

TIPINDULE COMMUNITY SACCO

P.o. Box 131

Mponela.

Cell: 0999 314 796, 0886 708 841 Email: tipindulesacco@gmail.com

Website: www.tipindulesacco.com



ENVIRONMENTAL AND SOCIAL SAFEGUARDS POLICY FOR FINANCIAL
INCUSION AND ENTREPRENEURSHIP SCALING PROJECT

20th MARCH 2024

Contents

Section 1: Introduction 3

Section 2: Objective..... 3

Section 3: Approach in Dealing with Environmental Issues 4

Section 4: Governance Framework 5

Section 5: Loan Lending Requirements for Environmentally, Socially, and Legally Compliant
Businesses 5

Complaints Handling
Procedures.....5

Section 6: Conclusion.....6

Section 1: Introduction

Tipindule SACCO is a financial cooperative owned by community members of Dowa and Ntchisi District, in Malawi. It was endorsed by SACCO representatives on 23rd February 2018, guided by section 7 of cooperative Society ACT, Chapter 47:07 of the Malawi government. It was registered on 3rd October 2018, and licensed on 30th June 2020 by Registrar of Financial Institutions, The Governor of Reserve Bank of Malawi. Tipindule SACCO has four Key staff members and governed by democratically elected Board of Directors.

Tipindule SACCO is a Participating Financial Institution (PFI) of Financial Inclusion and Entrepreneurship Scaling Project (FINES) implemented by Reserve Bank of Malawi. The aim of the project is to increase access for financial services, and entrepreneurship and skills support to Micro, Small and Medium Enterprise. The project allows for the existence of more suitable environment with the Micro, Small and Medium Enterprise can thrive. The SACCO has therefore, developed the Environmental and Social Safeguards framework for the institution.

The Environmental and Social Safeguard Framework provides guidance on the approach for integration of environment and social issue in the assessment of eligibility of Tipindule SACCO loan beneficiaries accessing credit under the FINES Project. The framework seeks to introduce a systematic approach by identifying, rating and management of social and environmental issues under FINES Project.

Tipindule SACCO recognizes the importance of environmental sustainability and is committed to promoting environmentally sustainable practices in all its operations. This Environmental and Social Framework Manual outlines our commitment to environmental sustainability and sets out our objectives and targets for environmental performance.

Section 2: Objective

The purpose of this Environmental Policy Manual is to guide Tipindule SACCO's actions and decisions regarding environmental sustainability. The Manual outlines our approach to dealing with environmental issues, our governance framework, and loan lending requirements for

environmentally, socially, and legally compliant businesses. We aim to minimize our environmental impact and promote sustainable business practices to create long-term value for our members and the wider community.

Section 3: Approach in Dealing with Environmental and Social Issues

Tipindule SACCO's approach to dealing with environmental issues is guided by the following principles:

1. **Compliance with Environmental Laws and Regulations:** We will comply with all applicable environmental laws and regulations and will work to exceed them wherever possible guided by the Environmental Management Act of 2017: This is the primary legislation governing environmental management in Malawi. It provides for the management, protection, and sustainable use of the environment and natural resources in the country.
2. **Prevention of Pollution:** We will seek to prevent pollution by implementing environmentally sustainable business practices and lend to borrowers that do the same.
3. **Reduction of Waste:** We will reduce waste and promote recycling and reuse of materials wherever possible and lend to business members that do the same.
4. **Energy Conservation:** We will seek to conserve energy and promote the use of renewable energy sources among our members.
5. **Environmental Education and Awareness:** We will raise awareness of environmental issues among our members, staff, and stakeholders and will provide environmental education and training.
6. **Customer Service and Support:** We are committed to providing high-quality financial products and services that meet the needs of our customers. We believe that good customer service is essential to building long-term relationships with our customers and maintaining their trust.
7. **Social Responsibility:** We are committed to supporting the communities in which we operate. We will actively engage in community development initiatives and support social welfare programs that promote economic growth, job creation, education, and poverty alleviation.
8. **Ethics and Integrity:** We will uphold the highest standards of ethical conduct and integrity in all our business dealings. We believe that ethical behavior is essential to building trust and maintaining the confidence of our stakeholders.

Section 4: Governance Framework

Tipindule SACCO's governance framework aligns with our commitment to environmental sustainability. We have established an Environmental and Social Management System (ESMS) to identify, assess, and manage our environmental, social risks and opportunities. Our ESMS is integrated into our overall governance framework and is overseen by our Board of Directors and Management Team. We will regularly review and update our ESMS to ensure that it remains effective and aligns with best practices.

Section 5: Loan Lending Requirements for Environmentally, Socially, and Legally Compliant Businesses

Tipindule SACCO will only lend to businesses that demonstrate environmentally sustainable practices and comply with all applicable environmental laws and regulations. We will consider the following criteria when evaluating loan applications:

1. Environmental Impact: We will assess the environmental impact of the business activities and will only lend to businesses that have a minimal environmental impact.
2. Social Impact: We will assess the social impact of the business activities and will only lend to businesses that have a positive social impact.
3. Legal Compliance: We will ensure that the business complies with all applicable environmental laws and regulations.

The environmental impact of any business loan application will form as one of the basic requirements in loan approval ratings in the SACCOs loan appraisal procedures.

Section 6: Complaints Handling Procedures

Misunderstanding or conflicts can arise in any organization. To ensure effective work relations, it is important that such matters be resolved before serious problems persist that a member believes is detrimental to their accessing desired services and or procedures described here for bringing complaints to Board's and Management's attention.

For Employees

1. An Employee shall notify their supervisor in writing within five (5) working days of occurrence of any personnel problem, Charge, or allegation of unfair treatment.

2. The supervisor, or their immediate Supervisory upon their absence, shall meet and delivery written response within five (2) working days of personal receipt of the grievances.
3. If the employee is dissatisfied with the written decision of the supervision, the employee may deliver within (5) working days of its receipt, a written appeal to the President/CEO who shall render a written decision normally within five (5) working days of personal receipt of the appeal. If the complaint is about the Supervisor, the employee may skip step 1 and 2.

SACCO does not tolerate any form of retaliation against employees availing themselves of this procedure. The procedures should not be construed , however, as preventing, limiting, or delaying SACCO from taking disciplinary action against and individual, up to and including termination, in circumstances (Such as those involving problems of overall performance, conduct, attitude, or demeanor) where SACCO deems disciplinary action appropriate.

For members

1. A Member shall notify the Board Chairperson in writing within five (5) working days of the occurrence of any personnel problem, Charge, or Allegation of unfair treatment.
2. The Board Chairperson, or his duly deputy upon their absence, shall meet with and deliver a written response to the Member within two(2) working days of personal receipt of the grievance.
3. If the Member is dissatisfied with the written decision of the Board Chairperson, the Member may within five (5) working days of its receipt, a written appeal to the Registra of Financial Institutions with a copy to MUSCCO, Chapter Director and registrar of Cooperative who shall render a written decision normally (5) working days of personal receipt of the appeal. If the complaint is about the Chairperson, the member may skips 1 and 2.

Tipindule SACCO does not tolerate any form of retaliation against a member or employee availing themselves of this procedure. The procedure should not be construed, however, as preventing, limiting, or delaying SACCO from taking or addressing issues affecting staff and members where SACCO deems performance improvement appropriate.

Section 7: Conclusion

Tipindule SACCO is committed to promoting environmental sustainability and minimizing our environmental impact. We will continually review and improve our environmental practices in line with best practices and emerging technologies. Our Environmental Policy Manual outlines

our commitment to environmental sustainability and sets out our objectives and targets for environmental performance. By integrating environmental considerations into our business operations, we can create long term value for our members and the wider community.

SIGNED AND APPROVED BY;

BOARD CHAIRPERSON

NAME: HARRISON SZOZY

BOARD SECRETARY

NAME: STEVEY MAKHWA

SIGNATURE: 

DATE: 20-03-2024

SIGNATURE: 

DATE: 20/03/24