

## **Building block 2**

### **Sustainable financing**

We resolved the challenge of financial limitations by encouraging the fishers to join saving groups. They fishermen have formed Village Savings and Loans Associations (VSLAs) with the aim of saving part of their income and access loans with ease. We trained the groups have on how to run the VSLA, financial management and group dynamics and provided them with the required inputs such as record keeping books. The VSLA, also known as table banking, members hold weekly meetings, where they contribute savings and those who need loans requesting for them, clearly stating mode of repayment, use of the loan and repayment period. The fishermen are now able to cater for their daily needs during the Southeast Monsoon (SEM) season when there is no fishing due to the rough weather conditions. They spend time constructing and repairing the basket traps in preparation for the high Northeast Monsoon (NEM) season where they can go out fishing. Through the savings, some take loans to pay school fees for their children, construct houses, buying household items, starting and expanding businesses among others. Within a period of 1 year, the fisher groups had already saved over Ksh.400,000, compared to Ksh.250,000 that was spent during the implementation phase. The groups are already looking for investment opportunities for their savings to raise their financial status.

### **Classification**

**Category:** Sustainable financing, alternative livelihoods

**Scale of implementation:** local

#### *Enabling factors*

- The existence of a similar table banking within the Beach Management Unit (BMU) being done by women through UNEP funded project, was used as a good example as they had made significant and admirable progress. This motivated them to also form their table banking groups where they will be saving their income from fishing.

#### *Lessons learned.*

- Most of the community members engaged in small medium enterprises require ease at accessing finances to not only meet their daily needs, but also grow bigger financially, as well as save more for the future. The members had not engaged in income savings scheme hence spent all their money without retaining some for the days with low or no earning.