

### **WHAT IS A COOPERATIVE SOCIETY?**

A cooperative is an autonomous association of persons united voluntarily to meet their common economic and social needs through a jointly-owned and democratically-controlled enterprise/business.

### **WHAT IS A SACCO?**

A Savings and Credit Cooperative Society (SACCO) is a member-owned financial cooperative whose primary objective is to mobilise savings and afford members access to loans (productive and provident) on competitive terms as a way of enhancing their socio-economic well being. It is formed by people having a common bond.

### **WHAT IS A COMMON BOND?**

A common bond is a unifying factor (that which brings people together).

Two types of bonds generally exist as follows:

#### ***Community bond***

The bond exists where members are resident in a particular locality or neighbourhood. A community bond caters to all people within the community.

#### ***Occupational or associational bond***

The bond provides for people of the same occupation or for those employed by a common employer or who belongs to the same profession.

### **WHO CAN JOIN SACCO?**

Joining a SACCO is easy. Membership is open to all regardless of sex, race, religion or political affiliation. It is voluntary within the SACCO's common bond. Each SACCO has a membership qualification process, common ones being that you are a member of a particular grouping or company, e.g. if you are a teacher or an employee of a particular organization, or if you belong to a certain community

### **HOW DIFFERENT IS A SACCO FROM OTHER BANKS OR MICROFINANCE INSTITUTIONS?**

SACCOs are member-owned and not profit-oriented. Their philosophy is “people helping people to help themselves”

### **WHAT ARE THE BENEFITS OF KEEPING MONEY IN A SACCO, COMPARED TO OTHER BANKS?**

1. Members have a voice in the running of the SACCO since they own the institution;
2. Depending on profitability, members may receive dividends at the end of the financial year;
3. Access to financial services is non-discriminatory and affordable.

### **HOW SAFE IS ONE'S MONEY IN A SACCO?**

The SACCO mechanism provides for the safety of members' money i.e. controls and procedures, committees and reporting structures all provide for the safety of the members' money.

### **WHERE CAN I FIND A SACCO NEAR ME?**

Please see our [list of affiliated SACCOs](#) .