repayment period of up to 25 years.

During the repayment period, Multipro holds a mortgage on the land as a legal guarantee to ensure the proper use of resources and as a safeguard against potential defaults.

These collective savings serve as an essential internal fund for the cooperative, with a dual purpose:

- Social: by promoting a culture of saving, shared responsibility, and commitment among members.
- Financial: by providing a reserve for unforeseen situations (such as payment delays due to health issues or economic hardship) and covering expenses not included in the loan, like legal procedures or preliminary technical studies.

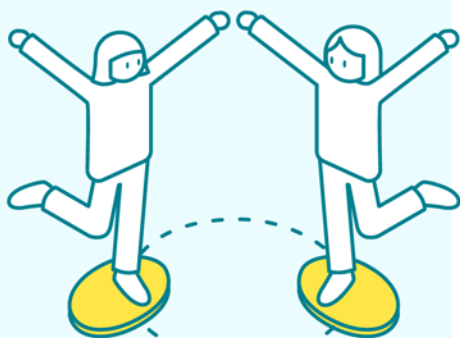
The income generated from interest rates is reinvested into the fund, strengthening its sustainability and enabling its continuous growth.

Solidarity fund

Once the cooperative receives a loan from the revolving fund, each of the member's repayment installments includes a small additional contribution—between 1% and 1.5% of the amount—that does not represent an interest rate, but rather a solidarity-based contribution to a solidarity fund. This percentage is calculated so that, when the contributions of all members are combined, they amount to roughly the equivalent of one full monthly payment. In this way, if a member is unable to make their payment for a justified reason, the cooperative can temporarily cover it using this fund.

The solidarity fund aims to provide support in unforeseen situations that may affect members' ability to repay, such as illness, job loss, or other emergencies. It is a collective mechanism for protection and financial resilience, managed by the cooperative itself, which reinforces the logic of solidarity and shared responsibility that characterises the cooperative model.

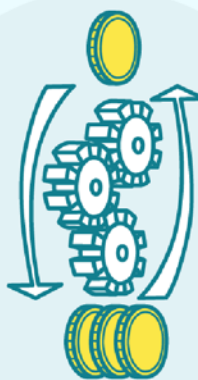
Departement
level
CECOVI
Umbrella
organisation



Departement
level
Multipro
Technical
assistance

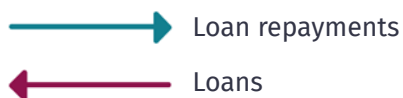


Revolving fund



Grants

Community level
**Housing
cooperatives**



Challenges

Mindset, community engagement & trust

Case of disengagement:

One of the cooperatives that received credit in the early stages of the fund disaffiliated from CECOV and the technical assistance provided by Multipro, opting for a fully autonomous management approach, which severely impacted its operations. This decision, made without the necessary capacities, led to poor administration, over-indebtedness, and internal conflicts. An economic initiative launched at the cooperative level without technical support from Multipro—the purchase and resale of appliances on credit among members—worsened the financial situation. This experience highlighted the importance of organisation, trained leadership, and ongoing technical support. It was one of the factors that motivated Multipro to create the Cooperative Training School.

Capacity & skills

Institutional strengthening:

The disaffiliation from CENCOVICOD marked a turning point for the local housing cooperatives in Matagalpa. To fully take over the management of the revolving fund, Multipro initiated a process of institutional strengthening and technical capacity development in financial management. This process was facilitated by the prior experience of some members in the financial sector, allowing the consolidation of an autonomous and efficient administration of the fund, fully adapted to the needs of the territory.

Institutional & regulatory frameworks

Requirements from public authorities:

Currently, numerous changes are being made to the regulation and management of the fund in response to new demands from public authorities. The government seeks to apply to Multipro the same regulatory criteria it uses for big urban development corporations, which creates significant tensions and challenges. This situation has highlighted the need to adapt certain management processes and structures to comply with new regulations, while maintaining the social and community nature of the cooperative model.

Challenges arising from the legal framework:

Housing cooperatives that manage loans face new technical and administrative requirements, such as external audits, certifications, and the development of procedural manuals. These obligations represent a significant burden for Multipro and the cooperatives, demanding time and specialised resources. One of the main challenges is financing the external audits, which cost between US\$3,000 and US\$3,500, making it necessary to seek external support to ensure compliance.



photo: ©Multipro

Best Practices

Mindset, community engagement & trust

Trust-based and cooperative technical assistance:

The trust-based relationship between the cooperatives and the Multipro technical team has been fundamental for the proper management of the fund. As a cooperative itself, Multipro understands the realities of its peers and offers support built on empathy, mutual aid, and co-created solutions. This embedded approach allows challenges to be addressed in ways that are locally grounded and aligned with cooperative values.

Transparency:

A key factor contributing to the success of the fund is transparency. The cooperatives have continuous access to information and updates about the fund (balances, repayments, among others), which allows them to understand its operation and make informed decisions. This openness has created an environment of trust and commitment, where cooperative members feel motivated to fulfil their payments and trust in the fund's solidity as a reliable and sustainable mechanism.

Financial & social sustainability

Building institutional frameworks:

When creating the Matagalpa revolving fund, Multipro developed a framework agreement and a management manual that established credit access criteria, operational procedures, and the roles of the involved actors. This process, carried out in collaboration with the cooperatives, was key to strengthening the fund's transparency, efficiency, and sustainability, as well as consolidating the organisational foundations of the emerging central cooperative.

Social adaptation of the fund:

One of the key factors behind the fund's success has been its ability to adapt to the economic realities of the cooperative families. Unlike traditional schemes, it does not impose rigid conditions but adjusts to the context. For example, interest rates were standardised at 3% for both land purchases and construction, aiming to reduce the financial burden. The possibility of longer-term financing was also expanded: initially, loans were for 10 years, but now they can be extended up to 25 years, taking national social housing models as a reference. This flexibility allows each cooperative to choose the repayment term that best suits their capacities, thereby reinforcing the fund's accessibility and spirit of solidarity. The changes implemented respond to real needs expressed by the cooperatives themselves, and each adaptation has been the result of a collective discussion.

Capacity & skills

Cooperative training school:

The school has been a key tool for training members, providing them with essential knowledge for efficient cooperative management and strengthening the organisational foundation of the cooperatives. Thanks to this training process, members become empowered both administratively and financially, fostering more active, equitable, and democratic participation in decision-making. Additionally, the school has helped amplify the voices of cooperative members within their own organisational structures. It has been observed that when a cooperative maintains a strong organisational structure, there are no major difficulties in loan recovery — which is why the work of the school is so important.

Governance & leadership

Inspiration from local mechanisms:

The Matagalpa revolving fund was modelled after the fund managed by CENCOVICOD. Seeing other cooperatives advance in building homes thanks to that financing motivated the Matagalpa cooperatives to create a similar mechanism, adapted to their local reality, which would allow them to access land and develop their own housing projects.

Experience exchanges:

Throughout the process, Multipro has participated in exchanges with organisations from countries such as El Salvador and Uruguay, specialised in housing cooperatives and revolving funds. These meetings have enabled the identification of best practices from the international cooperative movement and their adaptation to the local context, thereby strengthening both the management of the fund and the organisation of cooperatives in Matagalpa.

Responsibility and solidarity among cooperative members:

Far from a subsidy-driven approach, the cooperative model promotes a culture of both individual and collective responsibility. Accessing decent housing requires clear commitments, especially financial ones. At the same time, solidarity among members is key: if one person faces difficulties paying their share, another can advance their contribution to cover the collective amount. This practice strengthens the solidarity fund and reinforces the bonds of mutual support within the cooperatives.

Collective management:

The management committees of the cooperatives actively participate in strategic discussions and decision-making regarding the use of the fund's resources. This active involvement strengthens the sense of shared responsibility and ownership, and reinforces the cooperative movement.

CECOVI:

Its creation marked a crucial step in strengthening coordination among cooperatives and consolidating the cooperative movement in the region. This central body plays a fundamental role in promoting the exchange of experiences, allowing the best practices of one cooperative to serve as a reference and learning opportunity for others. Beyond being a space for dialogue and coordination, CECovi holds a strategic role in political advocacy and collaboration with other key stakeholders. By bringing together the voices of Matagalpa's cooperatives, it enhances their capacity for representation and engagement with authorities and institutions, thereby reinforcing their collective impact.

CONCLUSION

Community-led financial mechanisms (CLFMs) are not merely tools for accessing ethical finance: they are foundations for building collective power and strengthening the organisation of low-income and marginalised communities. This publication has brought together diverse experiences from across Latin America, Africa, and Asia to highlight the depth, variety, and maturity of these mechanisms. Despite operating in vastly different contexts, the cases documented reveal common principles: community ownership, participatory governance, inclusion, and long-term vision. The learning gathered highlights that when financial systems are rooted in community leadership, they can become powerful vehicles not only for community-led housing, but also for broader social and economic transformation, especially concerning gender equality.

The cases explored in this publication offer valuable insights – not just into how CLFMs function, but into the conditions that enable them to thrive. Below, we outline key dimensions, mutually reinforcing, that have emerged as crucial for the success and long-term sustainability of CLFMs:

1. On the value of community ownership and trust building

CLFMs are only as effective as the degree to which they are truly owned and appropriated by the communities they serve. At the heart of this process lies trust – trust in the system, within the community that manages it and in its collective purpose. Building that trust requires time, consistency, and deep engagement.

Community leaders and support organisations play a vital role in nurturing this foundation through several practices:

- regular meetings and sustained dialogue between support organisations and community groups help build shared understanding, raise awareness, and ensure that members are well-informed and properly trained;
- exchange visits – both within and across coun-

tries – have allowed residents to witness the tangible impacts of community finance initiatives elsewhere, strengthening their belief in the power of collective action;

- transparent systems and participatory governance, which ensure that all members have access to relevant information and play a meaningful role in decision-making.

In many cases, communities have further strengthened ownership by rooting these governance structures in ancestral or traditional practices of community finance, reinforcing legitimacy and cultural relevance.

2. On sustainability and scaling

One common factor among the most successful CLFMs is the organic growth of funds and financial products, carefully shaped and guided by the evolving needs of the communities they serve. These mechanisms help address people's real, everyday needs, which in turn support them in tackling longer-term challenges such as gaining access to land or housing. Rather than imposing external models, these mechanisms respond dynamically and flexibly to real, lived experiences, ensuring that loan products, grants, and insurance schemes are accessible and appropriate. Importantly, the conditions for accessing these financial services are intentionally designed to promote inclusivity, with special consideration given to the most vulnerable and marginalised community members. In the CLFMs documented here, practices such as allowing for a one-month deferral, establishing a solidarity fund, rescheduling repayments, providing peer support to struggling members, or collectively deciding on temporary loan moratoriums are used to address repayment challenges while maintaining solidarity and accountability within the group.

To ensure sustainability, another key characteristic of the most successfully scaled CLFMs featured in this publication was their gradual growth. These initiatives typically began within a single community or locality, and as their financial, repayment, and governance models proved effective, they gradually expanded to other areas, forming federations or net-

works of communities. This expansion also came together with the consolidation of the technical teams supporting these initiatives, since sustained training, capacity-building, and the professionalisation of leaders and members proves critical for ensuring long-term sustainability of CLFMs.

3. On the role of support organisations

Technical support NGOs play a vital and multifaceted role in the establishment, growth, and long-term sustainability of CLFMs. Beyond their technical expertise, these organisations:

- help unlock critical external resources, including funding and institutional support, enabling communities to scale and stabilise their financial mechanisms;
- invest in building the capacities of local leaders and members, equipping communities with the skills and building their confidence to manage their own financial systems effectively;
- facilitate spaces for dialogue and visibility, positioning communities as legitimate and capable actors in local development and ensuring that grassroots voices are included in decision-making processes.

Sustained engagement by technical support organisations is essential for the long-term success of CLFMs and the broader processes they underpin. And because these processes unfold over many years, consistent and adaptive support is crucial to preserve institutional memory, nurture leadership, and ensure transparency and inclusion as initiatives grow in scale and complexity. In contrast, short-term or project-based assistance risks disrupting learning and weakening community ownership once funding cycles end. Steady, long-term partnerships help ensure that CLFMs—and the community-led initiatives they enable—remain deeply rooted, resilient, and transformative.

4. On the role of federations and city-wide networks

Federations and city-wide networks play a critical role in linking community-led financial mechanisms across scales — from neighbourhood savings groups to national advocacy platforms. They provide the connective tissue that transforms isolated local practices into coordinated, city-wide, or even national movements. By organising savings groups under shared governance frameworks, federations enhance peer learning, ensure mutual accountability, and consolidate negotiating power with public institutions. Their ability to aggregate data, monitor progress, and represent collective interests allows communities to engage in policy dialogue on a more equal footing with municipal and national authorities. City-level networks and local federations act as essential intermediaries, bridging the gap between informal settlements and local governments, facilitating joint planning, and helping institutionalise community-led approaches within urban development policies. As demonstrated in the cases presented in this publication — from Nepal's Community Women's Forum to Zambia's and the Philippines' federations — these alliances are indispensable for scaling impact, sustaining local initiatives, and securing long-term recognition of community-led finance as a legitimate driver of inclusive urban transformation.

photo: ©POCAA



5. On transparency and accountability

Transparency and accountability are two other essential aspects for the long-term sustainability of CLFMs. While no system is entirely immune to mismanagement, the resilience of a mechanism depends on its ability to prevent, detect, and respond to such issues. Strong internal processes – such as clear rules, accessible information, and collective oversight – help build trust and ensure CLFMs remain credible, inclusive, and transparent over time.

In the most established CLFMs featured in this publication, transparency and financial security are achieved through a blend of formal procedures and community-driven practices:

- multi-level bookkeeping is maintained – from savings groups to cooperative or fund level – with regular internal reviews and external audits;
- financial reports are shared openly in general meetings, where members can raise questions and offer input;
- loan processes follow clear steps, including group-level screening, loan committee approval, and personal guarantees by peers to encourage collective responsibility.

Transparency tools include repayment charts displayed publicly, individual passbooks, and, where feasible, digital tracking systems. Higher-level committee visits help ensure loans are used as intended and provide support when needed. Rules are co-created and regularly updated, and most importantly, transmitted clearly and consistently at all governance levels. If mismanagement occurs, defined procedures allow for a quick identification and response. Most of the cases documented here are based on a shared sense of responsibility and accountability. When a member defaults, the group collectively assumes responsibility, and preventive measures can impact the participation of all local members in the CLFM.

6. On institutional recognition & long-term support

A pivotal factor in scaling CLFMs is institutional recognition by public and private actors. When community-led initiatives are acknowledged and supported through formal partnerships, they gain the legitimacy, resources, and visibility needed to expand their impact – particularly in areas such as

housing, infrastructure, and basic services, which demand investments that cannot be only funded by CLFMs. In the cases documented, institutional support has taken various concrete forms:

- allocation of land and budget by local authorities;
- inclusion of community representatives and CLFM leaders in city-level decision-making bodies;
- formal agreements such as Memoranda of Understanding between communities and government institutions;
- partnerships with banks and other financial actors;
- financial support through grants from development agencies, international cooperation partners and philanthropic donors.

Other than that, when CLFMs are formalised into legal entities, this adds legal protection, aligns them with national regulations, and enhances trust among members and external actors. Such recognition strengthens CLFMs not only by unlocking new financial and policy resources but also by embedding them in broader urban development frameworks. It validates community actors as legitimate partners in the co-production of solutions and reinforces their role in shaping more inclusive and participatory urban governance.

photo: ©PACSII



The way forward: recommendations for public, non-profit and private stakeholders

While CLFMs have proven to be powerful tools for enabling community-driven development, meeting both urgent and long-term needs, and positioning grassroots actors at the centre of local transformation, they should not be viewed as stand-alone solutions. Their effectiveness and sustainability depend on being embedded within a broader, supportive ecosystem – one that includes consistent institutional backing, enabling policy environments, public recognition through budgetary commitments, and long-term investments in capacity building for both communities and their allied support organisations. These mechanisms demonstrate that organised communities are not only capable of planning and financing their own development, but also should be recognised and supported as key partners in shaping policy and structural change around land and housing.

By offering grounded examples and shared lessons, it hopes to contribute to a more informed and constructive engagement with these mechanisms. To this end, this publication puts forward a series of non-exhaustive recommendations addressed to public, non-profit and private stakeholders aimed at strengthening the long-term sustainability of such mechanisms.

1. Public support:

Urban and housing policy frameworks must evolve to recognise, accommodate, and protect community-led financial mechanisms as legitimate actors within the broader housing and urban ecosystem. Public stakeholders must begin to see communities not as passive beneficiaries, but as co-investors, co-planners, and long-term partners in urban development.

Concrete measures to operationalise this shift include:

- a. Establishing local dialogue spaces where public, private, and community actors can jointly plan, allocate, and monitor housing and urban resources;
- b. Facilitating access to land for communities, including through mechanisms such as public-

community land banks, long-term leases, and recognition of collective land ownership models;

- c. Starting pilot projects that combine public funding for housing and infrastructure into community-led finance mechanisms, to show that these partnerships can work effectively and at scale;
- d. Including community-led finance and community-led housing initiatives in national housing plans and laws, so they can also benefit from public subsidies, tax breaks, or affordable loans like other housing actors;
- e. Building long-term institutional partnerships between community federations, municipalities, and housing finance institutions to strengthen coordination and accountability;
- f. Acting as guarantors for CLFMs, thereby reducing perceived financial risks and encouraging private financial institutions to engage, co-invest and design products tailored to the realities of community-led initiatives;
- g. Setting up simple and accessible public funding channels for community-led housing, including housing grants, subsidies and funds managed directly by grassroots organisations.

2. Regulatory frameworks:

In many of the cases analysed, an important step toward giving more legitimacy and scale to community initiatives has been the formal organisation of savings groups into associations, federations, or cooperatives. Once registered, these groups often become eligible for public support and gain a stronger internal structure. Just as importantly, being formally recognised helps build confidence and trust within the wider community.

However, in some cases, registration comes with rigid regulations that can weaken the community-based nature of these groups or create financial and administrative burdens that are difficult for them to manage. It is therefore important that regulations are designed in ways that recognise and support the

specific ways these groups work and the value they bring to local development.

Concrete measures include:

- a. Simplify registration procedures and reduce costs, making it easier for savings groups and community federations to obtain legal status and access institutional support;
- b. Develop dedicated provisions and recognition frameworks for community-led financial institutions and other forms of community-based organisations (such as cooperatives, federations, or savings networks). These models operate differently from commercial entities and should therefore be supported and regulated in ways that reflect their collective and developmental purpose;
- c. Provide continuous technical and legal support and training to help community organisations understand regulatory systems, register formally, and remain compliant over time. This includes capacity-building, training, and advisory services tailored to their realities;
- d. Encourage spaces for exchange between public authorities, legal actors, and community networks, so that regulations are shaped by real experience on the ground and reflect the realities of how community-led finance works.

3. Tailored funding:

International cooperation agencies, non-profit organisations, and philanthropic actors play an essential role in advancing housing rights, yet they often remain hesitant to invest directly in community-led financial mechanisms. This reluctance stems from a perception that such mechanisms lack the formal safeguards, scale, or reporting capacity expected by institutional funders.

Other than that, funding can often come accompanied with imposing rigid, top-down frameworks. In order to fully support community-led processes and CLFMs, it should instead be adapted to their governance structures, decision-making processes, and timeframes.

Concrete measures include:

- a. Create dedicated funding programs for community-led financial mechanisms and community-led housing projects within inter-

national cooperation and development finance institutions, with criteria that recognise and support community-based ways of managing and ensuring accountability;

- b. Allow flexibility in reporting and fund disbursement schedules, so that they match the pace of community processes. Community-led initiatives often take more time for organisation, construction, and repayment than conventional projects, and funding frameworks should adapt to these realities;
- c. Promote mixed funding models that combine philanthropic or low-interest public funds with ethical private investments. This approach helps share financial risks and encourages more actors to co-invest alongside communities;
- d. Foster long-term partnerships rather than short, one-off project cycles. Stable and predictable support allows communities to plan ahead, strengthen their structures, and expand their models sustainably.

4. Financing technical support and core capacities for community-led finance:

Seed funding plays a key role in the early stages of community-led financial mechanisms. It helps communities and support organisations test new ideas, show that their models work, and build momentum for scaling up. This funding should not replace community savings, but rather complement them — for example, through matching grants or revolving funds that multiply local investments.

It is also essential to provide core funding for the support organisations that make these mechanisms possible. These organisations offer training, financial literacy, and guidance on participatory governance — all crucial for the long-term success of CLFMs. However, such activities are difficult to finance directly through the mechanisms themselves. Dedicated funding for staff, training, and institutional development allow these organisations to continue working closely with communities and strengthen the overall system of community-led finance.

Fully established, legally recognised community-led financial institutions are the result of many years of investment and cooperation with savings groups. To help these groups grow and become stronger, they need regular technical support, mentorship, and financial backing at every stage of their develop-

ment. Governments and development partners should include this long-term support in their housing and urban development programmes, so that community-based finance is recognised, funded, and protected as part of broader financial inclusion and housing strategies.

5. Research & development:

Although CLFMs are widely practised across regions, they remain poorly understood by many housing and development stakeholders. Even when their value is recognised, it is often difficult for governments, donors, or financial institutions to turn these practices into formal programmes, policies, or investment tools.

To close this gap, more research and innovation are needed to better document how CLFMs work – both financially and socially. This includes translating community finance practices into formats that public and private institutions can understand and use, such as shared indicators, risk assessments, or performance measures. These should speak the language of finance while staying true to community values.

Ultimately, R&D should not seek to force CLFMs into pre-existing financial models, but rather to design new instruments inspired by social and solidarity principles, such as:

- a. Participatory financial modelling that involves communities, support NGOs, and financial experts in co-developing new funding instruments, rethinking mainstream finance;
- b. Pilot programmes linking academic research, development finance, and community practice to test and refine scalable CLFM approaches;
- c. Knowledge platforms and data hubs to collect evidence, assess impact, and share lessons across countries and sectors.

6. Experience exchanges:

In all the CLFMs featured in this publication, sharing experiences has played a key role in building, strengthening, and expanding community-led finance systems. Peer-to-peer exchanges – between communities, support organisations, and public authorities – create important spaces for learning, inspiration, and solidarity. They allow all these actors to learn directly from others who have already developed similar mechanisms, adapting those ideas to

their own realities.

When public officials or financial institutions take part, these exchanges can also open policy dialogue and encourage change, as decision-makers see for themselves the real results of community-led solutions. This kind of direct exposure often builds trust and can lead to collaboration and policy reform.

However, experience exchanges remain chronically underfunded, and their value is frequently underestimated by traditional donors who seek short-term, quantifiable outputs rather than long-term systemic change that requires long-term partnerships.

To address this, the following measures are recommended:

- a. Include exchange programmes as a formal part of development strategies, with consistent funding for peer learning;
- b. Integrate exchanges into project design and evaluation as recognised tools for capacity-building and knowledge transfer, rather than optional add-ons;
- c. Promote cross-sector exchanges, bringing together communities, NGOs, academia, and public officials to jointly reflect on lessons and co-develop strategies;
- d. Document and evaluate outcomes of exchanges to demonstrate their concrete contributions to innovation, institutional learning, and scaling.

7. Women's leadership and inclusion

Women play a central role in the governance and operation of community-led financial mechanisms, yet their contribution is often under-recognised in formal policies and programmes. It is therefore essential to explicitly acknowledge and document the leadership roles of women within CLFMs, ensuring their visibility in policy and programme frameworks. At the same time, CLFMs should be linked and integrated with women's development programmes, creating pathways for leadership development and enabling women to participate more actively in decision-making and influence over community resources. Strengthening institutional partnerships to support women in strategic roles – for instance, involving them in planning committees, advisory boards, or policy dialogue on housing and community finance – can further reinforce their leadership and expand the impact of CLFMs.

Towards systemic transformation

The experiences presented in this publication show that community-led financial mechanisms are not isolated experiments but the building blocks of a broader shift toward more just and democratic cities. When savings groups, federations, support organisations, and public institutions work together, they form resilient ecosystems that redefine both the practice and politics of housing finance. Recognising and investing in these systems is not only a matter of equity – it is a matter of structural transformation. As communities across the Global South continue to demonstrate, financial justice and housing justice are inseparable. Supporting CLFMs therefore means advancing the right to the city: a vision of urban development grounded in solidarity, self-determination, and shared responsibility for our collective future.

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[Community finance in 5 asian countries](#)

[A short study on community financing mechanisms for affordable housing production in Africa](#)

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Senegal

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[Urban Poor Consortium](#)

Philippines

[Philippine Action for Community-led Shelter Initiatives](#)

Nicaragua

[Multipro](#)

[La Casa Soñada - La experiencia de las cooperativas de vivienda en Nicaragua](#) (in Spanish)

Acronyms

ACHR - Asian Coalition for Housing Rights
BDT - Bangladeshi Taka
CA - Community Association
CECOVI - Central of Housing Cooperatives of Matagalpa
CENCOVICOD - Central of Housing Cooperatives of Nicaragua
CLH - Community-led Housing
CLFM - Community-led Financial Mechanism
CNF - City Network Fund
CODI - Community Organization Development Institute
CWF - Community Women's Forum
DCD - Department of Cooperatives Development
DTK - Djiddah Thiaroye Kao
FGC - Geneva Federation of Cooperation
FSH - Senegalese Federation of Inhabitants
HoA - Homeowners' Association
HPFPI - Homeless People's Federation Philippines Incorporated
IDR - Indonesian Rupiah
IGA - Income-generating activity
INR - Indian Rupee
KMVS - Kutch Mahila Vikas Sangathan
LKR - Sri Lankan Rupee
NGO - Non-Governmental Organisation
NPR - Nepalese Rupee
PACSII - Philippine Action for Community-led Shelter Initiatives, Inc.
PHP - Philippine Peso
POCAA - Platform of Community Action and Architecture
PPHPZ - People's Process on Housing and Poverty in Zambia
SCC - Savings and Credit Cooperative
SDC - Swiss Agency for Development and Cooperation
SDI - Slum Dwellers International
SG - Savings Group
SHG - Self-Help Group
UNDP - United Nations Development Programme
UPC - Urban Poor Consortium
UPDF - Urban Poor Development Funds
US\$ - United States Dollar
VDC - Village development committee
WASH - Water, Sanitation, and Hygiene
XOF - West African CFA franc
ZHPPF - Zambia Homeless and Poor People's Federation
ZMW - Zambian Kwacha