



**PRESENTATION ON VILLAGES AND
SAVINGS LOANS FEDERATIONS
(VSLF) AND VSLF-CONFEDERATIONS.**

Bujumbura, April 14th, 2026



INTRODUCTION



- Dutabarane established its first VSLAs in 2008 under Enkeltbevillingen' DANIDA the and has created more than 7,316 VSLAs.
- A recent survey (2025) shows that 4,586 VSLAs are still active several years after the projects were closed with a membership of 180,600 members.
- The first VSLFs were implemented in 2020 through the UMMU project (2019–2022) funded by the EU.
- Dutabarane already supervises 62 VSLFs currently in operation and 11 confederations.
- A revolving fund was provided to 3 VSLFs for one year and repaid without interest



VSLF Approach



- Mature VSLAs— those that have completed at least one cycle—are sensitized and assessed using an evaluation tool to form a federation of 8 to 15 VSLAs
- The VSLAs must have the same capacity to purchase equal shares
- Each VSLA is represented in a VSLF by two members elected in the General Assembly
- The community facilitator leads the first VSLF meeting, with an agenda that includes: the creation of the VSLF, election of the management committee (8 members), and establishment of internal rules and regulations



VSLF Approach



- These two representatives submit their VSLA's monthly share contributions to the VSLF, and these contributions are recorded in each VSLA's passbook, which is then returned to the group for verification.
- To apply for a loan from a VSLF, each VSLA submits a written request that is reviewed during the VSLF General Assembly.



Strategy



Dutabarane applies the following strategy in establishing VSLFs:

- Consolidation of mature, well-managed, and financially reliable VSLAs with a strong foundation to ensure sustainability
- Sensitization of groups to the benefits of federation and the potential services, emphasizing that membership is voluntary and involves groups from the same geographical area



Strategy



- Dutabarane promotes a representative structure with governing bodies such as the General Assembly and management committees, operating under well-developed statutes and regulations that clearly define roles and procedures
- The federation is then legally formalized to gain recognition and access to opportunities
- Training and technical support are provided to ensure sound management and sustainability
- Success depends on a gradual approach, strong leadership, and trust among the groups



Challenges



Here are some of the challenges encountered during the implementation of our VSLF projects:

- **Resistance to change:** Burundian culture tends to favor individual work over cooperative movements
- **Limited management capacity:** Dutabarane often works with low-income individuals who have limited skills in accounting and financial management



Challenges



- **Insufficient monitoring and support:**
This is due to geographical inaccessibility, lack of monitoring staff, and insufficient incentives for community volunteers especially after the project ends
- **Despite these promising prospects, several challenges must be taken into account, particularly in terms of governance, transparency, credit risk management, maintaining trust among members, and balancing organizational growth with community proximity**



Future Perspectives for Federations and Confederations



1. Strengthening economic and social power of VSLFs/confederations:

They contribute to the economic empowerment of communities, particularly women by facilitating access to financing for agricultural, commercial, and artisanal projects.

2. Progressive expansion of services:

Gradually extend **VSLFs** /confederation services to underserved areas, significantly contributing to poverty reduction.



Future Perspectives for Federations and Confederations



3. Transformation into structured community institutions:

Transform **VSLFs** /confederations into structured, reliable, and credible community institutions (Community Financial Groups), and ensure their linkage with Microfinance Institutions (MFIs) to improve access to funding for members and enhance support for income-generating activities through public services, NGOs, and MFIs.

4. Capacity building and advocacy:

Strengthen the capacities of VSLFs/confederations so that they can effectively advocate with public services, NGOs, and MFIs, while promoting gender inclusion and the inclusion of people living with disabilities.



Success stories



Case of Bugendana

In Bugendana, there are 5 VSLFs forming a confederation of VSLFs with an operational account at a COOPEC. The Gwingiri VSLF is the most dynamic, with an agricultural project and livestock activities including 5 goats, 9 pigs, and 10 rabbits.





Success stories



- **Case of Kabarore (Summary)**

In Kabarore, the confederation of VSLFs brings together 13 **VSLFs** and serves as a dynamic umbrella structure engaged in promoting economic activities for the benefit of its members. It has already implemented several concrete initiatives, including maize storage in a warehouse, which improves harvest management and value addition, as well as the acquisition of goats for members, contributing to strengthening livelihoods and increasing household income.



Success stories



Furthermore, it should be noted that some confederation of VSLFs, including those of Kabarore, Bujumbura, Bugendana, and Musinga, already hold accounts with microfinance institutions. This represents significant progress in terms of financial inclusion and institutional structuring, facilitating access to financial services and the development of economic activities.



Success stories



These achievements demonstrate the capacity of the confederation of VSLFs to develop sustainable, income-generating activities adapted to the local context. As part of its growth strategy, the structure also plans—after the end-of-year share-out—to invest in the purchase of at least five cows, with the aim of diversifying its economic activities and strengthening its financial resilience.



Success stories



The Manga confederation

Members of the Manga confederation are marking contour lines to protect their fields.





Success stories



- In Bwiza zone, the VSLF is running an income generation activity





Success stories



Members of the BUYENZI VSLF come together to help vulnerable families obtain school supplies. Here, 103 children received notebooks and pens — the ceremony was led by the BUYENZI zone leader





THANK YOU

