



ACCOSCA

*African Confederation of Cooperative Savings & Credit Associations
Association Des Cooperatives D'Epargne et de Credit D'Afrique*

ROLE OF SACCOs ON FINANCIAL INCLUSION & SUPPORTING HEALTH CARE IN AFRICA

“ROLE OF CO-OPERATIVES IN SOCIAL DEVELOPMENT TOWARDS UNIVERSAL HEALTHCARE”

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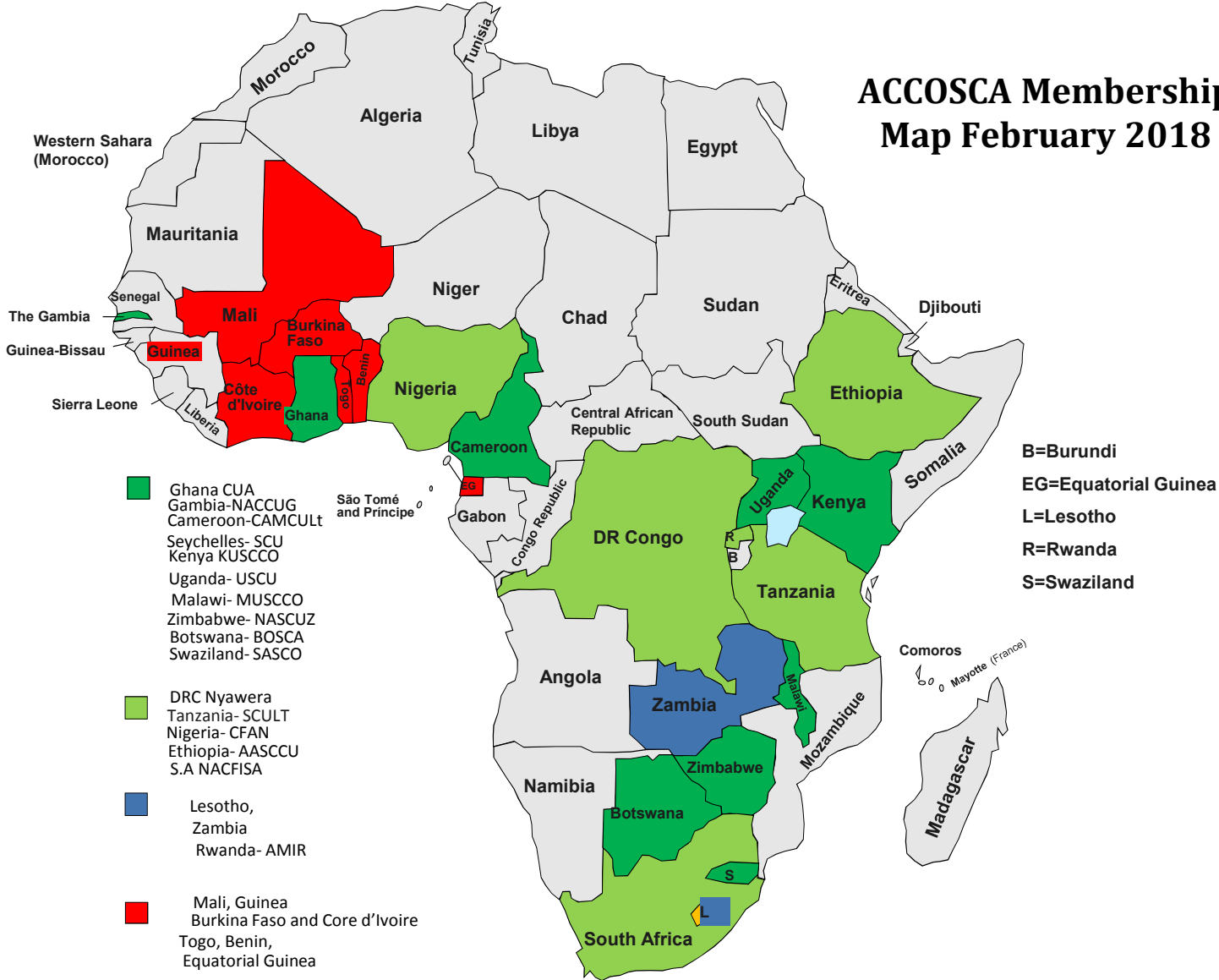
DEFINATION?

- ✓ Co-operatives are understood as user-owned, user-controlled and user-benefited organizations. According to ICA (2007),
- ✓ A Co-operative is an autonomous association of people united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise



- ✓ *In Africa there has been the challenge of growing SACCOs as a strong tool to meet societal social & economic needs*
- ✓ Studies have proved that “Co-operatives are well placed to bring about the equitable development and justice that is needed for life both socially, economic and otherwise.

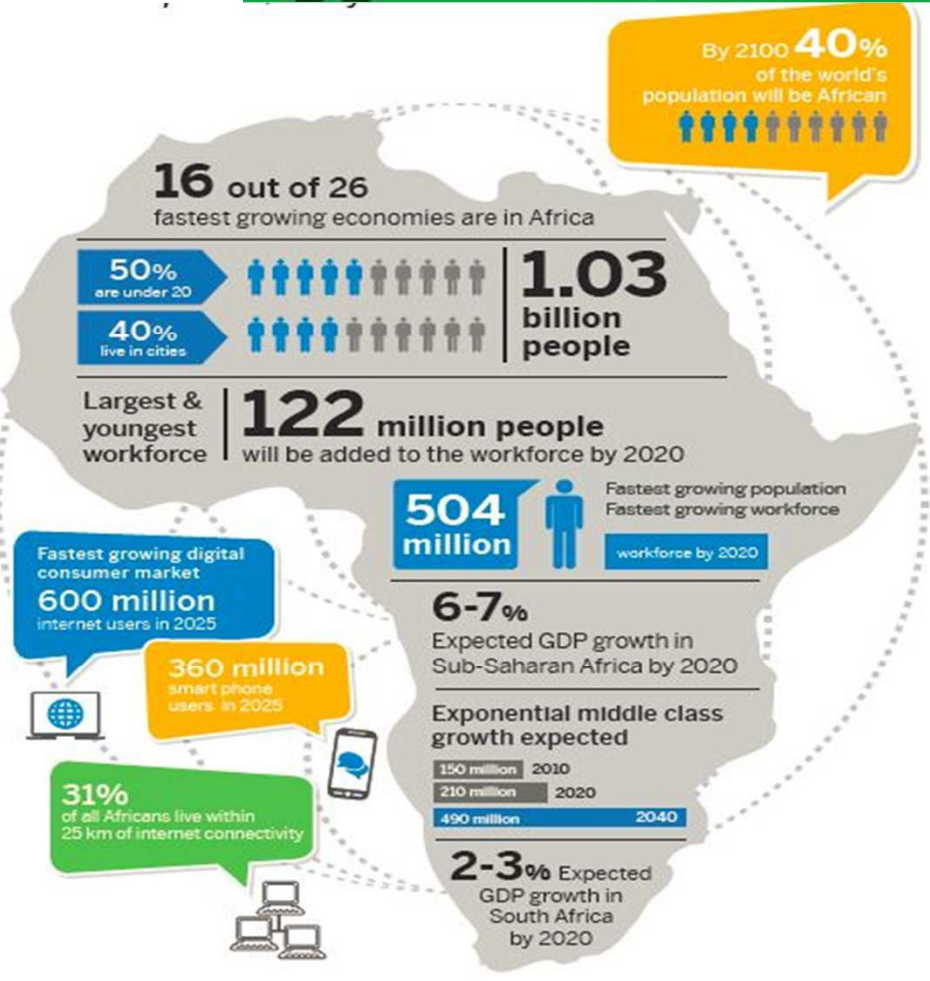
ACCOSCA Membership Map February 2018





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THIS IS AFRICA!

ONE BILLION PEOPLE

more than 2,100 languages

more mobile users than the US & Europe

70% of africans are under 25

5M university graduates every year

54% average GDP growth for the next 20 years

7/10 fastest growing economies by 2015

100+ million monthly active people on Facebook



BASIC MANDATE FOR SACCOS

- ✓ Mobilize savings/deposits,
 - ✓ Provide diversified financial products & services including Health financing etc.
- ✓ Maximize returns savings to stakeholders
- ✓ Vehicle for Investments
- ✓ Partner for Wealth Creation



RATIONALE FOR FINANCIAL INCLUSION

The existence of a vibrant efficient and globally competitive financial system to drive savings and investments. Hence the need for increasing access to financial services.

The need to increase access to affordable financial services and products for a wider populations especially the poor, low-income households and micro-, small- and medium- scale enterprises (MSMEs) becomes a critical



WHY IS CO-OPERATIVE SUITABLE?

Support Inclusive Economy and prevent social exclusion.

1) **Inclusive economy** means creating more sustainable and **inclusive** societies that aim at including all members of society in the **growth** process itself instead of distributing wealth among them after periods of steep **growth**

2) **Inclusive growth** is a concept that advances equitable opportunities for **economic** participants during **economic growth** with benefits incurred by every section of society.



HOW?

- ✓ There are institutional based Sacco's
- ✓ There are community based Sacco's
- ✓ There are Religious Based Sacco's
- ✓ There are Agricultural Based Sacco's
- ✓ Mature SACCOs have a wider Branch Network
- ✓ Most SACCOs have embraced Technology/Fintechs such as mobile technology that wider accessibility to financial services



DEPOSITS/SAVINGS PRODUCTS

- ✓ Non-withdrawable savings
- ✓ Withdrawable Savings
- ✓ Holiday savings
- ✓ Christmas savings
- ✓ School fees savings-Junior/Children Savings
- ✓ Retirement savings
- ✓ Investments savings- Term savings/Fixed deposits
- ✓ Funeral savings-Benevolent savings



CREDIT SERVICES

- ✓ Development/ordinary loans
- ✓ School fees loans
- ✓ Emergency loans (includes Health loans)
- ✓ Salary Advance
- ✓ Instant loans
- ✓ Top Up loans
- ✓ Loan clearance/consolidation
- ✓ Deposit boosting etc.
- ✓ Mobile loans



OTHER MEMBER SERVICES

- ✓ Processing Salary through the SACCO
- ✓ Processing Pension through the SACCO
- ✓ Processing Dividends through the SACCO
- ✓ Processing Women funds through the SACCO
- ✓ Processing Youth Funds through the SACCO



PRODUCTS LARGELY MISSING?

- ✓ Long-term loans
- ✓ Housing/Home Loans (Think of affordable Housing)
- ✓ Commercial/Business loans
- ✓ Agricultural/Farming loans
- ✓ Car loans
- ✓ Specific loans for health services



FUTURE WINDOW FOR INNOVATION?

- ✓ SACCO Bond product
- ✓ Health products/Insurance services
- ✓ Affordable Housing/Mortgage
- ✓ Share Capital Redemption
- ✓ School saving clubs
- ✓ Life insurance cover
- ✓ Inter-Sacco borrowing



SOME OF THE SACCOs INTERVENTION TO UNIVERSAL HEALTH

- ✓ Through National Associations SACCOs can invest in the Health Insurance industry i.e In Kenya we have Co-operative Insurance Services promoted by Cooperative Alliance of Kenya & KUSCCO Mutual Insurance
- ✓ Provide affordable contributory insurance products that includes health insurance and otherwise and by economies of scale use the funds to negotiate for cheaper services
- ✓ SACCOs can also withhold % of disbursable dividends to provide health services to the membership



CONTINUE.....

- ✓ Through Medical camps-Do Health awareness/promotions to the membership i.e check ups for HIV, Blood pressure, diabetes preventing Lifestyle diseases, dieting, health lifestyles etc
- ✓ Promoting sporting events as well as encourage their members to keep physically fit i.e Golf, Jogging, Marathons etc
- ✓ Through Adoption of the Community Health centers/Hospitals and through CSR activities can help provide Medical facilities/medicines which are very expensive i.e Cancer screening Machines, medical scanners, Construction of medical centers etc



CONTINUE.....

- ✓ Through making deliberate investments in Health industry through sponsoring Community Health facilities, promoting referral Hospitals for terminal diseases such as cancer etc
- ✓ Provide scholarships for Medical Trainings across board including; nursing, clinical, Doctors etc to increase the number of medical professionals in the health industry



KENYA POLICE SACCO CSR @CHILDREN WARD AT KENYATTA NATIONAL HOSPITAL



AFRICAN CONFEDERATION OF COOPERATIVE SAVINGS AND CREDIT ASSOCIATIONS (ACCOSCA)



IMARIKA SACCO JIGGER CAMPAIGN



AFRICAN CONFEDERATION OF COOPERATIVE SAVINGS AND CREDIT ASSOCIATIONS (ACCOSCA)



CHALLENGES

- ✓ Technology
- ✓ Interest rate fluctuations
- ✓ Un-supportive Legal frameworks
- ✓ Unfair Competition from other financial players
- ✓ Loan defaulting due to bad culture
- ✓ Poor saving culture & as well as utilization of loans
- ✓ Members dishonesty in many respects
- ✓ Low patronage for society products and services



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For Sustainability SACCO Industry:

- 1) Strengthen the National Associations**
- 2) Mainstreaming Gender Issues**
- 3) Generation Gaps**
- 4) Innovation/ Efficiency**
- 5) Building Financial Capacities**
- 6) Enhance Governance framework**
- 7) Policy-Rewrite our policies**
- 8) Data Management framework**
- 9) Focus on Increase Membership Growth**



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Thank You