
THE VIP IN ACTION—HOW IT WORKS



The VIP creates strong economic foundations for community members to work together to increase both their personal and group savings.



On average, one VIP group consists of **23 members** who collectively care for as many as 70 orphans and vulnerable children, but there is the capacity to have up to 30 members.



To begin with, individuals in a community are trained as **VIP Facilitators**. They then provide the groups with **comprehensive training** in the principles of the VIP and the skills to run their businesses.



Group members attend **regular meetings** where they deposit money into a **Savings Pot**. From this loans are made to members who make a request and the amount is approved by the rest of the group.



With this money, the members **establish or improve small businesses** and then pay their loans back with interest into the group Savings Pot.



Members are required to contribute towards a Welfare Pot each meeting, which provides **emergency interest-free loans** for any member, and a Fines Pot if they arrive late.



There is also an Orphan Pot to help children living in the community outside of group members' households that are in **extreme need of support**.



Once individual members have established their own businesses, the groups are encouraged to earn together through **joint enterprises**. The profit from these ventures means that there is more money for the group to make larger and more frequent loans, thus generating more interest.



At the end of each cycle, which is usually annual, the group has a **"Share-Out"** where the loan re-payments, interest from the loans and profits from the joint enterprises are divided amongst members, depending on how much they have saved throughout the cycle.



Members set their own bylaws and pool their money to make loans to each other, with **no external finance**, resulting in high ownership and accountability.



The VIP then **grows organically** within a given community as more groups are set up and trained by the Facilitator.