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Savings Groups in COVID-19

COVID-19 again demonstrated that, with solidarity, support, and the freedom to lead, local groups—especially women—are the best architects of their own solutions. Nothing has shown this more clearly than the savings groups women have formed around the world. Despite the incredible challenges of COVID-19, women who participate in saving’s groups, which CARE promotes as Village Savings and Loan Associations or VSLAs, are still saving, still lending, and still finding ways to lead in their communities. They are proving to be more resilient to the shocks of COVID-19 than their peers.

These women are also helping shape broader responses—especially for CARE. To guide our response to COVID-19, CARE is listening to women around the world and following their lead. CARE’s Women Respond initiative elevates women’s voices and concerns, brings women together, and helps women access the solidarity, connections, space, and information they need to transform their own societies. Women Respond engaged over 8,000 women, including nearly 2,500 women in savings groups across 7 countries to understand how they are leading in COVID-19.

What is a savings group?

Savings groups are self-managed groups of 15 to 25 people (mostly women) who meet regularly to save their money in a safe space, access small loans, and get emergency insurance

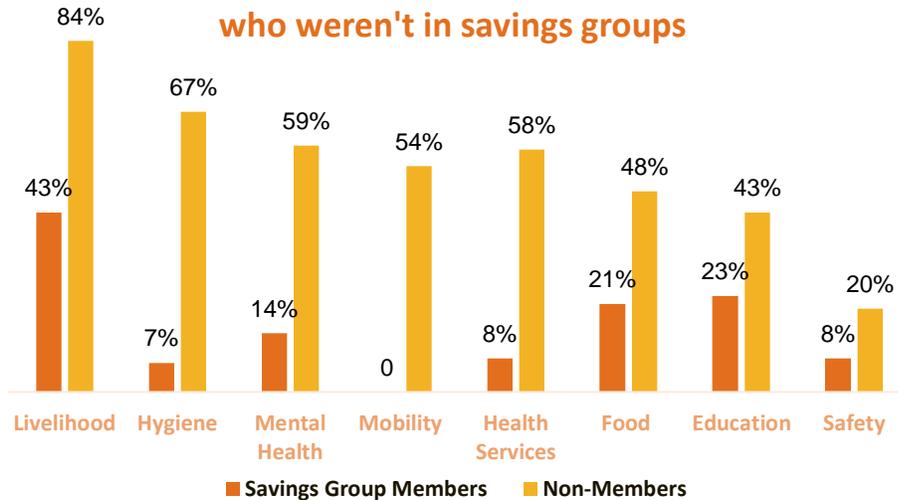
As a leader in the [Generation Equality Forum](#) (GEF), CARE is making bold commitments to invest \$100 million in supporting 10 million women and girls as leaders through savings and solidarity groups. We will invest an additional \$30 million in humanitarian funding to organizations women and girls lead and that focus on women’s rights. We are convinced that is the best way the world can deliver on our commitment to achieve gender equality by 2030 as part of the Sustainable Development Goals.

Not only is CARE committing our own resources, but we are also committing to work in partnership with others and change the broader system. We aim to work with 10 African governments to scale up savings and solidarity groups. We are also advocating for the sector at large—and ourselves—to confront injustice, racism, and colonialism. We are pushing for bigger, more consistent, and more flexible funding commitments to women- and girl-led groups to lead in emergency response.

We believe in the transformative power of women’s leadership. Nearly 20 million members of savings groups

around the world—including 10 million in partnership with CARE—have demonstrated their resilience in COVID-19, leading COVID-19 health responses, supporting their families, keeping economies running, and showing solidarity by supporting their communities. Respecting, supporting, and resourcing women and girls as key leaders for the present and future, and treating them as the powerful social and economic actors they are is the only path to a just and sustainable future.

COVID-19 had more severe impacts for women who weren't in savings groups



Savings Group members are better able to cope with COVID-19. Women in savings groups have shown remarkable resilience. They are reporting less extreme COVID-19 impacts in nearly every dimension. Women in savings groups were approximately half as likely to report that COVID-19 was impacting their livelihoods (43% versus 84%), their food security (21% with savings groups, 48% without), and their education (23% versus

43%). They were 75% less likely to prioritize mental health concerns and 90% less likely to prioritize hygiene as a major impact in their lives.

Groups keep going: 60% of savings groups are still saving, even in COVID-19, and more than 67% are still lending. The longer the groups have to build solidarity and step into leadership, the more they can do. In places like Niger, where groups have been operating for nearly 30 years, 82% of groups are still saving and 77% are still lending.



“During these trying times, being a part of this savings group has really helped us cushion the adverse economic effects of the pandemic. We are now able to borrow money, and both meet immediate family needs, as well as strengthen our small businesses.”
—Fati Musa, aged 65, VSLA Treasurer, Nigeria

Women are leading. It’s not just a question of women in savings groups avoiding the worst of the COVID-19 crisis. They are actively leading COVID-19 prevention and response efforts in their communities. 73% of women in savings groups are using a portion of their savings to support members through the pandemic. 49% of groups are actively sharing information on COVID-19 prevention to stop the spread. 20% of groups are leading in local COVID-19 community prevention mechanisms.

Groups build the connections that lead to powerful community movements. 78% of women working together in groups are more likely to be engaged in public decision making. 40% of women in these groups give money to help others in their communities, and 42% are organizing community events. 66% are participating in community meetings, and 50% are actively raising their own ideas or ideas from other group members. Savings groups are not the only kind of women’s group that can accomplish this effect, but they are uniquely powerful in turning their priorities into action. As one woman in a Sudanese savings group says, “**When**

you have money, your voice will be heard by all.”