



Research Article

Civil Society Organizations, Savings and Loan Associations, and Structural Transformation in Conflict-Affected Rural Settings: Evidence from Kassala State, Sudan

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Abstract

In fragile, post-crisis, and conflict-affected rural settings, formal financial intermediaries and state social safety nets frequently collapse, leaving vulnerable populations—particularly women—disproportionately exposed to economic shocks. While microcredit programs have been scrutinized for creating debt traps, community-driven Village Savings and Loan Associations (VSLAs) mobilized by Civil Society Organizations (CSOs) offer a self-capitalizing alternative. This study examines how CSO-facilitated savings mobilization alters rural development outcomes and household bargaining power in Kassala State, Eastern Sudan. Using a mixed-methods empirical case study of the Child Development Organization (CDO)—implemented in tripartite partnership with CARE International, the European Union, and the Italian Agency for Development Cooperation across five localities (Kassala, Rural Kassala, Halfa Eljadida, Wad Elhelew, and Khashm Elgirba)—we analyze program records, governance structures, and household welfare indicators. We evaluate the institutionalization of the "three-lock cash box" protocol, democratic governance cycles, and mutual social funds. The empirical findings reveal three primary structural transformations: (1) an economic transition of women-led enterprises from subsistence-level survival to medium-tier market ventures (brick-making, commercial baking, and blacksmithing); (2) a 1,700% expansion in functional literacy classes alongside community-financed private schooling as an alternative to collapsed public services; and (3) an endogenous health emergency buffer that extended essential care and assistive devices to vulnerable households without external donor reliance. We synthesize these dynamics into an integrated Rural Resilience and Financial Maturity Model (RRFMM), demonstrating that financial capability emerges not merely from liquidity provision, but from the iterative behavioral mechanisms of collective governance and social capital formation.

Keywords

Savings and Loan Associations, Civil Society Organizations, Women's Economic Empowerment, Fragility and Conflict, Rural Transformation, Social Capital, Eastern Sudan

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1. Introduction

Rural development in low-income, fragile, and conflict-affected environments is perpetually constrained by structural market failures, geographical isolation, environmental degradation, and the systemic absence of formal financial intermediaries [4, 8]. Within these precarious settings, women bear an asymmetric share of economic vulnerability due to entrenched patriarchal norms, restricted property rights, and exclusion from productive asset ownership. [13, 17].

Over the past four decades, development interventions have heavily promoted microfinance institutions (MFIs) as catalytic instruments for rural poverty alleviation and female empowerment [25]. However, extensive scholarship has challenged the uncritical celebration of microcredit. Critics demonstrate that external credit injection often fails to generate structural mobility, frequently inducing severe debt cycles, predatory interest obligations, and intra-household resource expropriation by male relatives. Consequently, an epistemological and operational shift has emerged toward savings-led, community-managed microfinance models—principally Village Savings and Loan Associations (VSLAs) and Self-Help Groups (SHGs) facilitated by non-governmental and civil society organizations. [12, 14, 20, 26, 30]

Consequently, an epistemological and operational shift has emerged toward savings-led, community-managed microfinance models—principally Village Savings and Loan Associations (VSLAs) and Self-Help Groups (SHGs) facilitated by non-governmental and civil society organizations (CSOs) [3, 21, 35]. Unlike credit-first schemes, VSLAs rely entirely on mobilized internal member capital, mutual accountability, and democratic financial management [18].

Despite extensive research documenting VSLA performance across relatively stable agrarian economies in South Asia [10, 31] and Sub-Saharan Africa [2, 24], a critical research gap persists regarding their functional mechanics in contexts of compound crisis—where armed conflict, macroeconomic collapse, environmental drought, and large-scale population displacement converge.

This paper investigates this empirical and theoretical intersection by analyzing the developmental interventions executed by the Child Development Organization (CDO) in Kassala State, Eastern Sudan. Specifically, we address three foundational research questions:

- 1) How do CSO-facilitated VSLA governance mechanisms mediate financial maturity and asset accumulation among marginalized rural women facing state failure?
- 2) Through what pathways does internal savings mobilization transform human capital investments (education and health) and intra-household agency in fragile zones?
- 3) How can grassroots savings models be conceptualized theoretically to bridge the nexus between short-term humanitarian relief and sustainable, long-term rural structural transformation?

By utilizing empirical field records and longitudinal program evaluations from 2012 to 2026 across five hyper-vulnerable localities in Kassala State, this article makes a twofold contribution to the international development literature. First, it empirically documents how iterative micro-savings protocols generate autonomous social protection floors that substitute for collapsed public infrastructure. Second, it integrates behavioral economics with feminist agency theory to advance a contextualized Rural Resilience and Financial Maturity Model (RRFMM) suitable for post-crisis development planning.

2. Theoretical Framework and Literature Review

2.1. Theoretical Framework: Agency, Social Capital, and Financial Maturity

This study integrates three theoretical frameworks: [17] Tripartite Empowerment Paradigm [6], Social Capital Theory, and the Financial Maturity Model (FMM) advanced [5].

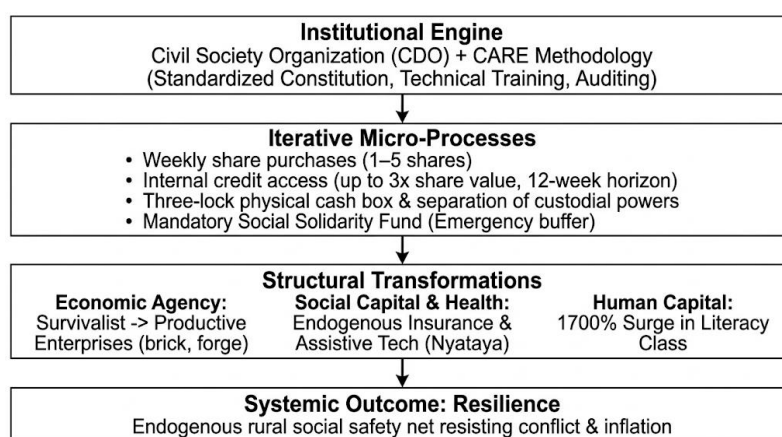


Figure 1. Conceptual Framework of Kabeer's Tripartite Empowerment Paradigm.

This study integrates three theoretical frameworks: Kabeer's tripartite empowerment paradigm [17], Bourdieu's social capital theory [6], and the financial maturity model advanced by Bonin et al. [5].

Figure 1. Conceptual Framework of Kabeer's Tripartite Empowerment Paradigm.

Kabeer's tripartite empowerment paradigm [17] conceptualizes empowerment as the process through which individuals acquire the capacity to make strategic life choices across three interlinked dimensions:

Resources: the preconditions for empowerment, comprising not only material access to capital, but also human and relational assets.

Agency: the operational ability to define goals, bargain, negotiate, and resist oppression.

Achievements: tangible outcomes manifested in enhanced well-being and structural equality.

In parallel, Bourdieu [6] and Sanyal [27] articulate how repeated group-based civic interactions generate bonding and bridging social capital. In savings groups, collective mutual liability and weekly peer deliberation transform isolated private economic burdens into shared civic power.

Finally, building on [5] and [23], we conceptualize savings groups as developmental organizations traversing identifiable stages of financial maturity—moving sequentially from basic liquidity stabilization to complex micro-enterprise diversification, institutional self-governance, and external systemic linkage.

2.2. Empirical Literature on Savings Groups and Rural Transformation

Empirical studies in Sub-Saharan Africa highlight that

community-managed savings programs generate distinct developmental impacts compared to formal banking. [8] established in rural Malawi that VSLA participants experienced substantial gains in household food security and agricultural input investments compared to control households. Similarly, in Eastern Uganda, [2] demonstrated that self-help groups established a disciplined savings culture that insulated smallholders against climate-induced agricultural shocks. Comparable evidence from rural Ghana documents the role of civil society actors in linking savings groups to women's livelihoods [19].

In terms of social well-being, the mobilization of internal emergency funds has been documented as a viable substitute for formal health insurance. [29] revealed in mountainous, remote Pakistan that community savings groups removed catastrophic out-of-pocket payment obstacles, accelerating timely obstetric interventions. [24] reported that in post-conflict Rwanda, 93% of women joining VSLAs obtained community health insurance (Mutuelle de Santé) directly financed through group solidarity dividends.

However, scholarly debate continues regarding structural limits. observe that without targeted capacity building, women's savings are frequently co-opted for consumptive household survival or absorbed by male family members to relieve their own income obligations. Thus, the institutional presence of CSOs as non-extractive intermediaries, educators, and governance monitors is identified as a critical catalyst for translating financial liquidity into transformative gender justice [7, 9]. Similar dynamics have been documented in crisis-affected settings outside Sub-Saharan Africa, where savings groups facilitated by civil society organizations have been associated with women's economic recovery after crisis [32].

3. Context, Institutional Architecture, and Program Design

3.1. Socio-Economic Profile of Kassala State

Table 1. Socio-Economic Profile of Kassala State.

Indicator	Assigned Value	Certified Statistical Source & Field Survey
Total Population (2023)	2.9 million people	Population Projections – United Nations Office for the Coordination of Humanitarian Affairs (UN OCHA). [34]
Under-5 Mortality Rate (U5MR)	81 per 1,000 live births (vs. 68 nationally)	Multiple Indicator Cluster Survey (MICS) in collaboration with UNICEF and the Central Bureau of Statistics. [33]
Chronic Malnutrition / Stunting	48.8% (vs. 38.2% nationally)	Standardized Monitoring and Assessment of Relief and Transitions (SMART Survey) / Nutrition Sector. [34]
Maternal Mortality Ratio (MMR)	713.6 per 100,000 live births (up to 872 in rural areas, and historically 1,414 in the SHHS)	Reproductive Age Mortality Survey (RAMOS - Kassala State); Sudan Household Health Survey (SHHS). [11]

Indicator	Assigned Value	Certified Statistical Source & Field Survey
Literacy Rate Among Young Women (15–24 years)	48.4% (vs. 59.8% nationally)	National Household Survey / Multiple Indicator Cluster Survey (MICS). [34]
Acute Food Insecurity (IPC Phase 3+)	549,287 individuals (Phase 3 and above)	Integrated Food Security Phase Classification Report (IPC Acute Food Insecurity Projection). [16]
Rainfall Levels & Drought Vulnerability	Less than 150 mm annually	Early Warning Sector Climate Bulletin & Sudan Meteorological Authority. [34]

Core demographic and basic service indicators are drawn from the Kassala State Profile issued by the United Nations Office for the Coordination of Humanitarian Affairs (UN OCHA) in March 2023, which embodies the technical consensus reached among UN agencies (UNICEF, WHO, WFP), the Central Bureau of Statistics (CBS), and the Federal Ministry of Health in Sudan.

Regarding the Maternal Mortality Ratio (MMR), historically high estimates (~1,400 deaths per 100,000 live births) are methodologically rooted in the findings of the Sudan Household Health Survey (SHHS), which recorded an MMR of 1,414 per 100,000 live births specifically for Kassala State. [11] Conversely, specialized studies conducted under the Reproductive Age Mortality Survey (RAMOS) framework across the state documented an average ratio of 713.6 per 100,000 live births, climbing to over 872 deaths per 100,000 live births in isolated rural localities. [1] This corroborates the state's ranking as one of the most acute regional hotspots for maternal health vulnerability. [1, 36]

3.2. The Institutional Intermediary: Child Development Organization (CDO)

Founded nationally in Sudan in 1999, the Child Development Organization (CDO) operates as an indigenous non-governmental civil society organization committed to children's rights, community resilience, and social protection. Grounded in the developmental recognition that child human capital development is integrally linked to maternal economic empowerment and financial security, the organization led an incremental operational and coalition-building pathway across Kassala State and Eastern Sudan through the following milestones:

Inception and Piloting Phase (2012): Establishing a strategic partnership with CARE International Switzerland (CIS) to introduce and localize the Village Savings and Loan Association (VSLA) methodology in Kassala State, piloting it across 100 pioneering grassroots associations.

Scaling and Mainstreaming Phase: Engaging in an operational partnership supported by the European Union (EU) to scale up the model, expanding outreach to 400 community savings groups.

Sustainability and Structural Empowerment Phase (2022–

2026): Forging a development partnership with the Italian Agency for Development Cooperation (AICS) to launch an additional 115 highly specialized women's savings groups across five administrative localities: Kassala Town, Rural Kassala, New Halfa, Wad El Hilaiw, and Khashm El Girba.

3.3. Operational Architecture of the Village Savings and Loan Association (VSLA) Methodology

The operational delivery model implemented by the CDO/CARE partnership executes a self-funded, independent community financial system governed by standardized institutional protocols and rigorous governance procedures across the following operational pillars:

1) Group Sizing and Voluntary Self-Selection:

Each group comprises 15 to 25 members who assemble on a voluntary self-selection basis. This mechanism institutionalizes mutual trust and social capital, enabling peer monitoring and reputation-based credit screening without the requirement of physical collateral.

2) Operating Cycle and Share-Purchase Capital Accumulation:

The association operates on a closed operating cycle ranging between 36 and 52 weeks, convening on a strict, regular schedule (typically weekly). During each sitting, every member purchases between one and five shares at a uniform par value democratically determined at group inception, thereby precluding the concentration of voting power or capital in the hands of any individual.

3) Credit Facility and Lending Parameters (Loan Disbursement & Terms):

Share-purchase proceeds feed directly into a revolving loan fund. Following an initial four-week capital formation phase, members become eligible to borrow up to three times the book value of their accumulated shares. Loans are subject to a modest, group-approved service charge and must be reimbursed on flexible schedules over a four- to twelve-week tenor.

4) Internal Controls and Segregation of Custodial Powers (The Three-Lock Cash Box System):

All financial transactions—share purchases, loan disbursements, and repayments—are conducted openly and transparently before all assembled members during general meetings.

Cash liquidity and bookkeeping ledgers are secured within a reinforced metallic cash box protected by three distinct padlocks. To enforce strict segregation of duties and governance integrity:

The three keys are held by three ordinary members who are strictly disqualified from serving on the elected five-member Management Committee.

Physical custody of the locked box is maintained by an independent fourth custodian (the Box Keeper).

Consequently, opening the cash box or executing transactions outside authorized periodic general assembly sessions is rendered physically and procedurally impossible.

5) Social Solidarity and Micro-Insurance Facility (Social Fund):

Sustained via a mandatory, nominal contribution distinct from share purchases, this auxiliary safety net operates as an emergency cushion for idiosyncratic shocks. The fund provides non-reimbursable emergency grants or zero-interest emergency loans for unforeseen crises, such as urgent medical care, childbirth expenditures, and bereavement fees.

6) Cycle Termination and Capital Liquidation (Share-Out

Mechanism):

At the culmination of the prescribed annual cycle, all outstanding loans are recovered and the central fund is fully liquidated. The entire accumulated capital pool—including accrued service charges—is distributed among members in exact proportion to the number of shares held by each individual. Subsequently, ledgers are formally closed, the internal constitution is reviewed and amended, and new leadership is democratically elected to initiate the subsequent operational cycle.

4. Empirical Data and Methodological Approach

4.1. Study Sites and Case Selection

This investigation evaluates field operations across five localities within Kassala State:

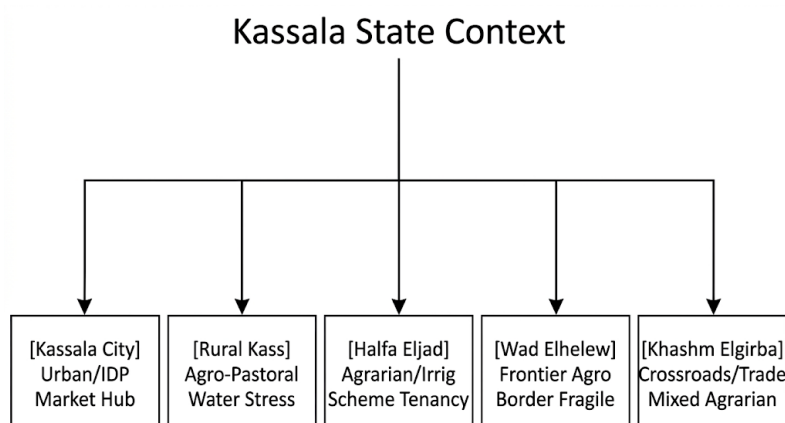


Figure 2. Kassala State Administrative Localities and Study Area Coverage.

These localities capture structural variation in rural production systems, demographic displacement, and proximity to cross-border markets (Eritrean and Ethiopian borders).

4.2. Data Collection and Sources

This paper deploys a longitudinal, mixed-method case study architecture:

Administrative Program Records: Quantitative analysis of audit registries, ledger summaries, share-out ledgers, and institutional progress evaluations compiled by CDO, CARE, and donor partners spanning 2012–2026.

Community-Level Aggregate Indicators: Direct empirical tracking of 660 household beneficiaries across the designated administrative localities.

Institutional Governance Audits: Structural evaluation of administrative records from 515 formed associations (400 baseline + 115 expansion phase) detailing share capital, loan volume, default ratios, and literacy program enrollment.

5. Results and Structural Analysis

Empirical tracking of CDO's operations identifies structural impacts that transcend the boundaries of classical microcredit. The data reveal fundamental shifts across five core dimensions of rural community architecture:

Summary Matrix of Structural Transformations (Empirical Case Data)

Table 2. Summary Matrix of Structural Transformations in Kassala State.

Transformative Axis	Empirical Indicators	Structural Shift
1. Economic Diversification	• Shift from petty retail to medium enterprises (brick, forge, bakeries). • Transport savings (-12 km).	• Break from subsistence. • Backward/forward linkage creation.
2. Human Capital (Edu)	• Literacy classes: 1 rightarrow 18 (+1,700%). • Private schooling self-financed.	• Offsets wartime collapse of state public systems.
3. Health & Resilience	• Emergency food: 660 households. • Chronic medical care & prosthetics (assistive hearing devices).	• Endogenous safety net. • Removes out-of-pocket catastrophic barriers.
4. Gender & Governance	• Weekly rotation of leadership. • Establishment of Safe Spaces and psychosocial counselors.	• Redefines household agency. • Reduces GBV; fosters collective public voice.
5. Institutional Maturity	• Emergence of internal "Mini-Banks". • Direct institutional partnerships with formal micro-financiers.	• Systemic linkage to formal banking without predatory debt vulnerability.

5.1. Economic Modernization and Enterprise Scaling

In conventional rural microfinance, loans are typically consumed to smooth food shocks or absorbed by ultra-low-margin petty commodity trading (e.g., selling vegetables or tea). The empirical record from Kassala, Rural Kassala, and Halfa Eljadida demonstrates a qualitative transition into capital-accumulative, medium-tier secondary production:

Industrial and Technical Enterprise: Associations progressively mobilized capital toward higher-barrier trades, including commercial brick-kiln fabrication, metal blacksmithing workshops, and commercial mechanized bakeries.

Supply Chain Localization and Transport Efficiencies: Rather than traveling 12 kilometers to urban centers to purchase everyday household goods and construction materials, localized women-owned hubs captured retail rents within their communities. This saved substantial transportation expenditures and reduced the opportunity cost of women's labor time.

Structural Graduation: Consistent with [5] Financial Maturity Model, groups advanced beyond Phase I (Survival Liquidity) to Phase III (Capital Re-investment). The predictability of weekly cash flows permitted the aggregation of collective orders, securing commercial volume discounts and expanding production horizons.

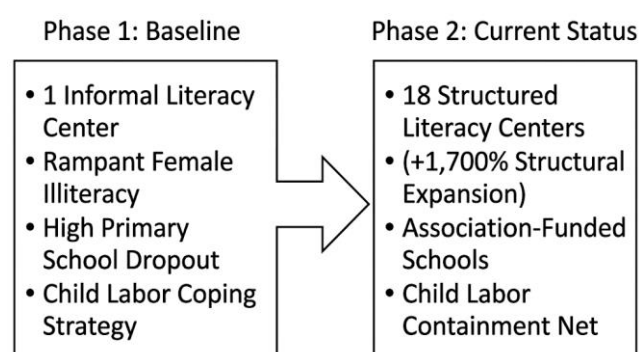
5.2. Educational Transformation and Human Capital Formation

The structural collapse of state educational funding throughout Sudan—amplified by macroeconomic displacement and political instability—threatened an entire generation

of rural youth with permanent school dropouts and premature child labor. In response, VSLA networks in Kassala, Wad Elhelew, and Khashm Elgirba mobilized financial surpluses to defend community human capital:

The Literacy Explosion: Across the project zones, functional female adult literacy classrooms experienced an expansion of 1,700%, rising from a baseline of a single instructional cell to 18 operational centers.

Endogenous Alternative School Financing: Recognizing the closure or severe degradation of regional state schools, associations allocated proportions of collective dividend yields to lease private educational venues and remunerate community instructors. This institutional innovation confirms [22] finding that enhanced female financial autonomy directly correlates with intra-household resource shifts toward child human capital.

**Figure 3.** Conceptual Framework of the Rural Resilience and Financial Maturity Model (RRFMM).

5.3. Health Financing, Nutritional Security, and Shock Absorption

The socioeconomic distress of Eastern Sudan exposes rural households to severe health shocks. In Wad Elhelew and Khashm Elgirba, empirical tracking indicates that the Social Solidarity Fund operated as a community-owned health insurance institution:

Targeted Caloric Security: Food supplies were guaranteed for 660 severely food-insecure households through direct emergency transfers and rapid liquidity distribution during acute seasonal shortages.

Catastrophic Health Outlay Absorption: Funds covered complex out-of-pocket medical outlays for chronic degenerative illnesses and financed assistive technology—such as specialized hearing apparatuses—for disabled children and adults.

Alignment with International Evidence: These outcomes corroborate [29] findings in Pakistan and [24] evidence in Rwanda. The VSLA-administered mutual social fund acted as a resilient shock absorber, preventing households from resorting to catastrophic coping mechanisms, such as distress asset liquidations or exploitative debt bondage with merchant money-lenders.

5.4. Gendered Social Capital, Protection, and Institutional Agency

The data substantiate [17] thesis: providing women with institutional platforms for financial management systematically alters domestic and communal power relations, fostering critical dimensions of female autonomy and agency [15, 28]. This is consistent with evidence from South India that participation in group-based financial programmes strengthens women's decision-making agency [15].

Eradication of Male Interception: Because credit transactions and savings balances require weekly personal attendance and are stored under tripartite key governance, funds cannot be easily appropriated by male relatives.

Reduction of Gender-Based Vulnerability: In Kassala City, the program established dedicated community Safe Spaces

and integrated psychosocial advisors. Collective solidarity and institutionalized financial autonomy provided women with alternative social protection channels, contributing to documented reductions in domestic violence and intra-household coercion.

Civic and Political Articulation: The mandatory rotation of committee portfolios (Chair, Secretary, Box Keeper, Key Holders) fostered leadership skills among historically illiterate rural women. Participants transitioned from passive aid recipients to recognized civic leaders capable of engaging local traditional elders (Nazirs) and municipal authorities.

5.5. Institutional Graduation: The "Mini-Bank" Innovation

A notable finding in Wad Elhelew, Kassala, and Rural Kassala was the emergence of the "Mini-Bank" model within mature associations. Rather than liquidating their entire portfolio at the close of an annual cycle, mature groups maintained an ongoing institutional core. They established formalized credit histories, introduced standardized collateral-free peer tracking, and functioned as intermediary pipelines connecting their members to formal commercial banks and agricultural finance institutions.

This confirms the scalability potential identified by [5], demonstrating that with institutional backing from CSOs, informal savings groups can evolve into viable components of the formal financial architecture.

6. Synthesis and Discussion

The empirical findings from Kassala challenge classical development paradigms that treat economic poverty as a simple liquidity deficit solvable through unmediated external debt. When external credit is delivered in the absence of robust social organization, it regularly destabilizes fragile households. Conversely, the CDO/CARE intervention model proves that mobilizing savings through structured community institutions produces superior developmental resilience.

The Rural Resilience and Financial Maturity Model (RRFMM)

Table 3. Rural Resilience and Financial Maturity Model (RRFMM) Evolutionary Thresholds.

Stage	Focus / Theme	Key Milestones & Actions
STAGE 1	Household Stabilization & Trust Formation	• Establishment of 3-lock physical cash box protocols
		• Institution of weekly mandatory savings discipline
		• Activation of Social Solidarity Fund for acute health shocks
STAGE 2	Human Capital Accumulation & Behavioral Shift	• Rapid growth of adult female functional literacy centers
		• Allocation of household dividends to children's education
		• Emergence of collective female peer support structures

Stage	Focus / Theme	Key Milestones & Actions
STAGE 3	Enterprise Upgrading & Market Linkages	• Transition from petty vending to medium manufacturing (brick, forge) • Capturing localized retail margins (mitigating 12 km transport costs) • Re-investment of collective profits into durable community assets • Intermediation with external formal banking & financial institutions
STAGE 4	Autonomous Institutional Maturity ("The Mini-Bank")	• Democratic civic leadership inside local municipal structures • Endogenous resilience to macroeconomic and armed conflict disruptions

The transformation achieved across Kassala State can be captured within our Rural Resilience and Financial Maturity Model (RRFMM), structured across four evolutionary thresholds:

- 1) Threshold I (Stabilization): The institutional mechanisms of the three-lock box, separation of custodial authority, and the weekly assembly establish baseline interpersonal trust and protect savings from domestic predation.
- 2) Threshold II (Human Capital Investment): As internal capital stabilizes, group dividends are directed to protect long-term human assets. This explains the 1,700% surge in literacy classes and the underwriting of private schooling amid public-sector collapse.
- 3) Threshold III (Structural Production): Access to larger, reliable loans within mature groups enables investment in secondary and tertiary productive activities (e.g., bakeries, brick kilns, metalwork), moving participants out of

low-return survivalist chores.

- 4) Threshold IV (Systemic Intermediation): Associations operate as mini-cooperative financial institutions, interfacing with regional agricultural markets, credit unions, and municipal bodies, cementing women's roles as central economic and political actors in their communities.

7. Policy Recommendations and Implementation Roadmap

To scale, replicate, and protect these institutional achievements across Sudan and comparable conflict-affected settings, policymakers, international donors, and humanitarian organizations should implement the following recommendations:

Policy Recommendation Matrix

Table 4. Policy Recommendation Matrix for VSLA Scaling and Institutionalization.

Recommendation	Target Stakeholder	Policy Objective	Operational Mechanism
1. Baseline Institutional Maturity Audits	CSOs, National NGOs, International Donors (EU, AICS)	Systematize performance measurement and reduce group failure rates	Integrate [5] Financial Maturity Model (FMM) into annual VSLA reporting. Groups should be evaluated on loan repayment rates, portfolio arrears, and accounting accuracy before being connected to external credit.
2. Contextual FinTech Integration	Central Bank of Sudan, Mobile Network Operators, CSOs	Safeguard accumulated capital from wartime physical theft and hyperinflation	Pilot hybrid digital savings technologies (e.g., mobile money wallets with multi-signature authorization mimicking the three-lock box protocol).
3. Mutual Health Insurance Scaling	Ministry of Health, WHO, Local Civil Society	Establish sustainable community-financed primary health safety nets	Formalize the linkage between VSLA Social Solidarity Funds and regional rural health clinics, standardizing insurance tariffs for maternal care and chronic illness treatments.

Recommendation	Target Stakeholder	Policy Objective	Operational Mechanism
4. Institutionalization of Female Civic Leadership	Municipal Authorities, State Governments, UN Agencies	Consolidate gender gains from the domestic to the policy-making level	Reserve statutory seats on local village development committees, peacebuilding councils, and market boards for elected executives of certified VSLAs.

8. Conclusions

The experience of the Child Development Organization (CDO) in Kassala State demonstrates that civil society organizations can serve as engines of structural rural development even within states experiencing acute institutional and political fragility. By institutionalizing savings-led Village Savings and Loan Associations rather than debt-driven credit schemes, CDO, CARE, and their European partners created a sustainable, self-capitalized development infrastructure.

The evidence highlights that sustainable financial inclusion is fundamentally an institutional and behavioral achievement rather than an accounting metric. The disciplines embedded within the VSLA model—transparent weekly share purchases, the strict separation of custodial power using the three-lock metal box, and collective emergency funds—protect marginalized women from both macro-level inflationary shocks and domestic financial appropriation. In Kassala, this institutional foundation facilitated significant structural investments: the transition to medium-scale productive manufacturing, a 1,700% expansion in literacy education, and an effective, community-financed social insurance safety net.

For international development organizations navigating compounding global crises, the empirical insights from Kassala confirm that sustainable pathways out of rural poverty do not rely on indefinite external subsidies. Rather, they depend on equipping rural women with the institutional tools, organizational discipline, and collective agency required to control their own capital and direct their communities' socioeconomic future.

Abbreviations

VSLAs	Village Savings and Loan Associations
CSOs	Civil Society Organizations
CDO	Child Development Organization
FMM	Financial Maturity Model
RRFMM	Rural Resilience and Financial Maturity Model
EU	European Union
AICS	Italian Agency for Development Cooperation
UNICEF	United Nations Children's Fund
OCHA	Office for the Coordination of Humanitarian Affairs

IPC	Integrated Food Security Phase Classification
MICS	Multiple Indicator Cluster Survey
SMART	Standardized Monitoring and Assessment of Relief and Transitions
RAMOS	Reproductive Age Mortality Survey
SHHS	Sudan Household Health Survey

Author Contributions

Omer Mukhtar Gideel Alyas: Conceptualization, Methodology, Project administration, Resources, Supervision, Validation, Writing – original draft

Hassan Bashier Hassan Mohammed: Data curation, Formal Analysis, Investigation, Software, Visualization, Writing – review & editing

Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this research paper.

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