

Credit Unions educating and empowering women

The **Graduate Micro Finance (GMF)** group of **St John's Credit Union** in Kuntaur in the northern part of the Central River Region of The Gambia is an all-female GMF group located on a small island surrounded by paddy fields approximately 2 hours' drive from the CU.

The group took their first GMF loan in 2017. Most were petty traders who sold rice, tomatoes, onions, potato, oil etc. and had the intention of using the loan to expand their businesses. However, in August 2017 the island was flooded in over 2 feet of rain during the rainy season. For GMF members, their homes, food, children's books and uniforms were destroyed. As a result of the flooding they had incurred many health problems. The village received food from the government and cement from donors to assist in rebuilding.



The flooded fields.

Due to this catastrophic event, much of the GMF loans were redirected toward consumption needs, with a smaller than intended portion going towards business needs. The original loan term with the credit union was 6 months. However, given the circumstances the credit union agreed that this would be extended to 8 months to allow them to repay more easily. When asked why they chose to be part of the credit union, especially given the distance, one participant noted: ***“Regardless of the distance, the credit union is more beneficial and it is what helps us. The credit union manager is a good person. He responded to our needs when the flood came through access to the GMF loan.”***



Members of the kafo group.

The group are known as a **kafo** – a type of social structure in The Gambia whereby they save as a group in one individual credit union account. Beyond the financial capital accessed through the loan, the group noted the social capital gains due to being part of the GMF group:

“Having the group helps bring projects to the community. For example, we now have a seed store and cereal bank in the village. When we sell products to farmers, we put the profit back into the kafo credit union account.”

With strong support from the group one member had become a councillor in the village and had gone on further to sit on the National Women's Bureau.