

# SHARING SETTLEMENT AND INTEGRATION PRACTICES THAT WORK ALTERNATIVE COOPERATIVE SAVINGS AND CREDIT PROGRAM

Woveo  
Calgary, Alberta  
Delivered Across Canada

## Area of Practice:

- Financial Literacy and Security

## Video:

<https://youtu.be/ZRd7ndmAylM>

A Pathways to  
Prosperity Project

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PATHWAYS TO  
PROSPERITY  
Promoting Welcoming Communities in Canada



VOIES VERS LA  
PROSPÉRITÉ  
Promouvoir des communautés accueillantes au Canada

## **BACKGROUND ON THE ORGANIZATION AND IMPETUS FOR THE PROGRAM**

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Woveo is a Calgary-based capital distribution fintech organization founded in 2020 by a team of immigrants. Woveo provides tailored financial services to foundations, associations, and organizations looking to empower key communities, particularly newcomers and underserved groups, through timely, affordable, and accessible credit. The Woveo Community Wallet as a Service (CWaaS) platform enables collective saving, community lending, and credit-building. By blending cooperative financial models with modern technology, Woveo helps promote financial inclusion and supports faster integration into the Canadian financial system.

The impetus for Woveo came from recognizing systemic barriers faced by newcomers in Canada, especially limited access to affordable credit and difficulty establishing credit histories. Without local credit profiles, newcomers often rely on high-cost lending options, reinforcing economic vulnerability. Woveo addresses this issue by adapting culturally familiar cooperative savings and credit practices – such as rotating savings and credit associations (ROSCAs) – into a formal, digital format recognized by Canadian financial institutions. This approach helps newcomers access low-cost credit, build credit histories, and improve their financial stability.

## **OVERVIEW OF THE PROGRAM**

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### **Name:**

Alternative Cooperative Savings and Credit Program

### **Description:**

Woveo offers a cooperative savings and credit program for individuals with low to medium incomes, particularly new immigrants, to help them build their credit histories, improve access to low-cost credit and achieve their financial goals. To access Woveo, potential members first have to verify their identity and link their bank account to their Woveo Wallet. Woveo offers a free plan, allowing participation in one credit or savings group, and a paid premium plan with expanded features, including access to multiple groups, default protection, and emergency cash advances.

Groups are formed within Woveo “communities,” which are networks of verified users organized around shared connections such as social groups, private or professional associations, or local affiliations and organizations. Within each community, participants can either create a new group or join an existing one.

Communities are defined to serve their members, and within each community, participants can either create a new group or join an existing one. The platform supports two types of financial groups: credit groups and savings groups. Credit groups follow a traditional rotating savings and credit association (ROSCA) model. Members contribute a fixed amount on a regular schedule – weekly, bi-weekly, or monthly – and take turns receiving the full pooled amount. The group continues until each member has received one payout. Group size typically ranges from six to twenty members, influencing the payout cycle length: smaller groups offer faster payouts, while larger groups allow for higher payouts but take longer to complete. The group creator determines the contribution amount, contribution frequency, and whether the group is open to all users in the community or restricted to invited

members. After receiving their payout, members continue making their regular contributions until the full cycle is complete. These ongoing contributions are tracked as repayments and form the basis for building members' credit profiles and history with credit bureaus. Woveo reports members' repayment activities directly to Equifax, a major Canadian credit bureau that tracks credit scores. This enables participants to build recognized credit profiles based on their participation and repayment behavior.

Savings groups are designed to promote regular saving habits within a community. Members contribute a set amount bi-weekly or monthly toward a collective savings goal. Unlike credit groups, savings groups do not rotate payouts to individual members. Instead, contributions accumulate in a shared fund over a defined period, and at the end of the term, the total savings are made available to the group. The group creator sets the savings target, contribution schedule, and group duration, with the option to make the group open or closed to new participants.

For urgent needs, Woveo offers an emergency credit line of up to \$250 per member, accessible interest-free. Additionally, Woveo's default protection ensures that if a member misses a payment, the group's funds remain secure, maintaining group integrity. Finally, Woveo collaborates with Canadian credit unions, which typically provide loans at lower interest rates than commercial banks. These partnerships enable members with established repayment histories to access affordable mainstream loans, further supporting their financial integration in Canada.

**Goal(s):**

The program aims to increase access to affordable credit and support the development of verifiable credit histories. It seeks to improve participants' financial stability and enable them to pursue long-term financial goals. Over time, the program also aims to help build an alternative, community-based financial infrastructure that complements the formal banking system.

**Target Client Group(s):**

Woveo partners with foundations, associations, and organizations to help their members, particularly newcomers and underserved individuals, build financial stability through peer-supported savings, credit, and loans.

**Delivery Partners:**

Delivery partners include Vopay, Inuka Community Development Inc., City of Scarborough, Women's Network, Equifax, Innovation Credit Union, Northpine Foundation, credit unions, and the Canadian Lenders Association.

**Human Resources:**

Woveo's team consists of 12 staff members, including software engineers, data scientists, business development officers, and community managers.

**Funding:**

The program has raised \$4.3 million from a range of investors and funding partners, including Relay Ventures, BKR Capital, Northpine Foundation, Concrete Ventures, ICP, World Education Services, and others.

## **KEY FEATURES THAT CONTRIBUTE TO THIS BEING A PROMISING PRACTICE**

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### **Effective:**

Woveo is grounded in the rotating savings and credit association (ROSCA) model which is culturally familiar to many participants. This model – known in different regions as susus, tandas, or chit funds – is widely used to manage money collectively outside formal banking systems. By digitizing these practices, Woveo formalizes a system many participants already understand, trust and have experienced in some form.

Repayment behavior is not only enhanced because of this, but is also reported directly to Equifax, making informal financial activity visible within the formal credit system. This enables members to build verifiable credit histories over time. Members can monitor their credit scores and receive guidance on the factors that influence them, supporting financial learning through experience and ongoing feedback.

The platform also provides access to emergency cash advances, offering a low-risk alternative to high-interest payday loans. Furthermore, by incorporating alternative data into credit assessments, and through partnerships with credit unions, Woveo helps members gradually expand their access to lower-cost financial products. Together, these features support stronger credit profiles and broader financial inclusion.

### **Efficient:**

Woveo is efficient because credit is delivered through member contributions rather than external lending, allowing funds to circulate within the group. This eliminates interest charges and reduces overhead costs.

The program maintains accountability through social collateral. Group members are motivated to follow through on payments because they are working with people they know and trust. Woveo supplements this with default protection, ensuring group stability while minimizing the need for formal enforcement or intervention.

The platform automates key processes, including group management, transactions, and credit reporting. This reduces manual work and makes it possible to scale without significant increases in staffing or cost.

### **Relevant:**

Woveo addresses a common challenge faced by individuals who arrive in Canada without a Canadian credit history. In the absence of this financial record, newcomers are often charged higher interest rates, denied access to credit, or pushed toward high-cost alternatives such as payday loans. These barriers can delay financial integration and limit access to housing, education, and business opportunities.

The program meets this need by offering a credit-building pathway that does not rely on traditional credit checks. Its cooperative savings and credit model is familiar to many clients and allows them to access funds collectively while gradually building a verifiable credit history. This approach not only

supports financial inclusion but also encourages community bonding, which is often vital for newcomers seeking support in a new environment.

From the beginning, Woveo's development was informed by direct input from its target users. Early interviews, focus groups, and feature testing ensured the platform reflected the financial behaviours and concerns of the communities it aims to serve. Woveo continues to evolve through ongoing communication with participants and a commitment to meeting communities where they are.

**Sustainable:**

Woveo's sustainability is supported by a combination of diversified funding, scalable technology, and community-based delivery. The program has received investment from multiple sources, including venture capital, grants, partnerships with credit unions, and commercial revenue, allowing it to grow while maintaining operational stability. The platform relies on advanced technology that is easily scalable, enabling transaction volumes to increase without significant cost and ensuring the program can expand without compromising service quality. Woveo also invests in training community leaders and administrators who support program delivery and knowledge sharing, creating a self-sustaining ecosystem of support and advocacy.

**Transferable:**

Woveo's model can be replicated across regions and client groups due to its adaptable structure. The rotating savings and credit format is practiced in many cultural contexts and can be tailored to reflect local customs, languages, and preferences. The program has already been implemented in rural areas, metropolitan centres, and across multiple provinces. Examples include initiatives with the Whole Women's Network in Ontario and a youth-focused financial education program in the City of Windsor and the University of Toronto. In Scarborough, Woveo's model was adapted to support small and micro-businesses (SMBs), particularly those led by immigrants, women, and underrepresented entrepreneurs. The initiative addressed barriers in accessing capital, aiming to engage 800 SMBs and fuel \$4 million in local economic activity. By leveraging collective trust, peer accountability, and alternative credit data, the program enhances access to affordable credit and strengthens local economic resilience.

**Innovative and Forward Thinking:**

Woveo modernizes rotating savings and credit associations (ROSCAs) by digitizing them through an advanced, real-time platform that connects directly to Canada's formal financial system. While these models are widely practiced across cultures, they typically operate outside institutional frameworks and do not contribute to building formal credit. Woveo changes this by automating contribution tracking, integrating alternative data, and reporting repayment behavior directly to Equifax, expanding access to mainstream financial products.

The platform introduces a new financial tool – a digital equivalent of a community credit union – that gives participants collective control over savings and credit access. Instead of requiring users to adapt to traditional banking processes, Woveo adapts financial services to fit the way in which many communities already manage money.

**Differs in Definable Ways from Other Similar Practices:**

Woveo is the first community wallet in Canada specifically designed to align with the financial behaviours and needs of newcomers. While traditional credit-building tools focus on individual borrowers and require established credit histories, Woveo operates on a group-based model centred around collective savings and peer accountability.

Unlike payday lenders, credit cards, or microloans, Woveo's credit groups do not charge interest. Members build credit by contributing to group funds on a scheduled basis, with repayment behaviours reported directly to credit bureaus. This allows users to establish or strengthen their credit scores without taking on traditional forms of debt.

The system also lowers entry barriers by accommodating members who may not yet be connected to traditional financial institutions or lack extensive identification or borrowing histories. This makes Woveo accessible to individuals who are often excluded from mainstream lending options.

**High Client Uptake:**

The program benefits from strong word-of-mouth uptake. Since launching, Woveo has grown from onboarding small groups of five to ten individuals in Prince Edward Island to serving thousands of members across all Canadian provinces. The program currently supports over 200 communities and has experienced a 25% month-over-month increase in membership. In some cases, individuals preparing to immigrate to Canada have reached out in advance to request access to the platform.

**High Client Retention:**

Woveo reports a client retention rate of over 98%, supported by strong community partnerships and consistent member engagement. The group-based model fosters social accountability, as members contribute alongside people they know and trust. Woveo maintains direct communication with members, offering support as needed and helping them meet their financial commitments. The inclusion of default protection further reinforces trust, ensuring that members' funds remain secure even if another member misses a payment.

**Strong Evidence of Successful Outcomes:**

Woveo has facilitated over \$2 million in community-based financial transactions, helping members avoid high-cost borrowing and significantly improve their financial flexibility. On average, members save 25% in interest fees compared to traditional financing options. These savings, combined with access to credit and a supportive group-based model, have enabled members to achieve meaningful financial goals, such as launching businesses, paying tuition, making down payments, and reducing personal debt.

The program has also allowed many members to establish or improve their credit scores, often for the first time. Repayment rates are near 100%, supported by strong peer accountability and a human-centered approach that includes direct outreach and personalized support. Members have expressed gratitude for the program's role in helping them reach critical financial milestones and build greater autonomy in managing their finances.

Beyond individual outcomes, Woveo has also influenced the financial institutions it works with. Several partners have adapted internal processes and assigned staff to support the integration with

Woveo, reflecting the program's role in shaping more inclusive practices within Canada's financial infrastructure.

## **PERFORMANCE MEASUREMENT AND EVALUATION STRATEGY**

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Woveo's evaluation strategy combines quantitative and qualitative methods to track program performance, inform platform improvements, and assess member outcomes over time. Key indicators include repayment rates, the amount members save in interest compared to traditional loans, the amount members save for emergencies, the types of credit products accessed through the platform or partner institutions, and improvements in credit scores. The program also tracks the achievement of personal financial goals – such as paying tuition, starting a business, or making a down payment – and monitors broader financial health indicators, including reductions in financial stress and increased capacity to plan for emergencies.

Woveo uses data analytics to track how members interact with the platform, including the frequency and nature of engagement with group savings and credit-building features. Knowledge of these patterns helps Woveo understand usage trends and identify areas for further development. To complement usage data, Woveo also conducts surveys to gather qualitative insights into members' experiences, challenges, and successes.

## **FOR MORE INFORMATION**

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**Woveo**

<https://woveo.com/>