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Assessing the Contribution of the Prosperity for all Programme towards the Performance of Savings and Credit Cooperative Societies in Uganda: A Case Study of Lumino Savings and Credit Cooperative Society in Busia District

The study aimed at assessing the contribution of the Prosperity for All programme towards the performance of Savings and Credit Cooperative Societies (SACCOs) in Uganda. The objectives of the study included: to determine the extent to which the Prosperity for All programme (PFA) has contributed towards the performance of savings and credit cooperatives. The second aimed at examining the factors leading to poor repayment of loans from clients that borrow from savings and credit cooperatives that are supported under the PFA programme. The third objective was to examine other factors that affect the performance of SACCOs. The fourth objective was to examine the challenges facing savings and credit cooperatives. The study found out that the PFA programme has a significant contribution towards the performance of SACCOs. The study went ahead to discover that the PFA programme has contributed to the growth in the loan portfolio, membership, savings, shares of the SACCO and this has subsequently led to increased income to the SACCO. As a result of the loans accessed, SACCOs are able to disburse larger loans to members. It was also realised that many of the members think it is an appreciation from government for having voted well. While others are relating it to the government programme of “ENTANDIKWA” that also failed and people did not pay back the loans that they accessed. Thus, “this has caused a lot of reluctance in loan repayment”, mentioned one member from the focus group discussion. There is need to upscale membership education, skills, development training for governance bodies and management staff. The District Commercial Officers are of key importance in the capacity building of SACCOs. Thus, their capacity needs to further be built in order to ensure that they continuously identify and build the capacity of the SACCOs. This will ensure sustainability of interventions even after the PFA programme. Although government is trying to make an effort to provide start up kits and basic logistical support to SACCOs in need and those which are starting up, they need to also increase the period of support from 1 year to 2 years. This period will allow SACCOs to at least reach some level of self-sufficiency. However, the SACCOs may also be classified; those that need support for 2 years and those that need support for 1 year. A participatory approach to training needs identification of both the staff and the clients” needs to be adopted if the trainings are to be relevant to the SACCO and if they are to cause impact in the long run. It should be the SACCO staff and/ or members to point out their areas of weakness / capacity gaps so that UCSCU; MSCL can design appropriate trainings to address such gaps. In other words, training packages need to be demand driven and not supply driven

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