



Vigilada Mineducación



TRUST AND ECONOMIC DEVELOPMENT: SAVING GROUPS IN AREAS  
AFFECTED BY ARMED CONFLICT IN COLOMBIA

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## **ABSTRACT**

The access and use of financial services play a significant role in the economy. They are key to achieve four of the United Nations' Sustainable Development Goals. In poor countries and rural areas, financial services are mostly non-existent or hard to access. In those areas, the communities created informal institutions to partially solve the absence of services. Indigenous saving and credit systems were the first examples of informal financial rural services. Around the world these systems were used as a guide for formal methodologies of financial services, such as Rotating Savings and Credit Association –ROSCA – or Accumulating Savings and Credit Associations – ASCA –. Colombia is a country where SG could work, because it is a developing country, with more than 20% of population living in rural areas, which experienced for around 50 years an internal armed conflict that affected rural territories, displacing population to large cities, weakening social fabric, and augmenting distrust on society and institutions. Colombia's government introduced the methodology of Saving Groups in 2008 in 30 municipalities. Since then, public projects and international cooperation initiatives, as CELI N/S implemented SG in different regions of the country impacting the territories and people's lives. This study focuses on the formation of the groups, determining if trust is a condition or a result, and if the initial goals of the people participating in the groups are economic or social.

Keywords: ROSCAS, ASCAS, Saving Groups, Social Economy, Microfinance

## **RESUMEN**

El acceso y uso de los servicios financieros desempeñan un papel importante en la economía. Estos son clave para alcanzar cuatro de los Objetivos de Desarrollo Sostenible de las Naciones Unidas. En los países pobres y en zonas rurales, los servicios financieros son, en su mayoría, inexistentes o de difícil acceso. Allí las comunidades crearon instituciones informales para resolver parcialmente la ausencia de servicios. Los sistemas de ahorro y crédito indígenas fueron los primeros ejemplos de servicios financieros rurales informales. Alrededor del mundo, estos sistemas se usaron como guía para metodologías formales como la Asociación de Ahorro y Crédito Rotativo -ROSCA- o las Asociaciones de Ahorro y Crédito Acumulativo -ASCA-. Colombia es un país en el que los grupos de ahorro podría funcionar, ya que es un país en desarrollo, con más del 20% de la población viviendo en zonas rurales, que vivió durante 50 años un conflicto armado interno que afectó a los territorios rurales, desplazando población a las grandes ciudades, debilitando el tejido social y aumentando la desconfianza en la sociedad y en las instituciones. El gobierno colombiano introdujo la metodología de los grupos de ahorro en 2008 en 30 municipios. Desde entonces, proyectos públicos e iniciativas de cooperación internacional, como CELI N/S implementaron los grupos en diferentes regiones del país impactando los territorios y la vida de las personas. Este estudio se centra en la formación de los grupos, determinando si la confianza es una condición o un resultado, y si los objetivos iniciales de las personas que participan en los grupos son económicos o sociales.

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## **Acronyms**

ASCA	Accumulating Savings and Credit Association
CELI N/S	Consolidation and Enhanced Livelihoods Initiative – Northern/Southern Regions
GLAC	Grupos Locales de Ahorro y Crédito Local Savings and Loan Group
MFI	Microfinance institutions
ROSCA	Rotating Savings and Credit Association
SG	Saving Groups
USAID	United States Agency for International Development
VSLA	Village Savings and Loan Associations

## Introduction

Following the United Nations (2015) resolution on the 2030 Agenda for Sustainable Development, the ease of access and the use of financial services by people got a significant role (UNCTAD, 2015). They directly help to achieve four of the seventeen Sustainable Development Goals, and indirectly impact other goals, by increasing growth, decreasing poverty and hunger, creating employment, and improving people's lives (Kara et al., 2021; World Bank, 2014).

Nevertheless, there are situations that make difficult to access or use financial services, for example, the access in rural areas (Pearce, 2003), the level of education and income of the individual, or the gender (Demirgüç-Kunt et al., 2013; Kara et al., 2021). In consequence, informal financial services originated where the formal ones were absent, specifically in rural areas.

Informal institutions or, in this case, informal financial services, have been used around the world. Clifford Geertz documented several types of institutions, from underdeveloped or semi-developed countries in Asia and Africa. Depending on the country they were called differently, for example "contribution clubs, slates, mutual lending societies" (Geertz, 1962).

The SG methodology has purposes that positively affect the community where they are located. On one side, in terms of the economy, the groups help the people to understand and learn about financial aspects, the participation in the groups forces them to save money to fulfill dreams or reach goals. On the other side, SG are a powerful tool of social transformation, as it creates relationships and leaderships, and at the same time empowers women.

In 2008, Colombia's government implemented the methodology of Local Saving and Credit Groups (in Spanish Grupos Locales de Ahorro y Crédito), as a way to increase and improve financial inclusion in rural areas by a program from Banca de las Oportunidades (2022b). Thirty municipalities in seven departments, some of them affected by the armed conflict, were part of the pilot project. Since then, international cooperation programs helped with the introduction of more SG in other regions (Banca de las Oportunidades, 2022a; Semana, 2017).

For instance, from 2011 to 2017, an international cooperation program from USAID worked with Saving Groups – SG – methodologies, specifically the VSLA model in nineteen municipalities affected by violence and armed conflict. CELI N/S was an initiative, created “to improve governance, stimulate sustainable economic development, build social capital, and encourage licit lifestyles free from conflict and violence (CELI N/S, 2017).

Based on the context of Colombia, the financial services in rural areas, and the results of the groups implemented by international cooperation, this study examines the GLAC in regions affected by armed conflict. The research has two main objectives, first, determine if trust is a condition or a result of the formation of the SG and, second, establish the type of goal/s of the participants before entering the GLAC, if they are economic or social.

The documentation of the processes that lead to the formation, operation, and continuity of the GLAC is key to achieve the main objectives of the study. This is going to be made by conducting meetings and interviews in regions where the SG are located, identifying elements that facilitate the creation of the groups, recognizing the opportunities and challenges presented by the GLAC model.

This study starts with the theoretical framework and literature review, where the main concepts are established. Then a background of the SG is provided through an analysis of the history and context of the groups. Next, the methodology of the study is presented, showing how the research is going to be conducted. Subsequently, information of the SG during the USAID initiative is given as a starting point that would be compared to the findings of the meetings and surveys with members, facilitators, and leaders. Finally, the last section of the study presents the conclusions on trust and the objectives by the members of the SG, at the same time there are recommendations on the methodology towards its sustainability in the long term.

## Theoretical Framework

The study focuses on the field of social economy, specifically on development economics and savings. At the same time, the investigation leans towards the field of finance on the area of financial services, accessibility, and their inclusion.

In terms of Saving Groups, several studies and research have been made. The majority of them started in the late 1800s and beginning of 1900s by conducting investigations on the life of people in poor countries. Studies in China and Asia (Fei, 1939; Fei & Chang, 1948; Kulp, 1925), and in Africa (Banton, 1957; Green, 1947), presented several versions of saving methodologies in different parts of the world, those were used as the foundation for the seminal works on SG.

Shirley Ardener (1964), Clifford Geertz (1962), Aubrey Bonnett (1976), and F.J.A. Bouman (1977), gathered information on rotating saving groups in emerging and developing countries around the world, concluding that there were differences in the groups from opposite regions, for instance the groups in Asia worked differently from the ones in Africa, because for they valued more the economic aspects. This led to questioned why some groups performed better than other and centered the discussion on whether the groups were a cause or a consequence of economic development. At the same time, in their studies they explained how the different informal institutions of saving worked, from how the contribution were made, to the way the groups distribute the savings.

After the identification of Saving Groups, more studies were made on the structures of groups, their operation, how they form, and looking for specific conditions of groups in certain communities (Ardener & Burman, 1995; Bouman, 1995; Low, 1995). Two types of Saving Groups stood from the rest, as they were the most widely known and used (Collins et al., 2009; Rutherford & Arora, 2009) the Rotating Savings and Credit Association – ROSCA –, Accumulating Savings and Credit Association – ASCA –, and, recently, a third type appeared, the Village Savings and Loan Associations – VSLA –.

Both ROSCA and ASCA are similar at their core, as they are voluntary, and their purpose is social and economic (Hevener, 2006). ROSCA, as its name implies, works in a rotating basis, meaning that during each meeting the money collected is given – rotates - immediately to one or more members. The members gather on a

regular basis, every two weeks or monthly, making their contribution to the group fund, as long as the group wishes to continue (Johnson et al., 2007).

On the other hand, the ASCA moves beyond the savings, by including another characteristic, the possibility to take credit or loans for the members of the group. Contrary to the ROSCA, each meeting the contributions are gather together, but they are not given to somebody, the money is given only to the people that request a loan with a certain interest rate and a given months to pay the debt. Another difference of the ASCA is that the Saving Group forms and has an end date, because the full payment of the savings is given at the end of each cycle.

Finally, the VSLA methodology works as an evolution of the ASCA model with more rules to function. The group began with the decision among the members of the duration, no more than twelve months. The meetings are to buy saving shares and contribute to a social fund, and also to request loans up to three times the amount saved with an interest rate decided by the group. At the end of the cycle, the loans must have been paid, and the savings and profits are shared depending on the number of shares bought by each member (Faisant de Champchesnel, 2016).

After understanding how SG work and what are the differences between the three main types of groups, it is important to mention the positive effects and impacts in society that SG have. For example, the methodology helps to improve different human life aspects. Shaikh et al. (2017) studied how women in Pakistan increase their access to health care by participating in SG, they conclude that the groups serve as a platform to empower women, it influenced positively the search of health practices towards women, as birth preparation.

In the same way, the saving clubs and association have a distinct characteristic, as shown before, they serve as a place for women. Tsai (2000) investigate the participation of women in SG in China, finding that in rural areas the groups are popular among women, especially for the ones working in the microentrepreneurial sector, he concluded that the ROSCAs were their primary source of financial services.

Additionally, in Malawi, Waller (2014) investigated the case of an USAID initiative that used VSL groups. The study found that women after participating in the groups

had “considerable impacts on women’s self-efficacy in terms of greater self-confidence, self-determination and knowledge” (Waller, 2014). Also, their purchase power increased, while women were more respected and value by men. This example shows that the groups act as platform to empower women.

Similarly, in India women empowered themselves by the participation in ROSCAs Sedai et al. (2021) found out that the groups in India reduced the gap between women and men in financial inclusion, giving the women economic returns, knowledge, and social awareness to be able to make economic decisions in their household (Sedai et al., 2021).

In terms of financial inclusion SG provide positive impacts as they act as a methodology used by people excluded from the credit-market (Besley et al., 1993), for poor people, empirical evidence in Cameroon showed that ROSCAs worked better than most financial institutions in terms of efficiency and equity, because it reached nearly every household, allowing people to access and use a financial-type product (van den Brink & Chavas, 1997). In the case of insurance products, ROSCAs were used as an insurance device that in some cases provide a safety net for some members as concluded by Calomiris & Rajaraman (1998), but ROSCAs were not effective protecting against risks.

Also, the SG methodology have the possibility to make developments in different areas, one precedent is that the participation in VSLA in Ghana encourages farmers to adopt new agricultural technologies that lead to welfare improvements by Dagunga et al. (2020). Another one, is the development of financial market thanks to the implementation of ROSCAs and ASCAs, this is the case of Hoque & Baqui Khalily (2002) investigation in Bangladesh. They found out that SG foster financial market development because SG mobilize large amount of savings due to the obligation to save, and the possibility of accessing to loans and credits.

Additionally, studies have addressed the decision process to participate in the groups. Anderson & Baland (2002) investigated in Kenya, the motives of women to participate in SG. They found that women working in positions with regular income were most likely to participate in the ROSCAs, and the participation of women is high due to cultural characteristics in Africa, where the women is in charge of the management of household saving, thus the objectives were economic, focused

mainly to increase the household savings (Anderson & Baland, 2002). Another study focused on the motives to join a SG was made by Peterlechner (2009) in Uganda. She investigated why people joined ROSCAs and concluded that people were looking for “the efficient combination of economic benefits and social value”, as they intended to maximize their wellbeing, but not in terms of material things, but also considering social aspects.

In terms of finance, in recent years with the introduction of microfinance institutions, El-Gamal et al. (2014) studied the ROSCAs model applied into microfinance through an experiment in poor Egyptian villages, finding that this kind of model have higher repayment rates by the members. Other research that investigated SG and microfinance institutions – MFI - showed that borrowers tend to be women, and they found that social trust has an effect on who are the borrowers of MFI (Aggarwal et al., 2015).

Additionally, about trust, Etang et al. (2008) conducted an experiment and surveys about trust and participation in ROSCAs in Cameroon. In their results they found out that “one key determinant of trust and reciprocity in the village is specific to its rural setting: membership of a common ROSCA is associated with much higher levels of trust” (Etang et al., 2008). Also, they concluded that that kind of trust in the region where there are members of the SG is well founded, and that areas with high participation in groups helps to reduce transaction costs, indicating a more efficient economy.

## **Saving Groups Background**

### **Worldwide**

The groups and associations created to save money were documented in a broad number of studies in emerging and developing countries, later those first studies, during the 1960-70's, were gathered together into seminal works about saving associations (Ardener, 1964; Bonnett, 1976; Bouman, 1977; Geertz, 1962). After the analysis made on different countries researchers found out about the structure of the groups, the formation, how they worked and that communities have their own specific conditions (Ardener & Burman, 1995; Bouman, 1995; Low, 1995).

From the different versions of groups three types stand out from the rest: ROSCA, ASCA and VSLA (Collins et al., 2009; Rutherford & Arora, 2009). As mentioned before, the groups are similar in their structure as they function on frequent deposits by the members, but they differ on how the members of the group are paid, in the case of the ROSCA, one member receives a payment on a rotating basis, on the other hand in the ASCA and VSLA, the members receive one payment at the end of a determined period of time.

SG as ROSCA, ASCA or VSLA are located all around the world, in Latin America and the Caribbean more than 20 countries have diverse types of informal groups with different names depending on the country, in the vast majority they have been self-managed (Martin, 2014a). Most of the groups have been created due to international cooperation initiatives who brought the methodology from Africa, or by government implementation. Groups in Bolivia (Adams & Canavesi de Sahonero, 1989), Argentina (Schreiner, 2000), and Colombia (Fondo Multilateral de Inversiones, 2015), have been studied. Data from the Inter-American Development Bank showed that more of 500.000 people have participated in models of ROSCAS, ASCAS or VSLA in Latin America and the Caribbean (Martin, 2014b).

## **Colombia**

In the case of Colombia, it is a developing country, in South America with a population of fifty million people, where more than 20% live in rural areas (DANE, 2022a). Historically, Colombia suffered since the 1960's an internal armed conflict that affected for years rural territories, displacing more than 9 million people (European Commission, 2019) to large cities with effects on their health (Bandiera, 2021; McEniry et al., 2019), impacting the use of land (Garcia Corrales et al., 2019) weakening social fabric, and creating distrust on society and institutions.

Colombia's government through Banca de las Oportunidades (2022b), in 2008 introduced the methodology of Local Saving and Credit Groups – GLAC – in the country. It began as a trial project in seven departments and thirty municipalities, some of them affected by the armed conflict. From that moment, in different regions of the country, through international cooperation initiatives SG methodology has been introduced (Banca de las Oportunidades, 2022a; Semana, 2017).

In accordance with Colombia's governmental policies, USAID, the agency for international development of the United States, implemented an initiative between 2011 and 2017 that was focused on the stimulation of economic development and the construction of social capital. The initiative was called Consolidation and Enhanced Livelihoods Initiative – Northern/Southern Regions (CELI N/S, 2017).

CELI N/S worked in line with the financial inclusion policies of Colombia, promoting a VSLA methodology, GLAC from now on. As a result, the initiative implemented the model to improve the access and use of financial services in nineteen municipalities affected by violence and armed conflict. At the end of the initiative, the methodology was left in place in the regions, with the people trained to ensure its continued operation.

### ***Employment and Access to Financial Services***

Two key elements that help to better understand the Saving Groups in Colombia are the labor market, specifically the informality, and the financial services, more precisely, the access and use of them. In the case of the Colombian labor market, according to DANE (2022c) in August of 2022, Colombia had an occupation rate of 56.7% and an unemployment rate of 10,6%, but what has been in the center of the discussion is the role of the informality in the labor market, 58.1% of the employed population, works on an informal basis (DANE, 2022b).

Different studies and papers have investigated the informality in Colombia, for instance the labor observatory of Universidad del Rosario (LaboUR, 2018) made a profile of the informality in Colombia, how it was structured and what were the main challenges. Likewise, Berrio-Calle & Bran-Piedrahita (2019) studied the determinants of the labor informality, as cycles created by unemployment, the interest rate, and the trade balance, concluding for example that it is more probable to be informal, if there is a long period of unemployment. Another study focused on the informality was made by Mora Rodríguez (2017), he analyzed the labor market and presented different perspectives on public policies that could improve the situation on employment. Equally important is the study on labor and rural areas (Otero, 2019), it shows the conditions of labor in rural areas, presenting data and information on employment, the data is in line with the information gathered by DANE

(2022b), where that informality is more present in rural and disperse areas, 84% rate, compared to around 45% informality rate in cities.

On the other hand, the access and use of financial services is key to understand how people save money depending on where they live. The 2021 report of financial inclusion (Banca de las Oportunidades, 2021) showed that 90,5% of Colombia's population had at least one financial product, but regarding rural areas and disperse areas that number decreases to 69.1% and 56.2%. BANCOLDEX (2022), a Colombian bank that promotes business development, published an article on the importance of decreasing the gap of financial access to credit and services in rural and disperse areas, stating that those regions are fundamental for the development of new businesses.

Furthermore, in a book published by Asobancaria, Tamayo et al. (2022) addressed the issues and barriers faced by small and medium-sized enterprises to access and use financial services. The study showed similarities on the type barriers found also by people in rural areas that want to acquire loans or financial products, for example in terms on the lack of guaranties or collateral and informality.

In the case of Colombia, the information and data of access and use of financial services contrasted with the employment data shows that the type of employment is proportional to how people save money and the use of financial services, low levels of formal employment and low use of financial services are present in rural and disperse areas, where historically in Colombia, Saving Groups methodologies have been implemented.

## **Methodology/Research**

Financial inclusion investigations and studies are relevant because they allow to acquire knowledge on the social and economic opportunities that arise from improving the living conditions of people that are not participating in the financial system, in the case of this study, the social and economic characteristics, trust, goals and objective, which can be learned from people participating in Saving Groups.

It is important to put under the spotlight community-based mechanisms to save and lend money in rural and dispersed areas that have been affected by the armed conflict in Colombia. Also, is meaningful to determine and identify the motives and reasons that people have to form, organize, and participate in GLAC and in other forms of SG.

Learning the social and economic characteristics and what are people's goals allows to improve the methodologies and create better solutions of financial services, improving the financial inclusion in areas marginalized by conflict.

### **Approach to Trust**

Trust has been approached differently, depending on the methodology and mechanisms used to study it. Doing the research on how to measure trust, I found that the OECD elaborated a handbook with guidelines on how to measure trust. On the book (OECD, 2017), the OECD made an extensive compilation of various mechanisms for measuring trust. They begin with the explanation of what is trust, how it has been studied in different fields of study. Then they explained the concepts and validity of each mechanism used, giving methodological recommendations regarding possible measurement errors, how surveys or experiments should be conducted, how questions should be approached and how responses should be collected. They also gave considerations on how to interpret and analyze the results found.

Reading the handbook, the OECD made a literature review on how trust is approached, not only in economics but in other fields of study, using the information found, it clearly explains the different mechanisms by which trust can be measured. Two types of mechanisms are identified, surveys or experiments, several studies implemented these methodologies in their research, for instance Almond & Verba (1963) used direct questions about trust in surveys and Morrone et al. (2009) distinguished the difference on the results of trust between the use of direct questions and people's expectations. At the same time, several studies (Algan & Cahuc, 2010; Falk et al., 2016; Gächter et al., 2004; Lazzarini et al., 2005) documented the use of experiments to measure trust in different controlled settings. With the documents gathered by the OECD, the guideline distinguished four

categories (OECD, 2017, p. 44) of approaches to measuring trust: evaluations, expectations, experiences, and experiments.

As a result, this research used the OECD (2017) Guidelines as a guide to investigate trust in Saving Groups, using it to determine the mechanism to study trust, surveys and meetings or an experiment, and to structure and elaborate the questions that were going to be asked.

In the case of this investigation, the information and data required for the investigation is limited, as the collection is difficult given the location of the groups in rural areas affected by armed conflict, and due to the privacy of data collected by USAID initiative, the idea to elaborate an experiment to measure trust was rejected, therefore, surveys was the mechanism of choice to evaluate trust in the GLAC, specifically using the approaches of evaluation of their feelings and beliefs and experiences on events inside the Saving Groups.

Before starting the elaboration of the questionnaire forms it is important to define trust in this case, how it is manifested and the hypothesis on which the questions are based. In this research trust is defined in line with the definition on the OECD Guidelines “a person’s belief that another person or institution will act consistently with their expectations of positive behavior” (OECD, 2017, p. 42).

After defining trust, the functioning of the Saving Groups must be understood in order to understand how trust can be manifested. The following are the ways in which it would be possible to observe trust in the groups, in terms of financial and economic aspects the members of the GLAC can change the price of saving shares, the price of the social fund and the interest rate. On the other hand, in terms of social aspects, it is possible to observe the behavior of participants, and the participation of members in various groups.

Moving onto the hypothesis, trust can be seen or manifested in the groups in diverse ways. First, in the financial aspects, if trust is higher among members of the group the price of the saving share or the social fund must be higher, because people would save more money in a group with people they trust. Also, there can be trust in groups that have good behavior by the participants, with lower levels of discussions

and fights between members. As well, if trust is high between members and into the methodology of Saving Groups, people would participate in more than one GLAC.

When formulating and structuring the questions, as the OECD Guidelines indicate, the participants must comprehend the questions in an unambiguous way, the language and words used in the question need to be easy to understand and used frequently by the participants.

The surveys were divided in five different sections with a distinct set of questions depending on the type of respondent members, leaders, and facilitators:

1. the methodology and operation
2. the relationships
3. the problems or issues
4. the opportunities
5. the peace process

The first section helps to determine if people know how the Saving Group methodology works and their experiences with it. In those questions is possible to observe elements that contribute to strengthen the groups in terms of trust between members. The second section shows what kind of relationships are between the groups and how are they, evaluating the perceptions of the people inside the GLAC. The third section exhibits what kind of problems or issues does a group have and how they have handled it. The fourth section is focused on the economic opportunities that the Saving Groups have allowed to develop. Finally, the fifth section seek to look at the effects of the GLAC on the peace in the territories and regions where armed conflict has been present.

The questions were mainly targeted towards qualitative responses, with some quantitative information asked. They are shown in three different questionnaire forms, one for each type of participant, facilitators, leaders, and members, in the Annex Figure 3, Figure 4 and Figure 5. The questions were focused on qualitative issues, to address facts, perceptions, and experiences of the participants of the GLAC.

Finally, it is important to note that the study also used the information and data collected during CELI N/S initiative, between 2013 and 2016. This data, although

private, has information that can be shared, on quantitative financial data and qualitative methodological data of the SG. It is possible to make a comparison between the information obtained during the surveys and meetings with the members, leaders, and facilitators and the data when the USAID initiative ended

### **Limits of Study**

As surveys was the methodology used to measure and identify trust in the Saving Groups, with questions employing the evaluation and experiences approaches, the study cannot make any conclusion in terms of numbers on the level or degree of trust between members. It is only possible to state that trust between members is observed or not in some aspects of the functioning of the GLAC, financial and social specifically.

Due to the impossibility of talking with other members and leaders, and visiting more municipalities and places in Colombia, from different regions where the GLAC are located, it cannot be concluded that what has been found on the Saving Groups in Valencia and Tierralta is the same to what GLAC members on other municipalities have lived and experienced. Different locations have different cultures and could perceive the GLAC differently.

At the same time, it is possible that the responses obtained by the members, leaders, and facilitators can be affected or distorted, because the context where the surveys were made matters in the identification of trust. In the case of this study the responses gathered during surveys made in groups can be biased, every participant made their responses in a public and not private way, and this can have effects on the responses of the participants.

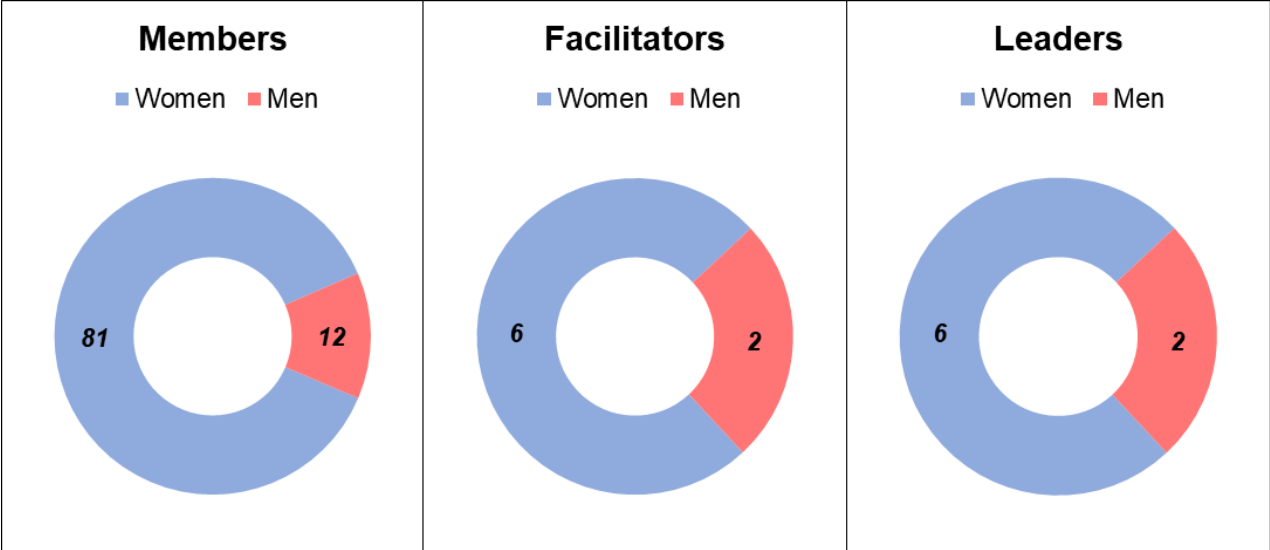
### **Location of the GLAC studied**

It is important to decide the areas or municipalities and the number of people and groups that are going to be studied and investigated, meaning the decision on the targeted population. GLAC methodology was used in nineteen municipalities in Colombia by CELI N/S. Before conducting any survey in the places, is important to know if there is presence of active Saving Groups, where are they located, how is the security situation of the place, in order to make on site surveys and meetings without any risks.

By making phone calls and inquiries, it was possible to acknowledge that, although in most places there are active Saving Groups, only three different municipalities have a considerable number of active groups, under the supervision and help of organizations in the area. Those municipalities are Tierralta and Valencia in Cordoba, and Tumaco in Nariño. The meetings were schedule to took place during July 2022, but due to security reasons and travel concerns, it was possible to only visit the groups in Cordoba (Tierralta and Valencia) during the month of August 2022, specifically the groups located in the urban center of the municipalities.

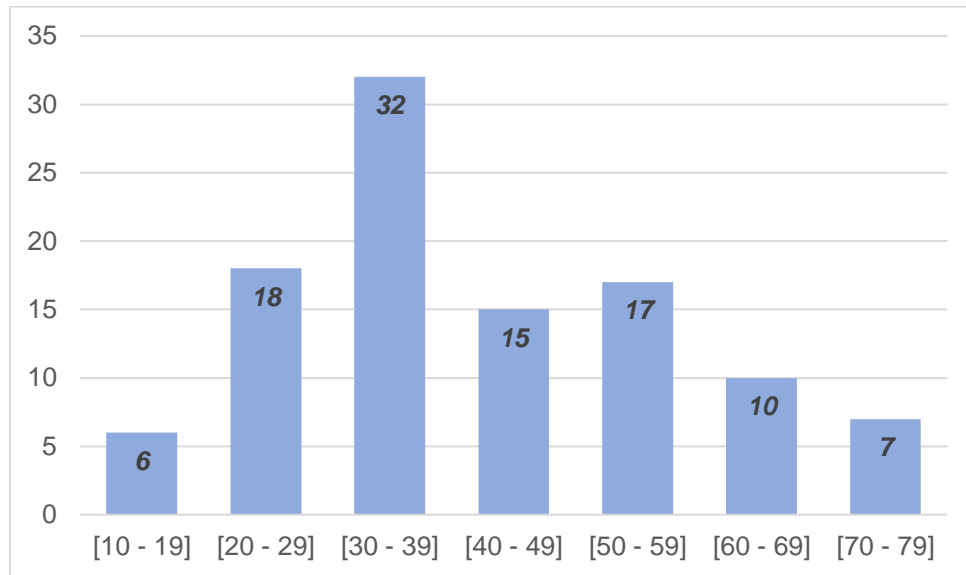
Between August 11 and 17, 2022, I conducted a set of surveys, meetings, and interviews with more than one hundred people in Tierralta and Valencia. In total I collected information on six active GLAC with ninety-three members, eight facilitators and eight leaders and success stories of members of SG. In Figure 1 is possible to observe the number of people interviewed by gender and type of participant, members, facilitators, or leaders, and at the same time is possible to state that the majority of participants are women. Figure 2 presents statistical description of the people interviewed, filtered by age intervals, it shows that around 30%t of the people are between 30 and 39 years old, and minors represent less than 10%

**Figure 1. Number of people interviewed by gender**



Source: Own elaboration with data collected during surveys and meetings in Tierralta and Valencia

**Figure 2. Number of people interviewed by age interval**



Source: Own elaboration with data collected during surveys and meetings in Tierralta and Valencia

### **GLAC During CELI N/S**

USAID initiative, CELI N/S, worked in nineteen municipalities in Colombia, affected by violence and armed conflict. VSLA methodology was introduced to the regions as a financial inclusion policy of the government, but USAID initiative, wanted to strengthen social fabric, creation of businesses, and it was targeted towards women (CELI N/S, 2017).

Thanks to Organización IED – Vital it was possible to access the confidential data collected during CELI N/S initiative (Organización IED - Vital, 2016). The statistical information and data showed that the initiative implemented the model of GLAC in sixteen municipalities, ten in the department of Antioquia, five in Córdoba and one in Nariño. It is important to note that the data provided does not include the total number of groups, it has at least information on 75% of the groups that were created during CELI N/S.

Table 1 exhibits statistical information on the groups and its members, from how many GLAC where in the municipalities, how many initial members by gender were and how many active members at the end of CELI N/S initiative, 2015-2016, were participating in the Saving Groups.

**Table 1. Distribution of GLAC members at the end of CELI N/S**

Municipality	Number of GLAC	Initial				Active		
		Members	Women	Minors	Men	Members	Women	Men
<b>Antioquia</b>	<b>979</b>	<b>13939</b>	<b>10070</b>	<b>3743</b>	<b>3869</b>	<b>10339</b>	<b>7719</b>	<b>2620</b>
Anorí	55	762	526	300	236	537	388	149
Briceño	45	608	426	177	182	12	8	4
Cáceres	133	1950	1520	449	430	1358	1086	272
Caucasia	196	2823	2016	874	807	2209	1630	579
El Bagre	115	1666	1173	342	493	1398	992	406
Ituango	44	592	346	235	246	290	185	105
Nechí	131	1949	1508	410	441	1835	1440	395
Tarazá	100	1414	1061	339	353	875	705	170
Valdivia	43	640	433	147	207	586	419	167
Zaragoza	117	1535	1061	470	474	1239	866	373
<b>Córdoba</b>	<b>688</b>	<b>9889</b>	<b>7187</b>	<b>1826</b>	<b>2702</b>	<b>8274</b>	<b>6179</b>	<b>2095</b>
Montelíbano	104	1509	1216	193	293	1193	974	219
Puerto Libertador	120	1695	1199	268	496	1506	1085	421
San José de Uré	95	1209	867	311	342	916	632	284
Tierra Alta	195	2911	2087	544	824	2405	1839	566
Valencia	174	2565	1818	510	747	2254	1649	605
<b>Nariño</b>	<b>331</b>	<b>4722</b>	<b>3205</b>	<b>1290</b>	<b>1517</b>	<b>4630</b>	<b>3213</b>	<b>1417</b>
Tumaco	331	4722	3205	1290	1517	4630	3213	1417
<b>Total</b>	<b>1998</b>	<b>28550</b>	<b>20462</b>	<b>6859</b>	<b>8088</b>	<b>23243</b>	<b>17111</b>	<b>6132</b>

Source: Own elaboration with information retrieved from CELI N/S GLAC Database (Organización IED - Vital, 2016).

The first groups formed in 2013, as shown in Table 1, had 28.550 members of them 20.462 were women, more than 70%, 8.088 were men and 24%, 6.859 were minors. The CELI N/S Final Report affirmed that at the end of the initiative, a total of 2.583 groups were established, 45.284 people participated as members, saving more than \$11 million USD (CELI N/S, 2017).

While CELI N/S was in its ending, another USAID initiative took place in the region, before they began with their operation, the new initiative made a diagnostic of the supply and demand of financial services, finding that in Antioquia and Córdoba municipalities in 2016 there were 2.343 groups with 42.598 members, and in Tumaco there were 342 groups with 6.498 members (IFR, 2016)

### **Methodology and Operation**

As it was a new methodology of savings and loans, CELI N/S, through their teams of facilitators in the region, searched people to form the groups. They first went to rural areas, looking for people that want to be part of the GLAC, telling them how it works and what they would be able to achieve. Table 2 presents information on the operation of the GLAC during CELI N/S.

The first two columns present the first and the last date when a GLAC was created in the respective town. The third column show the average number of cycles that the groups in the towns have had. Then the frequency by weeks of saving and credit meetings of the groups, and last how many months in average does a cycle lasts.

**Table 2. Operation information of GLAC during CELI N/S**

Municipalities	Date First GLAC Socialization	Date Last GLAC Socialization	Cycle	Frecuency Savings Meetings (weeks)	Frecuency Credit Meetings (weeks)	Cycle Duration (months)
<b>Antioquia</b>	<b>2/01/2013</b>	<b>12/12/2015</b>	<b>1,94</b>	<b>2,02</b>	<b>3,72</b>	<b>9,0</b>
Anorí	15/04/2013	11/05/2015	1,42	2,11	3,93	9,2
Briceño	4/04/2013	9/06/2015	1,98	1,96	3,87	9,6
Cáceres	9/04/2013	14/09/2015	1,92	1,98	3,87	9,2
Caucasia	2/01/2013	27/09/2015	1,86	1,99	3,04	8,5
El Bagre	2/01/2013	5/12/2015	1,78	2,16	3,84	9,3
Ituango	24/03/2013	3/09/2015	1,50	2,00	4,09	8,5
Nechí	2/01/2013	17/09/2015	2,06	2,00	3,91	9,6
Tarazá	29/01/2013	12/12/2015	1,87	2,02	3,92	8,6
Valdivia	9/04/2013	21/07/2015	1,95	2,09	3,63	10,0
Zaragoza	13/02/2013	12/08/2015	2,53	1,98	3,91	8,7
<b>Córdoba</b>	<b>19/07/2012</b>	<b>22/11/2015</b>	<b>2,02</b>	<b>2,00</b>	<b>3,92</b>	<b>9,0</b>
Montelíbano	1/03/2013	30/08/2015	2,31	2,00	3,69	9,5
Puerto Libertador	8/04/2013	14/10/2015	2,31	1,99	3,98	9,4
San José de Uré	13/04/2013	30/10/2015	2,01	2,01	4,00	9,9
Tierra Alta	19/07/2012	28/10/2015	1,83	2,01	3,97	8,3
Valencia	22/06/2013	22/11/2015	1,88	1,99	3,91	8,9
<b>Nariño</b>	<b>9/09/2013</b>	<b>16/11/2015</b>	<b>1,72</b>	<b>2,05</b>	<b>3,87</b>	<b>8,4</b>
Tumaco	9/09/2013	16/11/2015	1,72	2,05	3,87	8,4
<b>Total</b>	<b>19/07/2012</b>	<b>12/12/2015</b>	<b>1,93</b>	<b>2,02</b>	<b>3,81</b>	<b>8,9</b>

Source: Own elaboration with information retrieved from CELI N/S GLAC Database (Organización IED - Vital, 2016).

The first group was formed in July of 2012 in Tierralta. As of April 2013, all of Antioquia's municipalities had at least one group formed. The last two municipalities that formed groups were Valencia, Córdoba in June 2013 and Tumaco, Nariño in September 2013. The last groups formed by CELI N/S facilitators were in the last quarter of 2015, depending on the municipality.

Due to financial laws and regulations in Colombia, the groups could only be formed with maximum nineteen people. When the facilitator had the number of people, CELI N/S would give to them a kit with the materials needed: a wooden box, three padlocks, notebooks, two bags, a calculator, pencils.

Before the start of the savings cycle, the facilitators explain the format of the groups, the rules, the different moments of the meetings, and the assignments of each member: president, registrar, box keeper, accountants, key holders.

In the first meeting of the cycle all the members of the group decide the duration of the cycle, in most cases, the groups were formed at the beginning of the year and the end date was at the end of November or the first days of Decembers, therefore the members would have their savings before Christmas season.

For all the groups, the methodology considered meetings every two weeks. The first meeting was composed only of a savings moment, there, the members could buy saving shares, up to five per member, and contribute to a social fund, use for emergency cases of the members of the group or people in the community. Two weeks after, the meeting would have the same savings moment and another one, the credit and loans moment, in that part of the meeting the members could lend money from the money collected before and pay their respective interests and loans.

The methodology included another moment, one on extra activities to be conducted in the group, but the first year of creation of the groups, it was hard to implement. In the second and third cycle of the groups, the facilitators of USAID initiative introduced them, and the groups began to sell food and make events or activities, as a way to raise more money for the GLAC.

At the time of the last collected information, 502 GLAC did not continue and were closed, 828 groups were active and 668 were in a transition stage, in that phase, the groups needed to make a series of changes to be able to continue functioning. From the active groups, in average they were in their second cycle, but there were groups that were in their fourth cycle.

Finally, CELI N/S had an idea to preserve the groups after the initiative was completed. When USAID help ends, the facilitators will not have a contract, so the groups would be left without assistance. To prevent this CELI wanted to include in the methodology that the members of the groups need to pay a monthly fee for the assistance of the facilitators, the cost of the fee would depend on the number of groups and members in charge of each facilitator.

## **Financial Information**

In the first meeting of each cycle, the GLAC members decide on different topics, as mentioned before, the tasks and roles of each member, and additionally they determine financial characteristics of the group, i.e., the price of saving shares, the price of social fund, the interest rate, how much someone could lend, if there would be extra activities and their prices.

The determination of all the financial variables is linked with the situation faced by the group, meaning that if the members of a group have the possibility to pay higher prices for each share and contribute more to the group, the prices would be higher in comparison to a group where the members do not have the same financial capacity.

Table 3 presents financial information collected at the end of CELI N/S, between 2015 and 2016. It shows an average of the interest rate of the groups, the savings shares prices, the social fund prices by meeting. Next are the pending loans balance, the savings balance, and the social fund balance. The first variable presents the amount of money in loans that the members owe at the moment of the collection of the data, the second is how much money there is in the GLAC box. The third variable, the social fund, shows the sum of money that is available for emergency use of any member of the groups. All the variables in the table are shown in average by municipality where the GLAC are located.

**Table 3. Financial Information by GLAC at the end of CELI N/S**

Municipalities	Active Members	Interest Rate	Savings Share Price	Social Fund Price	Pending Loans Balance	Savings Balance	Social Fund Balance
<b>Antioquia</b>	<b>10339</b>	<b>2,63%</b>	<b>\$ 4.602</b>	<b>\$ 1.312</b>	<b>\$ 212.385.950</b>	<b>\$ 3.131.486.066</b>	<b>\$ 340.843.982</b>
Anorí	537	2,18%	\$ 5.745	\$ 1.055	\$ 15.232.600	\$ 233.418.200	\$ 11.716.000
Briceño	12	2,44%	\$ 5.956	\$ 6.247	\$ 12.062.850	\$ 260.774.400	\$ 10.658.500
Cáceres	1358	2,98%	\$ 4.217	\$ 1.206	\$ 21.733.650	\$ 427.030.241	\$ 54.752.100
Caucasia	2209	2,40%	\$ 4.838	\$ 1.233	\$ 29.982.650	\$ 638.794.361	\$ 137.843.832
El Bagre	1398	2,76%	\$ 3.987	\$ 964	\$ 10.657.450	\$ 227.541.464	\$ 18.966.500
Ituango	290	1,75%	\$ 6.659	\$ 1.198	\$ 15.978.550	\$ 103.277.450	\$ 7.539.200
Nechí	1835	2,79%	\$ 3.660	\$ 1.215	\$ 2.626.500	\$ 544.834.750	\$ 45.127.850
Tarazá	875	2,57%	\$ 4.520	\$ 918	\$ 257.500	\$ 254.183.350	\$ 30.483.300
Valdivia	586	2,65%	\$ 6.256	\$ 872	\$ 98.867.800	\$ 216.046.450	\$ 8.705.300
Zaragoza	1239	2,97%	\$ 3.936	\$ 778	\$ 4.986.400	\$ 225.585.400	\$ 15.051.400
<b>Córdoba</b>	<b>8274</b>	<b>2,90%</b>	<b>\$ 4.389</b>	<b>\$ 1.072</b>	<b>\$ 366.637.679</b>	<b>\$ 2.030.071.715</b>	<b>\$ 188.931.859</b>
Montelíbano	1193	2,86%	\$ 4.760	\$ 1.183	\$ 32.314.350	\$ 316.906.965	\$ 47.219.000
Puerto Libertador	1506	3,00%	\$ 4.858	\$ 1.181	\$ 18.805.850	\$ 711.611.950	\$ 41.409.331
San José de Uré	916	2,95%	\$ 2.516	\$ 982	\$ 2.089.400	\$ 183.629.650	\$ 25.694.300
Tierra Alta	2405	2,66%	\$ 4.449	\$ 998	\$ 184.916.679	\$ 377.584.050	\$ 37.241.328
Valencia	2254	3,08%	\$ 4.799	\$ 1.063	\$ 128.511.400	\$ 440.339.100	\$ 37.367.900
<b>Nariño</b>	<b>4630</b>	<b>2,39%</b>	<b>\$ 4.543</b>	<b>\$ 1.215</b>	<b>\$ 107.443.000</b>	<b>\$ 797.695.670</b>	<b>\$ 69.264.300</b>
Tumaco	4630	2,39%	\$ 4.543	\$ 1.215	\$ 107.443.000	\$ 797.695.670	\$ 69.264.300
<b>Total</b>	<b>23243</b>	<b>2,68%</b>	<b>\$ 4.519</b>	<b>\$ 1.213</b>	<b>\$ 686.466.629</b>	<b>\$ 5.959.253.451</b>	<b>\$ 599.040.141</b>

Source: Own elaboration with information retrieved from CELI N/S GLAC Database (Organización IED - Vital, 2016).

When CELI N/S created the first batch of GLAC, the price range of the saving share was from \$500 to \$3.000 COP, the price range of the social fund was between \$200 and \$2.000 COP. At the end of CELI N/S the average price of a saving share among the nearly 2.000 groups that had information was \$4.519 COP, and the average social fund price was \$1.213 COP. It is noticeable that through the cycles, groups increased substantially the prices of the saving shares, in some cases up to \$10.000 COP and the social fund price, up to \$5.000 COP.

In terms of the interest rate, the GLAC methodology put a maximum of 3% monthly rate, but the rate is decided by each group, lower comparatively to the rates of informal lenders called “gota a gota” or “pagadarios”, and nearly equal to the usury rate defined by Colombia’s Central Bank (Banco de la República). In the case of the CELI N/S GLAC, the interest rate of the groups was between 1% and 3%, in average it was at 2.68%.

At the moment of the last collection of data, the total value of the savings for 1.998 GLAC was \$5.959.253.451 COP, more than \$1.8 million USD. The balance of the social fund was \$599.404.141 COP, around \$187.000 USD at the time. In the CELI

N/S Final Report, it was mentioned that during the initiative more than \$11 million USD of savings were generated (CELI N/S, 2017).

## Relationships

A key piece of information to study the SG is the data on the type of relationships between the members, as it could lead to how the group was formed, if the members knew each other beforehand or if they know each other because of the GLAC.

Table 4 presents the information on the type of relationships between members. Of the 1.998 groups that had information, only 1.584 stated the relationship of the members. The relationships are divided on family, friends, neighbors, combinations of this three relationships, study, religion, work, or women groups. Eighty percent of the groups were family, friends, or neighbors related.

Of the groups that said which type of the relationship between members, 442 or 28% had members that are family related, the percentage increases to 45% if the relation is of neighbors and the highest link between members is of friendship, around 50% of the groups have members that are friends.

**Table 4. Relationship Information by GLAC at the end of CELI N/S**

Municipalities	Family	Family and Friends	Family and Neighbors	Family, Friends and Neighbors	Friends	Friends and Neighbors	Neighbors	Study	Women Groups	Religion	Work	Total
<b>Antioquia</b>	<b>34</b>	<b>141</b>	<b>44</b>	<b>49</b>	<b>86</b>	<b>194</b>	<b>111</b>	<b>39</b>	<b>18</b>	<b>17</b>	<b>39</b>	<b>772</b>
Anorí	7	2	1	1	0	1	5	16	8	1	4	46
Briceño	2	2	0	1	2	1	3	1	0	0	2	14
Cáceres	6	7	15	7	13	25	25	3	2	4	4	111
Caucasia	2	17	15	22	10	28	39	2	0	4	3	142
El Bagre	3	56	1	5	10	13	0	4	6	1	2	101
Ituango	2	7	1	0	1	0	8	4	0	0	6	29
Nechí	2	14	3	6	11	65	9	4	0	1	6	121
Tarazá	0	8	5	5	11	15	8	1	0	0	3	56
Valdivia	0	4	0	1	2	23	4	3	1	0	5	43
Zaragoza	10	24	3	1	26	23	10	1	1	6	4	109
<b>Córdoba</b>	<b>39</b>	<b>32</b>	<b>25</b>	<b>5</b>	<b>41</b>	<b>65</b>	<b>145</b>	<b>35</b>	<b>30</b>	<b>49</b>	<b>60</b>	<b>526</b>
Montelíbano	1	1	1	1	6	3	11	1	3	3	1	32
Puerto Libertador	11	16	10	2	11	26	4	1	4	19	5	109
San José de Uré	8	1	3	0	3	17	14	15	5	13	79	
Tierra Alta	14	6	7	1	6	21	70	10	6	16	22	179
Valencia	5	8	4	1	18	12	43	9	2	6	19	127
<b>Nariño</b>	<b>34</b>	<b>37</b>	<b>1</b>	<b>1</b>	<b>93</b>	<b>53</b>	<b>30</b>	<b>9</b>	<b>6</b>	<b>5</b>	<b>17</b>	<b>286</b>
Tumaco	34	37	1	1	93	53	30	9	6	5	17	286
<b>Total</b>	<b>107</b>	<b>210</b>	<b>70</b>	<b>55</b>	<b>220</b>	<b>312</b>	<b>286</b>	<b>83</b>	<b>54</b>	<b>71</b>	<b>116</b>	<b>1584</b>

Source: Own elaboration with information retrieved from CELI N/S GLAC Database (Organización IED - Vital, 2016).

This information on the relationship shows that the groups were not formed by the USAID initiative, on the contrary, they were formed purely by decision of the

members. There could be factors that influence the decision, for instance, the location of the box that keep the savings. It is possible that this creates an incentive to choose neighbors as it is known that the money is near where the members live.

Equally important are the groups created and formed due to a relationship of where a member goes, i.e., groups in schools, workplaces, religious sites. They represent 20% of the groups, demonstrating that it is also important the ties and links of other places different than family or the place where a member lives.

## **Surveys and Meetings**

As it was mentioned before in the Methodology section, I conducted a set of surveys, meetings, and interviews in two municipalities where CELI N/S worked, Tierralta and Valencia. In total there were one hundred and nine people divided in six active GLAC, ninety-three members, eight facilitators and eight leaders. In the Annex, Figure 3, Figure 4 and Figure 5, are the forms in Spanish and the questions asked to members, facilitators and leaders.

### **Members**

With help from the facilitators of Fundación Nuevo Renacer, a foundation from Valencia that was created during CELI N/S, I attended six different SG. There, I learned in first person about the model, how they conducted the saving and credit/loans meetings, and I had the opportunity to see how the members interact with each other. In Figure 6 is possible to appreciate two distinct groups during the meetings.

From the ninety-three members of the six GLAC, only twelve were men, around 13% of the total, and the rest, eighty-one or 87% were women. In terms of age, the members of the groups are between 13 and 77 years old. Only three minors were in the groups. More than 50% of the members are between 18 and 40 years old, and 20% are 60+ years old.

The questions asked not only to the members, but also to the facilitators and leaders were divided into five sections: methodology and operation, relationships, problems or issues, opportunities, and peace process.

### ***Methodology and Operation***

Members were asked about the decisions on their participation in SG, their objectives, how their lives have changed thanks to the GLAC and if they think that trust is important and what elements demonstrate improve it.

Most members affirmed that they participated in the groups because it was a way to save money towards a specific goal or dream that they have, also that if they were not in the groups, they would spend the money. The majority had doubt on the model if it really was legal or not. Word of mouth about the groups moved from families, friends, and neighbors, as they were the main source of knowing about GLAC.

It was clear that the objectives of the members were economical. They told about what they will do with their money, fulfill a set of dreams that are common among members, for instance change the mean of transport as can be seen in Figure 7, fix the house building new rooms, kitchens, or closets, travel and visit for the first time the sea, pay the education of their children, among many others. Fulfilling the dreams people insisted that they have significantly improved their lives, their families lives and friends, as they wanted to share the experienced of the groups with other members of their families and social circles.

It was interesting to see that when parents were in the groups they would talk about their economic objectives, but as time passed and their children grew up, their objectives evolved, as they now, not only want to continue with their economical motives, but also want their children to learn to save. In summary, the objectives are purely economical, but after time they could add other kind of reasons of participation.

Finally, in terms of trust all the members felt that it is extremely important as SG are about money. They considered that it is needed to know beforehand who is going to be a member of the group, because if there is no trust there are no savings. For the members if there is any sing of doubt or distrust in any member, the group losses. Elements such as respect, punctuality, a calm and friendly environment strengthens the groups and builds stronger trusting relationships.

### ***Relationships***

In this section the questions asked were about members relations, if the group has any links to other groups and the community and how they model has an effect on gender equality.

Between members there are families, friends and neighbors, there are not any members that do not know each other. Some groups were formed from a family that began participating and then included friends and neighbors. Others began as a place to meet in the neighborhood and then introduced family members or friends. The interactions between the people were calm, showing happiness and joy to participate, enjoying all the moments of the meeting, making jokes, and laughing.

It could be said that each GLAC is its own world, even though there are members that know other groups, it is only because they participate in several, not because they interact with each other. At the same time, talking about the relationship of the group with the community, the members responded that in some cases they prefer not to tell anyone because as it is a money issue, in other groups they interact with the community only during the extra activities, when they sell products or food to neighbors, or when they make a celebration for the community.

Lastly, in terms of gender equality and women participation, as the majority of members are women, they claimed that the GLAC is a safe place for them, as they feel camaraderie, when someone needs help the others are there for her. Moreover, the members insisted that the groups make them feel independent, they can decide for themselves, they can provide to their families and have their own money. In some cases, there are new female leaderships in the neighborhoods thanks to the participation of women in Saving Groups.

### ***Problems and Issues***

When the members were asked about issues that happened in the group, most of them responded that as the groups were calm and peaceful there were no major incidents and that they have not had any big issue to deal with. One group responded that, although they do not have issues, when there is a tense moment, the solution to the issues is by fining the members of the group.

### ***Opportunities***

In this section the question was about entrepreneurships or investments made by the members of the group as a result of the participation in the GLAC. The majority of people have not used the SG as a way to invest on a business. Nevertheless, there were few members that with the loans of the group have been able to increase their businesses. For example, one woman bought a food cart, other used the money to invest in her crops, and one man has a motorcycle repair store.

### ***Peace Process***

The last section is about the strengthen of peace in regions affected by armed conflict because of the GLAC model. In one group the members answered that violence is linked to the economy, saving eliminates selfishness, and the generation of money removes the need of seeking money illegally. As a whole, the members said that the groups create an environment of constructive dialogue, perfect for the solution of differences between people. Others affirmed that the methodology has a humanitarian approach, increasing and improving how to help others when they are in need.

### ***Facilitators***

There are eight facilitators working in the Fundación Nuevo Renacer, four of them working with groups in Tierralta and the other four in Valencia, of them, six are women and two are men, the latter worked as the facilitators when CELI N/S was present in the region, so they know the history and all the process of the SG in the municipalities and rural areas.

As mentioned before the questions asked are the same as the ones made to the members and divided into five sections, in the case of the facilitators there are more questions regarding the methodology and operation of the groups as they are the people in charge of the correct operation.

### ***Methodology and Operation***

In this section the facilitators answered questions about the formation of the groups, how they work, and what the GLAC mean to them. They explained that the GLAC is

the best thing that has happened to the region, is a way to achieve dreams and objectives, it generates peace and entrepreneurship.

In the case of the formation of the groups, the facilitators told that it depends entirely on the members, in most cases the people are related, from the same family, neighborhood or they are friends. When CELI N/S began with the model, to form the groups, they as facilitators needed to look for people to participate and at the time, the groups were formed on average with fifteen people, but right now everybody wants to participate in the groups, and they average nineteen participants, the legal maximum of the GLAC. For the type of participants, everyone over the age of five is able to be a member, in the case of the minors they only save money.

In terms of determination of prices, the members decide them on the first meeting, as of 2022, the average price, as the facilitators told, is around \$10.000 COP, a sum which is higher than the price at the end of CELI N/S. In addition, the members of the groups have transformed the methodology to adapt it for their needs, for example some groups make monthly contributions but they do not make extra activities, or that each member must pay a monthly fee of \$2.000 COP, which works as a salary for the facilitators, this in line with the idea thought by CELI N/S, each facilitator is in charge in average of around forty-six groups.

For the facilitators, the model is getting stronger as time passes, because at the beginning there was doubt and distrust on the methodology, but after years of success people see the GLAC as a way to raise money and to request loans, outside of the banks and illegal institutions, as “gota a gota” or “pagadiarios”. For instance, at the end of each cycle, the members receive their savings, and they feel that the model works, so they are more excited to participate and contribute to the group in the next cycle. Another characteristic is that the GLAC do not need the kind of guarantees, certificates, or documents that a bank needs to make a loan, so it is easier for a participant to make a small loan, or microcredit, in the SG as opposed to a bank, strengthening the GLAC model.

### ***Relationships***

When the facilitators are in a meeting, they notice that the members are close to one another, they are related through family or by where they live or have long lasting friendships. As the groups are formed around money, the members are careful, they

do not accept anyone in the groups, the person that wants to enter must be known before, and he or she needs to be responsible.

Looking at the relationships between groups, there are cases where the groups know each other, because members participate in both, but the groups are worlds apart. Regarding the ties with the community, there are groups that make events, sell food or products, celebrate special dates in the neighborhood, but there are others that do not want to do anything, and the members decide to not do any other activity.

As for the gender equality, the facilitators know firsthand that the model increases the leadership among women, it is a place where young women have the possibility to decide for themselves, taking distance from the deep-rooted cultural thinking that men are superior to women.

Recently, the groups have been used as a way to include or join people with diverse backgrounds, it is known that everyone that want to participate is able to form its own group or to be a part of one, for example, with the Venezuelan migrant crisis that Colombia has faced, there are groups that include the migrants and make them feel part of the community. In conclusion for the facilitators the GLAC is a model that includes and do not exclude.

### ***Problems and Issues***

The facilitators have been working with Saving Group for around a decade, they have experienced a set of issues and problems. The most common ones are about personal discussions that members bring to the group, so they form this tense environment. In some cases, if there is a person who generates issues, the group decides to not continue in the next cycle with the person.

Asking about the loss of the box with the savings, the facilitators responded that in nearly a decade only five times it has happened, so it is not frequent. In some of the cases the money was recovered but when it is not, the members assumed the loss and the group is closed. There have been other cases where members do not pay a loan or miss the meetings, so the group decides if they expel the member or if they took some possession of them.

### ***Opportunities***

As the facilitators work with the groups, they know pretty well the investments or entrepreneurships that the members made. The most common one is to sell food, fast food, or bakeries, it has been with a food cart or in a store. Other type of common investments is by buying goods to improve the productive units of the members.

### ***Peace Process***

With respect to the strengthen of the social fabric in the regions, the facilitators considered that the GLAC teaches to solve conflicts through dialogue. At the same time, the relationships among the members and participants are strengthened, and solidarity is increased when someone on a group has an incident and needs help from others.

### **Leaders**

With the help of the facilitators, it was possible to know about leaders and people with success stories that are and have been members of the GLAC. Eight people were interviewed, six women and two men. Three of them have participated after the end of CELI N/S, the rest have been from the beginning of the model in Valencia.

The questions asked during the interviews were identical to the questions made to the members, in the case of the leaders, there was a deep interview, outside of the group meetings.

### ***Methodology and Operation***

The people who were considered as leaders or success stories, affirmed that they decided to participate in the groups because it was more than just to save, it was to fulfill dreams, because been in the group would provide enough money to sustain and invest on a business. In general, they participate due to friends, family or neighbors that recommended it, or because they were the first participants when CELI N/S began.

After years and years of groups, they have made family trips with the money saved. Also, they have spent it in their business, paid their children education, improved

their homes, celebrated birthdays, Christmas, and special dates. With the money they lend they invest in their businesses, selling goods and having a profit after paying the interests and the loans. Through the SG the people have definitely improved their lives, for example Figure 8 shows the house of one of the leaders, before it was made out of wood, during winter season the house would be flooded, but thanks to the money saved in the groups, she was able to build a better home, with better material as it can be seen in the last photograph.

For the leaders, as well as to the members, an element that strengthens the GLAC is the reception of the savings at the end of each cycle. One additional element is to set goals, it gives the participants a boost, as they actively participate in the meetings, because they want to reach their objectives. Another element is the integration of the group, the GLAC works if the members are unified, help each other and make the meetings a good place.

For the leaders, among the elements that improve trust between members are values like solidarity, respect, and partnership, because even if there is a personal interest on the group, the members are sensitive towards the others, they help each other. For one leader, trust is something that transmits, when the group begins there must be trust, over time it could increase or decrease, depending on the behavior of the participants. In general, for them the most essential element is the will to help the group, to want to be a part of it, to actively participate in the activities and meetings.

### ***Relationships***

The relationships in the groups where the leaders participate are close, because in most of the groups the members are from family, lasting friendships, or longtime neighbors. As the members know each other, everything runs smoothly. As they are closed, some groups make a lot of events or extra activities to raise money, planning trips, selling food each two weeks, gathering on Sundays to share a meal. There are a few cases where due to the lack of time the leaders decided with the other members of the group that it is not possible to have other activities, instead, they decided to pay an extra fee each month or every two weeks.

Regarding the gender equality, the female leaders affirmed that as the GLAC were thought for them, they are a safe space, where they can say what they want, decide

for themselves, feel independent and empowered, and do not depend economically on someone. The groups have become a place for new leaderships, for example one woman, thinks about herself as a neighborhood and business leader.

### ***Problems and Issues***

All of the leaders expressed that an effective communication is the key to a smaller number of discussions and issues inside the groups. From time to time, participants of the GLAC bring personal problems to the meetings, resulting in heated discussions and tense and hostile environment. At the end of each cycle, the members of the group evaluate how they feel with the group and the other members, and if it is the case, someone could be expelled from the GLAC, due to his or her unacceptable behavior.

### ***Opportunities***

This group of people are leaders and have successful stories because of what they have done. The GLAC have allowed them to take loans to make various kinds of investments, i.e., buy raw materials for their business, lend money to buy chickens, fattening and then selling them, acquire equipment for a restaurant, have enough money to buy inventories for the neighborhood store, be able to buy goods and sell them as merchant in the town.

### ***Peace Process***

Just like the members of the groups, the leaders expressed that the GLAC is a model that helps to rebuild the social fabric in the regions affected by the armed conflict and the violence, regenerating relationships between the population of the towns and rural areas. At the same time, the group have been used as a way to understand that personal discussions, issues, or rivalries can be solved by talking and effective communication.

### **Other Remarks on the GLAC**

In the Annex, the Table 5 summarizes the different responses according to the type of participant: members, facilitators, and leaders. It can be seen that most of the

responses are similar between the participants, even if the meetings and surveys conducted to each other were made separately.

Looking at the responses by sections in the first section members, leaders, and facilitators showed that they do understand the methodology of the groups, they talked about their experiences in the GLAC, talking about elements that, for them, contribute to strengthen the GLAC year after year, and their perception on trust inside the groups between members.

Then, in the second section the responses showed that people knew each other before hand, some knew each other better than others, but participating in the GLAC, helped them to improve those relationships. Moving to the third section, the groups showed that they handled problems in calm ways and that it is not so common to have big issues as the loss of money saved or fights between members. On the contrary, the meetings have been proactive, with discussions that have not negatively affected the saving process.

Subsequently, in the fourth section it was possible to observed that some degree of entrepreneurship has been made thanks to the participation in the Saving Groups, not every member has made an investment but from time to time, people have been seeking more opportunities to improve their livelihoods. Finally, the fifth section responses allow to observe that the participation in the GLAC, helped the members to solve differences with others through good communication, the Saving Groups have helped to rebuild social fabric in places where the violence and the armed conflict has been present.

At the same time, during the visit to Tierralta and Valencia, I was able to have an interview with Elvira Negrete, the director of Fundación Nuevo Renacer, she has been a social leader in Valencia, who has worked together with international cooperation initiatives as well as Colombia's government, to bring new opportunities to the people in need in the south of Córdoba. During the meeting, she talked about the GLAC model, how it has changed the people's mind in Tierralta and Valencia and how the foundation has been there for the members of the groups.

After CELI N/S ended, the foundation took over the management of the SG, giving them what they need, from materials to facilitators time for a correct operation of the

groups. At the same time, the foundation each year is in charge of finding the materials and supply them to new groups that form. For example, Figure 9 shows the notebook of a member of a group, it has the rules and values of the methodology, reminding the members every time there is a meeting, what are the standards of participation in the groups, something that has been seen in the meetings and interviews with the members, facilitators and leaders.

During 2020, 307 groups were active in Tierralta and Valencia, 5.413 people saved more than \$4.880.634.800 COP, more than \$1.4 million USD in a year affected by a global pandemic, where the people could not have present meetings and the methodology suffered specific updates to survive (E. Negrete, personal communication, August 12, 2022).

Last year, in 2021, there were 450 GLAC in Tierralta and Valencia, saving up to \$12.800 million COP, around \$3.2 million USD, an increase of 2.6 times what was saved during 2020. In total, 8.323 people participate in the GLAC, 50% more than the previous year, of them 78% were women and 22% men. Additionally, in 2021 there were groups form specifically for children, twenty groups were created, with 374 little savers (E. Negrete, personal communication, August 12, 2022).

A decade later from the beginning of the model during CELI N/S initiative, there are groups that have begun their cycle not in the first months of the year, but in July, because people are thinking more about saving all the year and not only on the last quarter. Since June of 2022 there are people that are demanding the materials and the help from the foundation for next year because they want to open a new group as the have nine-teen people willing to save money in the methodology that is proven to be a success in Córdoba.

Finally, the foundation, and eventually the population of Tierralta and Valencia, faces some problems, the most crucial one is the lack of support and money to get more materials, and be able to open and form new groups. It is known by Elvira and the facilitators that yearly there are several groups that due to little number of materials and lack of assistance cannot be formed. They have tried to get funding, but so far it has been unsuccessful.

## Conclusions

To sum up, the information that was used in the study, and the meetings and interviews with members, facilitators, and leaders, made possible to document the process of formation, operation, and continuity of the GLAC. Specially, the information of CELI N/S give a starting point from which is possible to make comparisons between the past and the present of the Saving Groups in regions affected by armed conflict and violence.

Evidently, the interviews and meetings became a key input in the identification of elements, such as values like solidarity, respect, punctuality, and attitudes as good behavior, and willingness to participate, which play a significant role in the strengthening of the SG.

Moreover, the evaluation of the answers and responses gave by members, facilitators, and leaders, to the questions asked about trust and the changes over time of indicators that can be link with trust, allow to conclude, and affirm that trust is both, a condition, and a result, of the formation of the SG.

Before the formation of the groups, the people that want to participate need some kind or form of relationship with other members that works as a guarantee for them to participate in the GLAC. As it was seen, family, friendship, or neighborly relationships are the most common in the groups.

Additionally, over time it is possible that trust could increase or decrease depending on the participants of the Saving Groups, most of the time, trust has increased, as it was seen through indicators and variables. In the case of the Saving Groups created during CELI N/S, specifically in the GLAC located in Valencia and Tierralta, trust has increased over time, due to good behavior of the participants and their willingness to improve their savings year after year. The price of the saving shares, as it has grown, it shows that people have faith in the methodology, and it means that people have confidence in the group and trust the members that are in. There could be scenarios where trust decrease, for example, because the group environment deteriorates due to the conflicts and fights between members, but this has not been the case for the groups in Córdoba.

In addition to the questions on trust, the study was focused on the objectives and goals that the members of the groups have before entering the SG. During the SG meetings and making the surveys it was noticeable that there were two types of goals: one purely economic, only to obtain money, and other leaning to social aspects, to teach about savings.

The economic reason is the objective that the majority of the participants have, because they want to save money and then spend it, even though the purposes or destinations of the spending could have social impacts. Most of times, they want to buy a new means of transport, make upgrades in their houses, make investments, or create a business, but sometimes the purpose of the saving is to be able to pay for the education of the children.

On the other hand, there are few groups where the objective is to teach and learn about savings. It is the case of the SG made for children, even though there is money involved, the parents bring their children to the group, because they want them to learn and acquire knowledge on financial aspects.

The GLAC, a model of SG, demonstrated that in regions in Colombia, where the access to financial services is limited or non-existent, was possible to gathered people to save money, eliminating the use of illegal financial services as “gota a gota” or “pagadarios”. At the same time in rural areas, due to high risks, and costs for the banks, the financial system is absent, as a result the GLAC presented itself, as the solution to the lack of financial services in rural regions, providing a space to save money and request microcredits and loans.

Finally, it is important to note that in regions affected by armed conflict, the GLAC model serves the purpose of rebuilding social fabric, as it creates strong relationships between the members, relationships that once were affected by the violence. Additionally, the GLAC serve as a platform for new female leaderships, in regions and towns where culturally, the women felt inferior to the men. Also, the SG methodology created opportunities and hope in communities and regions that have suffered economic and social limitations. The groups provide help in harsh situations, they are a mechanism to materialize and fulfill dreams and they create most of the times, an environment of harmony between the members.

## **Recommendations**

This study helped to better understand a topic that has not been studied in Colombia, cooperative ways of saving has been recent in the country, specially in regions affected by violence. The research serves as a starting point for new studies on different fields of study, such as finance, economics, psychology, among others. Further investigation should be carried out to determine the level and degree of trust, using a different methodology of measuring trust, possibly with experiments to the participants of the Saving Groups. Also, other studies should research this topic on other locations around the country, giving better insight on trust in different areas with different cultures.

On the other hand, Colombia's government should turn the GLAC model as an instrument of public policy in rural and disperse areas as it targets two aspects, the social and the economic. On the social side by improving and rebuilding social fabric in the communities affected by violence and armed conflict, also improving trust among the population.

On the other hand, the economic aspect is improved by the GLAC model, as it works as an initial source of income that triggers economic prosperity in the region through increased trade and the development of new businesses and entrepreneurships.

The financial system should review how they can enter this market, by giving the groups and members access to a wide range of financial services that at this moment they do not have access to and cannot use, by eliminating barriers or decreasing their entre costs.

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## Annex

### Figures

**Figure 3. Facilitators Questionnaire Form**

**Encuesta Facilitadores**

**Lugar:** \_\_\_\_\_ **Fecha:** \_\_\_\_\_ **Hora:** \_\_\_\_\_

**Número de asistentes:**      **Hombres:**      **Mujeres:**

*Metodología y funcionamiento*

- ¿Qué son los GLAC?
- ¿Qué tamaño tienen los grupos?
- ¿Quién puede participar en los grupos?
- ¿Cómo se conforma un grupo?
- ¿Cuánto duran las reuniones? ¿Cada cuánto tiempo se reúne el grupo?
- ¿Cómo se determinan los precios de las acciones? ¿Cómo se determina el precio del fondo social?
- ¿Qué elementos contribuyen al fortalecimiento de los grupos?
- ¿Qué actividades extra se desarrollan a través de los grupos?
- ¿Cómo se determinan los préstamos/créditos? ¿A quién? ¿Qué porcentaje de los ahorros?

*Relacionamientos*

- ¿Cómo son las relaciones dentro del grupo?
- ¿Existe relación entre diferentes grupos? En caso de que sí, ¿Cómo son las relaciones entre grupos?
- ¿Cómo se relaciona el grupo con la comunidad?
- ¿Creen que los GLAC contribuyen a la equidad de género? ¿Qué hechos lo demuestran? ¿Por qué?
- ¿Creen que los GLAC ayudan a la inclusión social (indígenas, afros, jóvenes, LGBTIQ+) ¿Qué hechos lo demuestran? ¿Por qué?

*Problemáticas*

- ¿Qué problemas se presentan dentro de los grupos y cómo se resuelven?
- ¿Se han presentado situaciones de pérdida o robo? ¿Qué tan frecuente es esta situación? Y de haberse presentado ¿cómo se ha resuelto?

*Oportunidades*

- ¿Se han reunido/juntado personas dentro del grupo para realizar algún emprendimiento, negocio o inversión?

*Proceso de paz*

- ¿Creen que los grupos ayudan a fortalecer, materializar o hacer realidad la paz en las regiones? ¿Cómo? ¿Por qué?

Source: Own elaboration.

## Figure 4. Leaders Questionnaire Form

### Encuesta Líderes

Lugar:

Fecha:

Hora:

Nombre:

#### *Metodología y funcionamiento*

- ¿Cuándo empezó en los GLAC?
- ¿Por qué decidió participar en los GLAC?
- ¿En qué ha gastado o invertido los ahorros y/o préstamos/créditos?
- ¿Cómo los participantes han mejorado sus vidas gracias a los GLACS?
- ¿Qué elementos contribuyen al fortalecimiento de los grupos?
- ¿Qué elementos, comportamientos, atributos y/o criterios impulsan, promueven, construyen y soportan la confianza en los grupos?

#### *Relacionamientos*

- ¿Cómo son las relaciones dentro del grupo y qué actividades realizan?
- ¿Creen que los GLAC contribuyen a la equidad de género? ¿Qué hechos lo demuestran? ¿Por qué?

#### *Problemáticas*

- ¿Qué problemas se presentan dentro de los grupos y cómo se resuelven?

#### *Oportunidades*

- ¿Se han reunido/juntado personas dentro del grupo para realizar algún emprendimiento, negocio o inversión?

#### *Proceso de paz*

- ¿Creen que los grupos ayudan a fortalecer, materializar o hacer realidad la paz en las regiones? ¿Cómo? ¿Por qué?

Source: Own elaboration.

**Figure 5. Members Questionnaire Form**

**Encuesta Participantes**

**Lugar:** \_\_\_\_\_ **Fecha:** \_\_\_\_\_ **Hora:** \_\_\_\_\_  
**Número de asistentes:** \_\_\_\_\_ **Hombres:** \_\_\_\_\_ **Mujeres:** \_\_\_\_\_ **Menores:** \_\_\_\_\_

***Metodología y funcionamiento***

- ¿Por qué decidieron participar en los GLAC?
- ¿Cuál o cuáles eran los objetivos iniciales de ahorro y/o préstamos/créditos?
- ¿Los participantes han mejorado sus vidas gracias a los GLACS? ¿Cómo?
- ¿Es importante la confianza en los GLAC? ¿Cómo se demuestra? ¿Qué elementos, comportamientos, atributos y/o criterios impulsan, promueven la confianza en los grupos?

***Relacionamientos***

- ¿Cómo son las relaciones dentro del grupo?
- ¿Existe relación entre diferentes grupos? En caso de que sí, ¿Cómo son las relaciones entre grupos?
- ¿Cómo se relaciona el grupo con la comunidad?
- ¿Creen que los GLAC contribuyen a la equidad de género? ¿Qué hechos lo demuestran? ¿Por qué?

***Problemáticas***

- ¿Qué problemas se presentan dentro de los grupos y cómo se resuelven?

***Oportunidades***

- ¿Se han reunido/juntado personas dentro del grupo para realizar algún emprendimiento, negocio o inversión?

***Proceso de paz***

- ¿Creen que los grupos ayudan a fortalecer, materializar o hacer realidad la paz en las regiones? ¿Cómo? ¿Por qué?

Source: Own elaboration.

**Figure 6. GLAC meetings in Valencia, Córdoba**



Source: Photos took during different meetings of Saving Groups in Valencia, Córdoba. August 2022.

**Figure 7. GLAC members showing their new motorcycle**



Source: Photo took by Fundación Nuevo Renacer of GLAC members with their new motorcycle in Valencia, Córdoba. 2021.


**Figure 8. House of a GLAC leader, before and after participating in Saving Groups in Valencia, Córdoba**



Source: Photo of Yudis Beatriz Lopez house, took by her, showing how was her house before and after participating in Saving Groups in Valencia, Córdoba. 2022.

Figure 9. 2022 GLAC Notebook in Valencia, Córdoba

**Grupo Local de Ahorro y Crédito GLAC**



**NUEVO RENACER**  
FUNDACIÓN DE MUJERES RESTAURADAS POR EL SEÑOR

**Nombre del grupo**

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**Nombre del Participante**

*Luis CORREA*


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**Código del Participante**

	1	7
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**NUESTRO GLAC ES EJEMPLO DE CONVIVENCIA Y TRABAJO EN EQUIPO PORQUE:**


1. Siempre llegamos a tiempo a las reuniones
2. conocemos nuestros deberes y responsabilidades dentro del GLAC
3. escuchamos y respetamos las opiniones de nuestros compañeros.
4. expresemos nuestras opiniones de forma clara y respetuosa.
5. nos ponemos de acuerdo aceptando las decisiones de la mayoría.
6. pedimos la palabra antes de hablar.
7. aportamos ideas y acciones para el bien del GLAC.
8. entendemos que el bienestar del GLAC es mi propio bienestar



**NUEVO RENACER**  
FUNDACIÓN DE MUJERES RESTAURADAS POR EL SEÑOR

**LOS VALORES QUE PROMOVEMOS EN NUESTRO GLAC SON:**

1. **SOLIDARIDAD:** Nos apoyamos mutuamente para progresar y superar momentos difíciles.
2. **AHORRO:** Ahorramos con esfuerzo para lograr nuestros sueños.
3. **RESPONSABILIDAD:** Nos comprometemos y actuamos de forma correcta.
4. **HONESTIDAD:** No nos engañamos ni engañamos a los demás.
5. **TOLERANCIA:** Respetamos las diferencias y las opiniones de los demás.
6. **RESILIENCIA:** Tenemos la capacidad de superar circunstancias y adaptarnos al cambio.
7. **AMOR AMBIENTAL:** Valoramos, Protegemos y conservamos el medio ambiente
8. **PAZ:** Construimos paz silenciosa, fortaleciendo la sana convivencia, el amor y la amistad.



Grupo Local de Ahorro y Crédito  
**LIDERANDO SUEÑOS**  
**TRANSFORMAMOS VIDA**

Source: Notebooks created by Fundación Nuevo Renacer to keep track of the GLAC meetings.

**Table 5. Responses of the people interviewed**

		<b>Members</b>	<b>Facilitators</b>	<b>Leaders</b>
<b>Methodology and Operation</b>	Participation objectives	Mostly economic, was to save money for specific purposes. Parents social reasons for their children, educational purposes	-	Economic objectives. It was more than just to save, fulfill dreams, enough money to sustain and invest on a business
	Livelihood improvement	Learned to save money, improved their homes, means of transport and businesses. More responsible with money	The best thing that has happened to the region, is a way to achieve dreams and objectives, it generates peace and entrepreneurship	Spent in their business, selling goods, and having a profit, paid their children education, improved their homes, celebrated birthdays, Christmas, and special dates
	Elements that strengthen trust	Harmony environment. Previous relationships, know beforehand the members of the SG. People want to participate as they see results in terms of money saved during distribution at the end of the cycles	Distribution of money at the end of cycles, boosts trust. Easier for a participant to make a small loan, no need the kind of guarantees, certificates, or documents that a bank need	The reception of the savings at the end of each cycle. To set goals, gives participants a boost, active participation in meetings. Values like solidarity, respect, and partnership, even if there is a personal interest on the group, the members are sensitive towards the others, they help each other
<b>Relationships</b>	Inside the group	Family, friends or neighbors, good relationships. Calm and happy interactions	Members are close to one another; they are related through family or by where they live or have long lasting friendships	Members are from family, lasting friendships, or longtime neighbors. As the members know each other, everything runs smoothly
	With other groups	Some cases they know other groups because there are members participating in both, but no relation between groups	There are cases where the groups know each other, because members participate in both, but the groups are worlds apart	-
	Gender equality	Safe space for women. Also, space for empowering them. Creation of new leaderships. Independent feelings, own decisions	Increase in leaderships among women, place where young women have can decide for themselves, taking distance from the deep-rooted cultural thinking that men are superior to women	SG are a safe space, where they can say what they want, decide for themselves, feel independent and empowered, and do not depend economically on someone
<b>Problems and Issues</b>	Inside the group and solutions	Calm groups with no major incidents. Solution of discussions by fining the members	Personal discussions, tense environment. In some cases, conflictive people, the group decides to not continue with them in the next cycle	Sometimes participants bring personal problems to the meetings. Effective communication is the key to a smaller number of discussions and issues inside the group
<b>Opportunities</b>	Entrepreneurships and businesses	Most people have not made investments. Few members increased their businesses, or invest in crops through loans	Most common to sell food, fast food, or bakeries. Other type of common investments is by buying goods to improve the productive units	Make investments, buy raw materials for their business, lend money to buy chickens, fattening and then selling them, acquire equipment for a restaurant, buy inventories for the neighborhood store, buy goods, and sell them as merchant
<b>Peace Process</b>	Materializing peace	Violence is link to economy; SG allows legal ways of looking for money. environment of constructive dialogue, perfect for the solution of differences between people	SG teaches to solve conflicts through dialogue. Relationships are strengthened, solidarity is increased when someone on a group has an incident and needs help from others	GLAC is a model that helps to rebuild the social fabric in the regions affected by the armed conflict and the violence, regenerating relationships between the population of the towns and rural areas

Source: Own elaboration