



CRISIS-ADAPTED VSLA

Extra Savings Session

This is a companion document to
[A Guide to CARE's Crisis-Adapted VSLA.](#)

Use these instructions to offer an extra
training on savings to CA-VSLA groups.

Building Savings Goals and Plans for CA-VSLA Group Members

OBJECTIVE OF THE SESSION:

Equip CA-VSLA group members with the skills to identify all potential sources of savings, develop personalized savings goals, and understand the importance of saving from short-term financial resources like CVA, remittances, and gifts. Emphasis will be on how these extra funds can build resilience and reduce financial dependence over time.

INSTRUCTIONS

STEP ONE

Introduce Savings and Financial Resilience

Begin by discussing the role of savings in building long-term financial resilience, especially in crisis settings.

Ask VSLA members to share reasons for saving, and to list common sources of money for savings. Summarize their responses.

Explain that money from sources like CVA, remittances, and gifts can significantly contribute to resilience and reduce financial dependence by helping individuals build a stable financial foundation. When part of these funds is saved rather than spent entirely, it creates a financial cushion that individuals can rely on in times of need. This savings buffer allows them to handle unexpected expenses—such as medical emergencies, household repairs, or income gaps—without needing to rely immediately on outside assistance or go into debt.

Say: Over time, accumulating these savings also allows individuals to invest in small IGAs or assets, like livestock or agricultural tools, and this further strengthens their financial security. As their income grows from these investments, they become less reliant on external support and more capable of managing their finances independently.

By consistently setting aside a portion of these extra funds, even when they are small or one-time, individuals develop a habit of saving, which over time builds their resilience and supports long-term financial independence.

Highlight the importance of using all available resources—including CVA, remittances, and gifts—as opportunities to save and invest in financial stability.

Summarize by saying:

- CVA, remittances, and gifts are typically short-term income sources. Saving a portion of these funds can reduce dependence and create a financial buffer for the future.
- If a person can save a portion of these resources, it will help her build a safety net and contribute to long-term resilience.

STEP TWO

Identifying Income Sources for Savings

Purpose: Help members identify all income sources, emphasizing the importance of saving from extra or non-regular financial support.

Ask members to brainstorm all possible sources of income. Write down their responses, and make sure they have mentioned CVA, remittances, gifts, wages, and small sales.

Lead a discussion about how to recognize and take advantage of unexpected income for savings purposes.

Say:

- CVA, remittances, and gifts should be treated as opportunities to save since they are not consistent, long-term sources.
- A portion of any income, even if it is from one-time support, can contribute to building financial security.

STEP THREE

Creating a Savings Plan and Setting Goals

Purpose: Teach members to create savings plans that align with their short-, medium-, and long-term financial goals; determine how savings from any and all income sources can contribute to reaching their goals.

Review the savings plan activity from Session 2, 2.1 Savings Concept in the [CARE VSLA Training Manual](#). Remind that a savings plan can help you meet financial goals across different timeframes:

- **Short-term savings (weeks to months):** Immediate needs like food or household expenses.
- **Medium-term savings (1-3 years):** Investments like home improvements or livestock.
- **Long-term savings (over 3 years):** Major investments, such as land or other valuable assets.

Say:

- Saving regularly, even from one-time income sources, can help you achieve short-term and long-term goals.
- Having a good savings plan helps you balance short-term needs with future goals for economic independence.

STEP FOUR

Using Extra Income for Financial Resilience

Purpose: Show members how saving from CVA, remittances, and gifts can help build resilience and reduce dependency.

Say: We will explore the potential of extra funds from short-term sources, like CVA, to create a financial cushion.

Ask for four volunteers. Assign each volunteer one of these scenarios:

1. **Volunteer #1** receives cash assistance in three distributions of \$100. She receives \$300, in total, over three months.
2. **Volunteer #2** has a sister who lives in the capital city. Her sister sends her a gift of \$90.
3. **Volunteer #3** decides to sell clothing that her children are now too big to wear. She earns \$35.
4. **Volunteer #4** receives \$20 from her husband via a cash app, and news that he has found a good job in the city. He promises to send her \$20 every month.

Divide the group into four, and assign one volunteer to each sub-group. Ask the women to discuss:

- If your Volunteer is a typical woman in this community, what are her important and immediate needs for her family?
- What will happen if she spends all her new money to meet immediate needs, and what might happen if she saves 5, 10, or 20 percent of the money to reach her medium- and long-term goals? Discuss these scenarios in terms of her money, her responsibilities to family members, and her relationship with her husband or other authority figures in her household.

Key Points:

- Emphasize that a consistent effort to save from any extra income—no matter how small—will help create financial stability.
- Encourage members to view savings as a path toward independence from outside aid.

STEP 5

Setting Measurable and Time-Bound Goals

Purpose: Ensure members can set clear goals to track their progress and stay motivated.

Say:

- We will review how to create savings goals that are SMART (Specific, Measurable, Achievable, Relevant, Time-bound). For every example below, we will identify each of these qualities:
- **Example:** Djeneba decides to save \$30 from each CVA payment over the next three months for emergency funds. (Identify smart, measurable, etcetera...)
- **Example:** Mariana plans to save \$5 each month from her husband's remittance and buy an extra share in her VSLA. At share-out at the end of the savings cycle, she knows her extra shares will have grown a lot.
- **Example:** Fatima chooses to use \$30 from the sale of her children's outgrown clothing to purchase a small stock of soap, matches, and cooking oil. She resells these at a profit, buys another \$30 worth of stock, and saves the profit of \$5 toward next year's school fees. She plans to repeat this cycle every month.

Key Points:

- A clear savings goal helps members understand their progress and build long-term savings habits.
- Measurable goals help track savings growth and encourage continued effort.

STEP 6

Wrap-Up and Q&A

Purpose: Summarize session learnings and address questions.

Activities:

- Recap the importance of saving from all income sources, especially short-term funds, and setting achievable goals.
- Open the floor for questions and clarifications.

Key Points:

- Saving from extra income helps reduce dependence and strengthen financial independence.
- Reinforce the value of maintaining both immediate and long-term financial goals.

BY THE END OF THE SESSION:

Members will understand the importance of saving from short-term funds, such as CVA, remittances, and gifts, to build resilience and reduce financial dependency. This approach provides a foundation for achieving both immediate needs and long-term economic security.