

Table banking



Table banking is practised in many parts of East Africa. It is mainly women who are involved. Many women and their families have benefitted enormously.

Women meet together, they enjoy the social contact, they gain experience in debating and decision-making, AND they save money and take loans which enable them to start small businesses or to benefit their families in one of many ways.

The feedback is very positive. Many people benefit, very few people fail to repay their loans.

There are many reports about table banking in the internet.

Table banking schemes do vary a little in how they are organised.

How does table banking work?

1. Each member of the group agrees to contribute an agreed amount every week. Typically the equivalent of about one Euro, (100 Kenyan shillings, 3500 Ugandan Shillings or 4 Ghana Cedi). These payments are called shares.
2. Each person has a passbook in which their contributions are recorded. The money is held in a bank account in the name of the group.
3. New members are admitted only following the agreement of the entire group.
4. A committee is elected. Some members are responsible for teaching new members.
5. If a member pays her contribution late, she must pay interest on that payment.
6. Once a member has contributed for an agreed length of time, e.g. 3 months or one year, she may ask for a loan. This must be approved by the entire group or the committee.
7. The loan may be a long term loan or a short term loan. The group determines the rate of interest that must be paid. This may be for example 10% on a short term loan of 1 month or 1% on a long-term loan of 3 years. The repayment date must also be agreed.

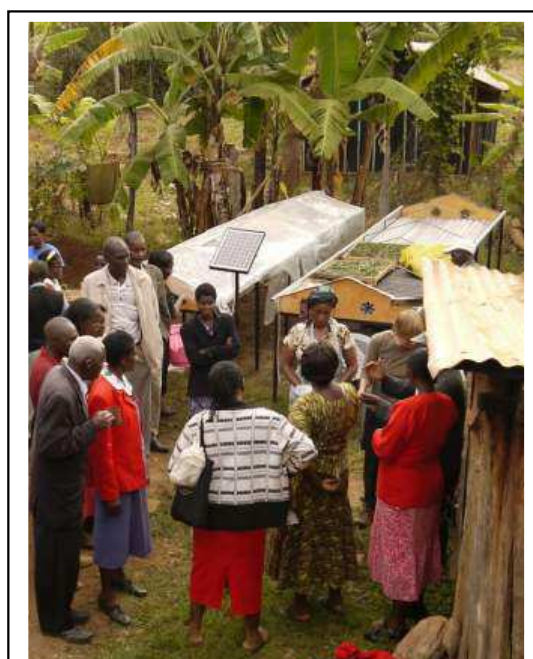


A group of women collect and record the "shares" being paid at the weekly meeting.

8. If the member is late in repaying the loan, then she must pay additional interest at a level according to the rules of the group.
9. The group meets regularly, at least once every month, in order to keep in touch with each other, hear news of the member's projects and to make decisions about loans and possible new members.
10. The group may establish a "social fund" which is used when a member suffers an unexpected catastrophe, for example sickness, an accident or the death of a relative.

Examples of what women have done with their loans:

- Purchased or leased land to grow vegetables for sale.
- Purchased goats and sold their milk.
- Started a grocery store.
- Attended a training workshop in aquaculture or permaculture.
- Constructed fish ponds.
- Started a rabbit farm.
- Constructed a chicken shed.
- Purchased and installed a rain-water tank.
- Paid school fees and bought school uniforms.
- Purchased a plot to build a home.
- Purchased iron sheets for the roof.



The purchase of a solar tunnel drier gives many possibilities – for example drying maize, drying fruits such as mango and jack fruits so that they can be enjoyed throughout the year, and drying medicinal herbs ready for preparing teas and ointments.

References for more information:

Projects of actionaid:

<http://www.actionaid.org/kenya/table-banking-actionaids-initiatives-brings-women-banking-hall>

From the British Guardian newspaper:

<http://www.theguardian.com/global-development/2014/nov/14/table-banking-kenya-women-poverty>

In Kenya solar driers and solar cookers are available from the Mount Kenya Energy Project, http://solarcooking.wikia.com/wiki/Mount_Kenya_Energy_Project

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