



Members of the community savings and credit group in the hamlet of Ankilimihavotse in the Fokontany of Firanga (Commune and District of Ampanihy), count the savings of the day and record the amounts in a dedicated register. This group was created within the framework of the Firanga project, financed by USAID and piloted by CRS in partnership with CDD Tuléar, through a community initiative based on the principle of savings and internal lending communities (SILC). Photo by Romy Rasolofo/CRS

# SILC – Savings and Internal Lending Communities

## SILC METHODOLOGY

Catholic Relief Services' (CRS) Savings and Internal Lending Communities (SILC) methodology is a holistic, savings-based microfinance approach that provides a safe place for vulnerable households to save and borrow to increase their income.

The goal is to help members better manage their existing resources by teaching them basic financial management skills.

The accumulation of savings and the subsequent ability to access flexible credit through an internal lending mechanism leads to greater financial resilience of participating households and investments in productive assets, ranging from agricultural production to small business activities.

In Madagascar, CRS has more than 5,000 active SILC groups, with over 106,000 participants.

CRS Madagascar takes an integrated approach to the SILC methodology across its programs. Through several multi-sectoral Country Program projects, communities served can create highly sustainable, accessible, transparent, flexible, and self-managed internal savings and loan groups.

## STRATEGIC PARTNERSHIPS

For the implementation of the SILC methodology in CRS programs in Madagascar, the Country Program has obtained support from the following donors and technical partners:



**USAID**  
DU PEUPLE AMERICAIN



LAND O'LAKES  
**VENTURE37**

## INTERVENTION AREAS

The SILC methodology is used in the various areas targeted by the projects implemented by CRS Madagascar.

Its greatest concentration is in the regions of **Androy, Atsimo Andrefana, Morombe, Anosy, Atsinanana, Alaotra Mangoro, Vatovavy Fitovinany.**

Catholic Relief Services promotes the SILC methodology and integrates it into projects in Madagascar. It is applied in projects such as Maharo, Firanga, Spices, and Tsiro, funded by the United States Agency for International Development (USAID); and in collaborative projects with the World Wildlife Fund (WWF) and BlueVenture.



## TARGETS

The SILC methodology aims to:

- Make financial services adapted to the needs of communities accessible and available (Savings, Credit, Microinsurance)
- Improve the capacity of target participants in terms of income management through financial education
- Enable group members to save, borrow, and receive emergency assistance
- Help the community establish a sustainable community financial system that enables them to increase their monetary and non-monetary household income for improved economic well-being.
- Improve community livelihoods and resilience, in line with CRS Madagascar's project objectives

## ACTIVITIES



**Financial education**



**Field Officer and Community Training**



**Strengthening of capacities**