Supporting Credit Union Development in Sierra Leone

West African Credit Unions Against Poverty
Launch July 9 -12, 2012
Overview Of Co-operatives In Sierra Leone

• The Co-operative Movement began in ???, but started to decline in the 1980s and was devastated by the rebel war in the 1990s.

• Presently, there are 1,014 Co-operative societies registered with the Department of Co-operatives (DOC) of which 177 are Savings & Credit Unions.
Shifting the focus to single purpose

• 2009 - 2013 CCA /ILCUF with CUA Technical Assistance
• “Supporting Credit Union Development in Sierra Leone (SCUDSL)
• Multi Purpose Co-operatives change to Single Purpose financial co-operatives = Credit Unions
Project Objectives

✓ To rehabilitate six – existing CUs
✓ To promote and establish more CUs in the country
✓ To assist in the development of the registrar of Co-operatives
✓ To promote in due course an Apex body set up and controlled by the movement itself in collaboration with the registrar.
Project Activities

• The project provides capacity building to participating credit unions and the Department of Co-operatives through
  – Training on credit union management, operations and governance
  – Credit Union audit and supervision
  – Provision of infrastructure supports such as computers and safes based on CU performance
Participating Credit Unions

✓ Tawopaneh Traders Cooperative Credit Union
✓ Bayconfields Cooperative Credit Union
✓ Local Food Sellers Cooperative Credit Union
✓ General Workers Cooperative Credit Union
✓ Sierra Tel Cooperative Credit Union
✓ Sierra Leone Dock workers multipurpose co–op

( was removed from the project due to insolvency)
Project Expansion

In July 2011 the project expanded to include:

- Pujehun Teachers CU
- Mile 91 Teachers CU
- Gobaru Women’s Coop
- Fourah Bay Community CU
Collaboration with other agencies

SEND Foundation is developing CUs in Kailihun, the far North East of Sierra Leone

- SEND staff participate in trainings to improve uniformity of CU development
- SEND CU’s beginning to participate in training
GROWTH AND STRENGTH.

- Three original community based CUs show good progress and indicate that they are putting the training conducted by SCUDSL to work.
- Employee based CUs are struggling to maintain membership and implement learning from training.
OVERVIEW OF APEX BODY

- National Savings and Credit Co-operative League of Sierra Leone (NASCLOS) was established in 1974 but collapsed in 1999
- Attempted resurrection in 2000 failed
- A new Apex body for the movement was initiated August 2011 by the six credit unions participating in SCUDSL
C: DESCRIPTION OF REGULATORY ENVIRONMENT

- The current governing legislation for co-operatives in Sierra Leone is *The Co-operative Societies Act, 1977* (the “Act”).
  - Designed primarily for multi purpose agriculture co-operatives
  - No specialized provisions within that law to address the fiduciary responsibility of directors and managers
  - No standards against which to regulate Credit Unions.

- The Bank act does contain provisions to supervise larger Credit unions but the central Bank has not acted on this provision.
D: WACUPP EU PROJECT?

• Provide technical assistance, Training (TOT), Seminars, Capacity building

• Provide an opportunity for members to learn from partners’ experience and replicate it
SCUDSL 2

- Approved 2013 to 2016
- CCA/ILCUF
  - Aim of 10,000 members
  - Solid basis for vision of 100,000 and 100 CUs by 2025.