

## Doc 5.7. Terms of partnership for savings and credit groups

This is an example of key elements of a Terms of Partnership based on an example for a savings and credit group in Pakistan. The TREE programme in Pakistan had three main objectives:

1. building the capacities of the most disadvantaged groups (women, youth and those with disabilities) for economic and social empowerment through skill trainings and employment opportunities;
2. providing improved access to services including micro-finance;
3. creating linkages and providing advisory services for sustainable development.

### Terms of partnership wording

We members are taking responsibility that we are the regular members of the saving and credit group (name of S&CG)

All the terms of partnership are read and listened carefully and agreed upon with the given terms by the members. The terms of partnership are given below:

1. The savings and credit group will hold meetings once in a month on a given date and time. Attendance is the responsibility of all members.
2. Members will save collectively towards capital formation.
3. Members are responsible for planning their activities and follow up.
4. The members who are trained in technical training by the organization will utilize their skills on requirement to provide advisory and microfinance services.
5. Members will help each other for economic stability.
6. The group will plan how to market their products and services to market and endeavour to build networks or business associations or link with existing business associations.
7. The President and manager will be selected on consensus basis.
8. The credit taken by any member will be paid on due date with service charge. Otherwise the guarantors/group will be responsible for repayment of the credit.
9. The organization has an authority to provide credit or otherwise to an individual or group.
10. The group will make linkages with government, NGOs, developmental schemes and service providers.
11. The group will help others that are have not benefited from a project due to any reasons.
12. The equipment/machinery given by an organization or through another organization for economic activities and not utilized will be given back to the said organization: either the equipment/machinery or the value of the given equipment.
13. Before starting any developmental action plan assure that group members have no litigation with other organization or government courts.
14. The sponsoring organization (TREE project) is not responsible for any loss.

15. The decisions will be taken on a majority basis.
16. Two nominees are selected in general body meeting through majority voting and will be responsible for keeping/saving other business dealings. The selected nominees act on behalf of the whole group.

**Nominee No. 1:**

**Signature:**

**Date:**

**Nominee No. 2:**

**Signature:**

**Date:**