

# Introduction

Access to financial services for the poorest can only be met through a diverse range of financial products, institutions and options. Rural Support Programme (RSPN) and other Rural Support Programmes (RSPs) have begun a programme called the 'Community Investment Fund' (CIF), aiming to reach out the poor and the poorest women in the rural communities effectively and efficiently with financial services. Using the previous experience and accessing new learning and suitably modifying these to the current context of Pakistan, RSPN views CIF as a cost effective method of providing micro finance services to the poor and the poorest women, particularly in the areas that are underserved by the MFIs. CIF focuses specifically on the poorest households through women organizations (WOs) by giving access to micro finance, while at the same time increasing their level of empowerment, confidence and skills.

Keeping in view of the rapid expansion of CIF as an integral part of GoP supported Union Council Poverty Reduction Programme (UCPRP), RSPN and its member RSPs also realized the urgent need to develop a comprehensive manual for its operations to make it more efficient and effective. RSPN, therefore, assigned the task of developing the manual to ShoreBank International. RSPN published the English version of the Manual in February 2010. The Manual will be published both in Urdu and Sindhi so that it can equally be used by the RSP field staff and community activists.

An Orientation Training on CIF Operation Manual was held in Islamabad from April 1-2, 2010 for the District Managers and other senior field professionals of RSPs. The total participants of the workshop were 30; including 4 from SRSO, 8 from TRDP, 5 from SRSP, 4 from each of NRSP and AKRSP, 2 from AJKRSP and 1 from both BRSP and GBTI. Among them 6 were women 24 were men.

## Training Objectives

- Orient the participants with the contents of the CIF Operational Manual
- Analyze the contents of the Manual interactively and identify issues and problems and recommend their solutions
- Develop RSP wise plan of action for orientation of staff and LSO Activists on the Manual

## Training Methodology

The methodologies to be used in the 'Orientation Training on CIF Operations Manual' were participatory by applying the adult learning principles, interactive plenary sessions, presentations using power point and group discussions and reviews. The methodologies experienced at this training helped the participants in exchanging their professional skills interactively.

## Day One

### Introduction of Participants

The facilitator coordinated the introductory session of the training. Participant's registration was completed and then the Holy Qura'an verses were recited to mark the beginning of the workshop. The facilitator explained the reason of conducting this workshop and poverty reduction on UC base. The manual has been developed for that reason and every resource person will give an overview of the components of CIF. To keep the trainees motivated, the facilitator made the participants introduce themselves and also tell a personal trait that begins with the first alphabet of their names while holding a flaming match and do it before the flames are extinguished. The facilitator listed down these traits on a flip chart and explained to the participants that those were the essentials traits for each human being to become lead a successful life.

Mr. Khalil Ahmed Tetly, the COO of RSPN welcomed the participants and formally inaugurated the session. Different aspects of social mobilization were explained to the participants i.e. internally driven and externally driven. Sustainable and progressive social mobilization will always be internally driven. Social mobilization is a progressive approach, so acceptance of change and adaptation of new ideas is a healthy sign in SM. Those who try to resist change would sooner or later become irrelevant. Community Investment Fund (CIF) strengthens the process of SM by facilitating the poor with capacity building and financial empowerment.

### Session 01

#### Introduction to "CIF operational Manual"

**Mohammad Ali Azizi**

The conceptual framework of designing this session was to make the participants aware of the purpose of developing the CIF Operational Manual and its contents and their structures. The resource person interactively explained the procedure of CIF manual at each step through Power point slides. He shared the main themes and topics of the Manual and obtained feedback on it from the participants. The resource person explained how CIF was an innovative window of community finance in which ultimate targeting tool is PSC. To make CIF cost effective its main operations have been decentralized to the community level.

### Session 02

#### Introduction to CIF and its components: MRL and MGF

**Mohammad Ali Azizi**

This session was aimed to orient the participants about MRL and MGF, their relative importance and their eligibility criteria. It was in continuation of the previous session which clearly explained for what reasons CIF is used. The resource person explained that both MRL and MGF are designed keeping the specific socio-economic conditions and management capacities of the poor families falling in different bands of PSC. He explained that the poverty band helps the RSP's in assigning the people eligible for MRL or MGF. The productive approach behind MRL and MGF is to increase the level of empowerment, skills and the

economic and social boosting of the poor people which ultimately brings reduction in poverty level. The repaying procedure of MRL was also explained in an interactive manner through power point slides.

### **Session 03**

#### **CIF operations at WO, VDO and LSO level**

**Ghulam Rasool Samejo**

The session objective was to appraise the participants with the CIF procedures at WCO, VDO and LSO levels. The resource person first explained the formation steps of the three tiered structure at WCO, VDO and LSO level. He then explained the guidelines on CIF and elaborated its procedures at each level. He emphasized that the key decisions regarding CIF must be taken by the CO. The VDO will play monitoring role. The LSO will also play monitoring role and arrange capacity building activities for its member VDO and WCO. He said that detailed lists of PSC must be made available both at WCO and VDO level. MIP of each WCO member must be developed in the first place. Availability of a trained Book Keeper at VDO level is a prerequisite for CIF. More over all records of WCO and VDO must be up to date. He then explained the fund management, its monitoring and the recovery process at all the levels. The resource person conveyed the procedures of CIF by covering each and every aspect in detail and responded the questions raised by the participants.

### **Session 04**

#### **Savings**

**Mohammad Ali Azizi**

This session was aimed at explaining the participants about the objectives, importance and rationale of savings, and to describe the correlation between savings and CIF and its tools and techniques for social mobilization. Saving is an integral part of the CIF intervention. The resource person defined savings as a money set aside for future with a clear purpose. He then explained the various ways of savings mobilization and their potential utilization within the same communities. He mentioned the limitations of incentive based savings systems and proposed that savings should be made a habitual activity through organised practices. The resource person then briefed the participants about the correlation between CIF and savings. He said that CIF fund would be limited but the potential of supplementing it through savings would be un limited. The financial management system developed for CIF would be used to manage internal savings to minimize risks of embezzlement. Lastly the resource person responded queries raised by the participants.

### **Evaluation and Group Assignment**

The facilitator closed the workshop for a day and gave the participants an assignment to recap the activities. For this purpose four volunteers were selected with consensus to come up with the list of questions that will give them a chance to understand and learn all the handouts provided. Finally the participants evaluated the resource persons and their presentations on a prescribed format.

## Day Two

### Recap of the day

The day started with the Holy versus of Qura'an. To summarize the activities held on previous day, a bowl of paper slips with questions written on them were passed among the participants with the background music and each participant was bound to answer on his or her turn. The participants found it an interesting way of reviewing the whole day with fun. All the topics presented on previous day were covered in detail.

### Session 1

#### Role of RSP in CIF operations

**Ghulam Rasool Samejo**

This session objective was to understand the role of RSPs in social mobilization, CIF operations, management and monitoring. The resource person first explained how CIF is different from micro credit and how it can help the poorest people to gradually come out of poverty. Overlapping of micro finance and CIF should be taken care off to avoid duplication of financial interventions. During the sessions UCBPRP documentary was also shown to the participants to give them the insight of the program. The main role of RSP would selection of area, social mobilization, capacity building of community leaders and members, setting programme principles, procedures and SOPs, monitor implementation of the programme and do course corrections as and when required. The RSP has to do reporting to donors and management timely and accurately. The resource person interactively conducted the session by responding all the queries.

### Session 2

#### Accounting and Record Keeping in CIF

**Mohammad Ali Azizi**

This session was focused on to share the need and importance of accurate record keeping of the CIF products and the accounting procedures stated in the manual. The resource person explained that how this session can help the RSPs individuals in understanding the entire book formats regardless of their professional skills in accounting and record keeping. He elaborated about the RSP role in it and how the record must be kept. The resource person then briefed the accounting procedures at WO, VDO and LSO level and gave their list of record that are required to be kept. The resource person managed to clear all the concepts of accounting clearly, gave his presentation interactively and answered all the queries satisfactorily. The list of records can be seen in annexure.

### Session 3

#### CIF Reporting Formats

**Ghulam Rasool Samejo**

The session's motive was to share the reporting formats at WO, VDO and LSO level, their process of using, the importance and need of these formats and to identify issues and to suggest improvements and solutions. He briefed that at each level it is required to keep the record of monthly savings monthly MRL

report, monthly MGF report, monthly donations report, monthly service charge and monthly income statement. The resource person then showed their respective formats from the manual and cleared all the ambiguities of the participants.

## Evaluation and Closing Remarks

During the closing session, Mr. Khaleel Tetlay distributed certificates amongst the participants and delivered his closing remarks. He said that the Manual is a guide book and it should be locally adopted according to the needs of the RSPs in line with the management, monitoring and reporting requirements agreed with their donors.

Mohammad Ali Azizi, the training coordinator asked the participants how they would share the training contents with the rest of their teams. They said that they would use these materials and their own knowledge in developing training courses for staff and communities in their respective RSPs and would give day long or half day orientation workshop to their fellow staff.

Finally the evaluations of the sessions of the day as well as the entire programme were carried out on the prescribed forms. The graphic presentation of the over all training evaluation can be seen as under while the form is attached in annexure.





