

**THE ROLE OF SAVINGS AND INTERNAL LENDING COMMUNITIES (SILC) IN
THE EMPOWERMENT OF WOMEN: THE CASE OF SILC GROUPS IN KALOLENI
DIVISION, KILIFI DISTRICT, KENYA**

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ABSTRACT

This study aimed at investigating the role of Savings and Internal Lending Communities (SILC) programs in empowering the women in Kaloleni Division of Kilifi District. The main purpose was to look at the role of credit access in fostering women's socio-economic empowerment. The literature review pointed out that modernisation had led to falling incomes, individualism and rising levels of poverty (Murphy, 2002). The poor especially in rural areas do not have access to credit facilities. Such an access would lead to women's economic empowerment, increased self esteem, and other forms of empowerment. People become empowered by their own efforts, not by what others do for them (Mulwa 2007).

This research employed the survey research design. The sample size was made up of 120 respondents drawn from 126 SILC groups in Kaloleni Division. The target population was 70 SILC groups comprising of 2,407 members. The research methodology included personal interviews, questionnaires and secondary information from cash book records. The collected data was interpreted using both descriptive and inferential statistics.

The findings of the study were that SILC groups have provided financial services in terms of savings and lending to rural communities who have previously been ignored by formal financial institutions. Belonging to SILC has great rewards in terms access to loan facilities, diversified livelihood income sources, learning of new skills especially in cash book and record keeping, strengthening of leadership and decision making and building of strong social bonds among members.

The conclusion of the study was that although SILC tends to attract the poorest in society with minimal ability to save, SILC groups have the ability to empower members in tremendous ways in an enabling environment.

The study recommends that CRS takes into consideration the training needs of its members, strengthening its monitoring and evaluation systems as well as coming up with viable ways of enforcing set standards, rules and regulations. The study further recommends a research on negative impacts of SILC and gender and education level dynamics in relation to success of the program.