

Banking on Change Phase 2

Final Report

Reporting Period: 1 January 2013 – 31 December 2015

Date submitted: 29 February 2016



“The [Banking on Change] trainings have empowered us, especially we the ladies to do businesses. The training nurtured us to be enterprising and to generate more money to save at each meeting. I can now afford basic health service. I can see the difference between my family’s good health and those of my neighbours who aren’t in the savings and loans groups. I see other children chased from school for owing a book or school fees. I feel relieved that this is not my children anymore.” [Female YSLA member, Ghana]



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Summary of global goals

Goal	3 Year Target	Year 1* Actual	Year 2 Actual	Year 3 Actual	Variance to total target	Overview
Banking on Change will establish 9,989 new youth groups (with 173,650 members) and aim to reach 249,376 young people overall	9,989 new youth groups formed 249,376 young people reached	2,790 (28%) 94,599 (38%)	9,870 (99%) 265,467 (106%)	11,725 (117%) 310,772 (125%)	+1,736 +61,396	Targets have been met and overreached
Banking on Change will support the start-up of around 84,761 income-generating opportunities (of which 48% will be started by youth savings group members) enabling people to become self-sufficient	152,028 people received enterprise training 84,761 members start IGAs - 49% youth	12,309 (8%) 15,075 (18%) 32% youth	71,362 (47%) 74,225 (88%) 43% youth	197,162 (130%) 116,936 (138%) 51% youth	+45,134 +32,175	Targets have been met and overreached
Banking on Change will link 5,063 informal VSLA to formal financial institutions (aimed at Barclays) in Ghana, Kenya, Tanzania, Uganda and Zambia Linkage to Barclays	5,063 groups linked	481 (10%) 162 (34%)	1,983 (39%) 632 (32%)	4,397 (87%) 1,956 (45%)	-666	Linkage targets have been met in 3 countries. Only one country has the majority of groups linked to Barclays.
Barclays will support 810 employees to engage with Banking on Change through volunteering, skill sharing or awareness raising.	810	337 (42%)	658 (81%)	695 (86%)	-115	Targets met in 5 countries



Overview of Country Achievements

Summary

- **Youth** – all countries have over reached their youth outreach targets. Group size in **Uganda** has been higher than anticipated, with an average of 27 members, rather than 21 that the target was based on, so while the youth outreach target has been surpassed by over 10,000 people (32%) they have aggregated into fewer groups meaning that only 99% of savings group target has been met.
- **Enterprise** – all countries have over reached their enterprise skills training targets
- **Linkage** – **Uganda, Ghana** and **Tanzania** have met their overall linkage targets, however only Uganda has met their target through linkage to Barclays and so has been given a green flag. A high proportion of linkage in Ghana and Tanzania has been to other FFI's, and so they have been given amber flags. **Kenya** and **Zambia** have not met their targets and so given red flags. Linkage in Zambia was only piloted during phase 2, and has taken longer to take off than anticipated. There have been serious issues with linkage in Kenya and a recovery plan put in place in year 3.
- **Employee Engagement** – 5 countries met their employee engagement targets. **Egypt** and **Ghana** were not able to meet their targets due to security issues in Egypt, and the remoteness of groups in Ghana, making it difficult for Barclays employees to reach them.

		Egypt	Ghana	India	Kenya	Tanzania	Uganda	Zambia
Informal financial services for youth	YSGs formed Year 1	539 (55%)	384 (23%)	221 (49%)	770 (29%)	178 (16%)*	146 (10%)	552 (33%)
	YSGs formed Year 1-2	1,004 (102%)	1,415 (86%)	641 (142%)	3,550 (134%)	792 (72%)	1,311 (89%)	1,157 (69%)
	YSGs formed Year 1-3	1,125 (114%)	1,958 (119%)	752 (167%)	3550 (134%)	1,166 (106%)	1,463 (99%)	1,711 (102%)
Enterprise Development	People trained Year 1	0	0	215 (2%)	200 (1%)	10,550 (42%)	1,344 (4%)	0
	People trained Year 1-2	8,326 (44%)	2,843 (13%)	1,733 (17%)	16,145 (71%)	20,567 (82%)	13,610 (38%)	8,129 (45%)
	People trained Year 1-3	22,534 (118%)	33,694 (156%)	11,254 (113%)	28,214 (124%)	38,183 (153%)	43,566 (122%)	19,717 (110%)
Deepening Financial Inclusion	Groups linked Year 1 (linked to Barclays)	N/A	169 (34%) (15 Barclays)	N/A	90 (3%) 0 Barclays ¹	75 ² (15%) (0 Barclays)	146 (16%) (146 Barclays)	1 (1%) (1 Barclays)
	Groups linked Year 2 (linked to Barclays)	N/A	284 (57%) (25 Barclays)	N/A	910 (30%) 0 Barclays	342 (68%) (181 Barclays)	418 (45%) (415 Barclays)	29 (20%) (11 Barclays)
	Groups linked Year 3 (linked to Barclays)	n/a	565 (113%) 27 Barclays	n/a	1,990 (67%) 692 Barclays	746 (149%) 182 Barclays	1,045 (113%) 1,040 Barclays	51 (34%) 15 Barclays
Employee Engagement	Staff engaged Year 1	0	11 (11%)	20 (100%)	170 (85%)	52 (26%)	50 (100%)	34 (85%)
	Staff engaged Year 2	62 (31%)	20 (20%)	71 (355%)	210 (105%)	197 (99%)	50 (100%)	48 (120%)
	Staff engaged Year 3	62 (31%)	20 (20%)	71 (355%)	210 (105%)	197 (99%)	50 (100%)	50 (125%)

¹ The no of groups linked to Barclays Kenya was reported incorrectly in year 1 and year 2, therefore the no's for those years have been set to 0.

² The majority of linkage in Tanzania is via Apex organisations or IMA's, made up of approx. 5 groups.



Introduction

Banking on Change Phase 2 is the second 3 year partnership between Barclays, CARE International UK and Plan UK, aimed at breaking barriers to financial inclusion and improving the quality of life for vulnerable young people living on less than \$2 a day, by extending and developing access to basic financial services. It combines the expertise of each partner to give people the opportunity and skills to save and manage their money effectively, by taking a savings led approach to microfinance and providing access to the basic financial services they need. Since 2009, Banking on Change has helped over **750,000** people around the world across 3 continents and 11 countries and helped over **5,000 savings groups** – representing approximately **125,000** individual members – link to formal banking products.

Highlights from Phase 2 (2013-2015)

- **418,016 people directly supported (126% of total target)**, of which 310,772 are youth aged 35 or under. 73% are women and 44% are people under 25.
- **Over \$34 million saved** - Over the last three years, Banking on Change has helped savings group members mobilise more than \$34 million in savings
- **Over \$800,000 saved for emergencies** - average social fund, used for interested free loans in emergency is \$49 per phase 1 carry over group and \$37 for youth savings groups
- **In-depth trainings set Banking on Change apart** from other financial inclusion programmes and have been effective and essential –Enterprise training has been delivered to 197k people and shown an 43% uplift in knowledge, indicating it's relevant and accessible.
- **116,936 small businesses have been started** by members since 2013 (just over half by youth). 97% of all members' businesses are profitable, and 67% have been sustained for over 6 months

Economic Empowerment

- **\$69-\$84 average savings per member per year:** the new youth savings group members saved an average of \$69 a year, and the VSLA group members (formed before 2013 and were part of phase 1) saved \$84 per year. And Savings are increasing - The amount saved per youth member has been steadily increasing and typically increased 31% between the first and second cycle (from 70p a week in the first cycle to 92p- a week in the second).
- **Statistically significant fall in poverty** - 4% decrease in the number of people living below \$1.25 a day
- **Over 50% of members said they now have better quality meals, better access to education and better access to health** and attribute these to being part of a savings group.
- **4,397 savings groups have opened savings accounts**, including **1,956** linked to Barclays. At December 2015, groups had over \$1 million in savings deposited in bank accounts.

Social Empowerment

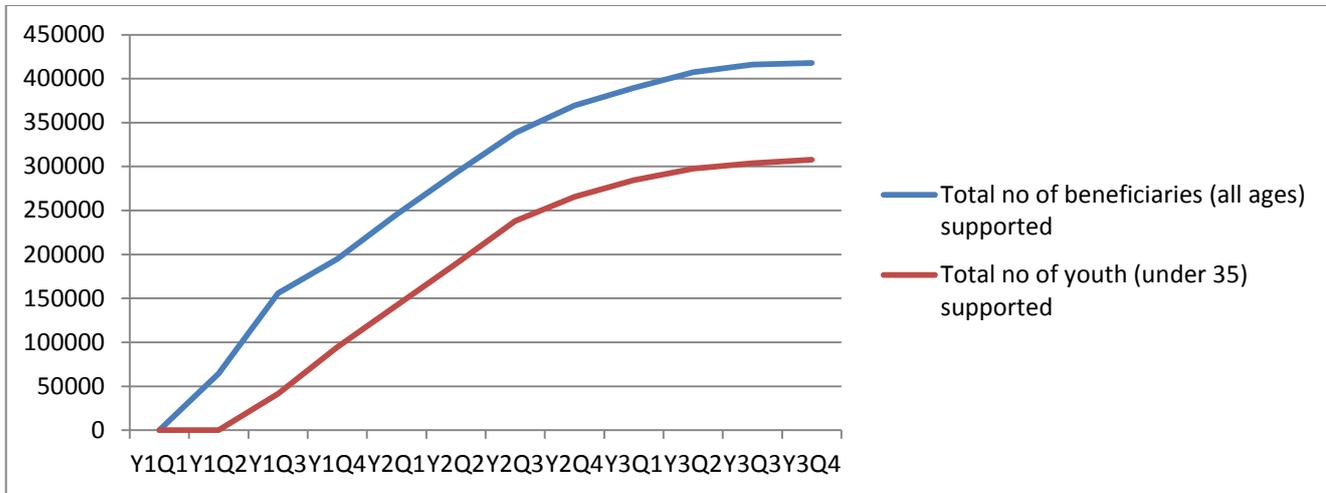
- **statistically significant increase in women and young people feeling respected**, valued and able to influence community and household decisions
- **Increase in number of youth (including young women) able to use the proceeds of their IGA's** without permission.
- **58% of women said their life has improved** since joining a savings group

Multiplying Impact

- **Creation of the Linking for Change Savings Charter**, launched at WEF Davos 2014 by Anthony Jenkins, and an alliance of 29 organisations supporting responsible linkage including Visa, Accenture, Mastercard, Airtel, and African Banks – Fidelity Ghana, Equity Kenya, Postbank Uganda
- **Development of the Youth Savings Group Model** from the learnings and experience working with young people
- **Recognition of the programme** has come through the following awards:
 - ✓ Highly Commended Best Business NGO partnership - Ethical Corporation Responsible Business Awards
 - ✓ Shortlisted for the BITC Unilever Development Award
 - ✓ Winner Barclays Citizenship Award - 'Contributing to Growth' - the Linkage team in Uganda
 - ✓ Winner of the bba Financial Innovations Awards – Best community banking initiative

Beneficiaries

During Banking on Change Phase 2, the partnership has supported **418,016** Savings Group members (126% of the total target). Out of this number, **307,605** are youth (35 and under).



Graph to show total outreach progression

The Banking on Change Phase 2 beneficiaries are made up of:

- 172,253 members of savings and loans groups carried over from Phase 1³** (110% of total target). These 'carry over' VSLA group members were selected with the objective that they would benefit from Phase 2 linkage and/or enterprise development training. They receive one or more of the following trainings: Further financial literacy training; Selection, Planning and Management Training (Enterprise); Bank Literacy Training. This depends on demand, and the results of the linkage readiness assessment (to see if they go on to get the Bank Literacy Training). For example in Uganda the sequence of training for groups carried over from Phase 1 was anticipated to be further financial literacy, followed by linkage, and then enterprise, however there was a high demand for enterprise training first as people were keen to expand or diversify their income generating activities. In Tanzania the groups expressed a preference to start with enterprise skills (SPM) training, as many had already received some financial literacy training during phase 1.



Approximate sequence of training during Phase 2 for groups carried over from Phase 1

- 245,763 members in newly formed youth savings groups** (141% of total target). Most new youth savings groups receive a combined group formation and further financial literacy training; Enterprise your Life training (developed by the partnership for youth). Depending on demand some groups will also get employability skills training or Bank Literacy Training (also depends on the linkage readiness assessment).

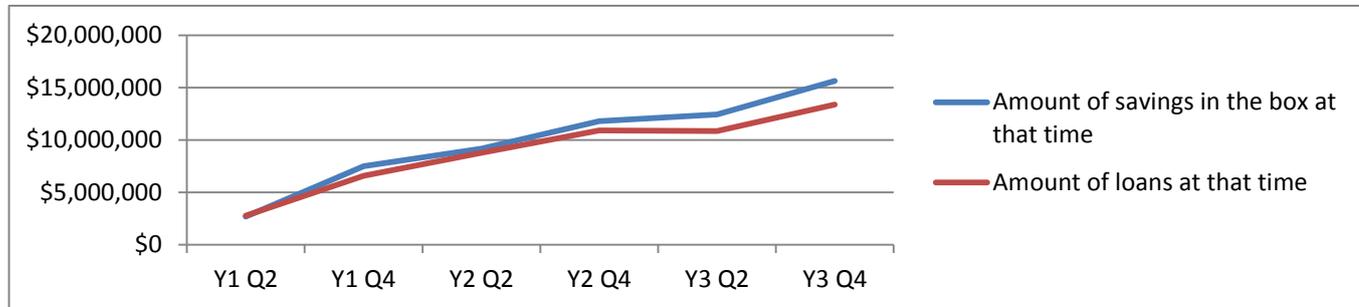


Approximate sequence of training during Phase 2 for Youth Savings Groups

The total cumulative **savings** by both carry over and youth savings groups combined in their current cycle was \$15,626,071 as of October 2015. Combining this with the total cumulative saving snapshot take in December 2013, and December 2014, shows that groups have saved over \$34m during phase 2. Average savings per member per year are \$84 for VSLA members carried over from phase 1 and \$68 for

³ When calculating the total outreach of phase 1 and phase 2, we ensure we don't double count these carried over members

new youth savings group members⁴. Return on savings is 19% for Phase 1 carry over groups and 16% for new youth savings groups – ie if a typical youth savings group member has saved \$69, and gets 16% return, that would be the equivalent of \$11. The total **loaned** by both in the current savings cycle is \$13,380,936 as of October 2015. The graph below shows the snapshot of the amount of savings and loans in the VSLA box over time. Although this is a snapshot at that time in that savings cycle, it can be seen that savings and loans have steadily increased over time. this is also influenced by more people joining savings loans group (as above), which also means savings and loans will increase.



Graph to show the snapshot amount of savings in VSLA boxes at one time

The table below shows how the average, minimum and maximum weekly savings rate increased between cycle 1 and cycle 2 in a sample of groups whose passbook data was analysed by IDS. Looking at the bottom 2 rows of the table, we can see that in Cycle 1, the median amount saved by YSG members was 70p every week, whilst by Cycle 2 this had increased to 92p every week – a significant increase (31%). Moreover, IDS compared the YSG members' weekly savings rate with the average minimum wage in each country. We can see that in Cycle 1, YSG members were saving approximately 13% of the average minimum wage, and approximately 16% in Cycle 2. This comparison with the minimum wage helps put into perspective how impressive it is that young people can save such a high % of the average minimum wage each week.

Group		1st cycle savings				2nd cycle savings			
		Average	Median	Min	Max	Average	Median	Min	Max
1 (T)	In local currency	4,010	4,135	1,577	5,000	8,562	10,000	3,714	10,000
1 (T)	In GB£	1.21	1.25	0.48	1.51	2.59	3.03	1.13	3.03
1 (T)	As % of weekly minimum wage	17%	18%	7%	22%	37%	43%	16%	43%
2 (T)	In local currency	3,878	4,317	1,308	5,385	4,000	4,563	1,125	5,000
2 (T)	In GB£	1.17	1.31	0.40	1.63	1.21	1.38	0.34	1.51
2 (T)	As % of weekly minimum wage	17%	19%	6%	23%	17%	20%	5%	22%
3 (U)	In local currency	2,618	2,481	615	5,000	2,797	2,700	875	5,000
3 (U)	In GB£	0.47	0.44	0.11	0.89	0.50	0.48	0.16	0.89
3 (U)	As % of weekly minimum wage	24%	23%	6%	46%	26%	25%	8%	46%
4 (U)	In local currency	1,140	929	429	2,214	1,515	1,304	598	2,500
4 (U)	In GB£	0.20	0.17	0.08	0.39	0.27	0.23	0.11	0.45
4 (U)	As % of weekly minimum wage	11%	9%	4%	21%	14%	12%	6%	23%
5 (Z)	In local currency	7.75	7.67	0.77	15.34	5.84	3.20	-	21.99
5 (Z)	In GB£	0.41	0.41	0.04	0.81	0.31	0.17	-	1.17
5 (Z)	As % of weekly minimum wage	6%	5%	1%	11%	4%	2%	0%	16%
6 (Z)	In local currency	6.12	6.04	3.45	8.92	3.05	3.22	2.30	3.68
6 (Z)	In GB£	0.32	0.32	0.18	0.47	0.16	0.17	0.12	0.20
6 (Z)	As % of weekly minimum wage	4%	4%	2%	6%	2%	2%	2%	3%
7 (G)	In local currency	0.45	0.45	0.20	0.70	1.03	1.00	0.66	1.42
7 (G)	In GB£	0.08	0.08	0.04	0.12	0.18	0.18	0.12	0.25
7 (G)	As % of weekly minimum wage	1%	1%	0%	2%	2%	2%	2%	3%
8 (G)	In local currency	8.93	9.33	6.55	10.00	9.07	9.60	5.25	10.00
8 (G)	In GB£	1.57	1.64	1.15	1.76	1.60	1.69	0.93	1.76
8 (G)	As % of weekly minimum wage	21%	22%	16%	24%	22%	23%	13%	24%
Average	In GB£	0.68	0.70	0.31	0.95	0.85	0.92	0.36	1.16
Average	As % of weekly minimum wage	13%	13%	5%	19%	16%	16%	6%	22%

Table Weekly group-level savings indicators by cycle (IDS Research Report, p.26. T=Tanzania, U = Uganda, Z = Zambia, G = Ghana)

⁴ These figures should only be compared with the \$58 saved per member with caution as the calculations are different, and exchange rates have changed



Training delivered through Banking on Change

There are three key types of training delivered through Banking on Change – training is demand driven, so not all groups get each type of training. In addition some of the groups carried over from phase 1 may have already received further financial literacy training and/or enterprise training.



Overall, the trainings were timely and relevant to both phase 1 carry-over groups and youth savings groups. For the youth, this was an opportunity for them to kick start their process to transit from financial dependence to independence and from child hood to adulthood. For phase 1 VSLA Carry over members, after the enterprise training, majority exhibited improved abilities to save and borrow loans for productive investments; they also improved savings patterns and also improved on their borrowing and repayment patterns.

Linkage to Barclays and other FFI's

4,397 groups have linked to Barclays and other FFI's during phase 2 of Banking on Change. Of these 1,956 have linked to Barclays in Ghana, Kenya, Tanzania, Uganda and Zambia, and 2,441 to other FFI's. The most successful linkage to Barclays has taken place in Uganda, where the Barclays retail team have developed several different products aimed at the savings groups – savings, overdraft, ekeys and ledgerlink.

Advocacy and Comms

Throughout the course of Phase 2 of the partnership, Banking on Change has continued to be a strong voice in leading and shaping the debate around savings-led microfinance and in advocating for the extension of financial services in a responsible way through the Linking for Change Savings Charter and by reducing youth financial exclusion through the development of the Youth Savings Group Model. Award-winning, Banking on Change has been a highly visible and influential partnership capturing the attention of and receiving praise from highly regarded organisations and individuals.

Informal Financial Services for Youth

Global goal – Banking on Change will establish 9,989 new youth savings groups (with 173,650 members) and aim to reach 249,376 young people with financial literacy, employment skills and/or enterprise training.

- **310,772 people under 35** have been directly supported, including 183,918 people under 25
- **245,763 people joined 11,725 new youth savings groups**, of which 67% are female and 54% are below 25 years old.
- **Our hypothesis was correct: youth CAN save.** We've seen an average savings of \$69 per member per year, with 16% return on savings at share out.
- **Savings are increasing** - The amount saved per youth member has been steadily increasing and typically increased 31% between the first and second cycle (from 70p a week in the first cycle to 92p a week in the second).
- **Youth Savings Groups are popular** - We've learnt that it takes longer to form youth savings groups than VSLAs but once youth are convinced, they appreciate their savings groups, as shown by 89% group attendance rates [benchmark is 80%]

Summary

11,725 new youth savings groups (117% of target) with 245,763 members (141% of target) have been established and 310,772 young people (125% of total youth beneficiaries target) have been supported through the programme. There are 161,994 female members in the new youth savings groups (66% female), and 131,695 (54%) are under 25.

Highlights

- Banking on Change is the biggest programme we know deliberately targeting young people for Savings Groups. We have pioneered an effective approach to engaging young people in savings groups, and, having set up over 11,725 Youth Savings Groups since 2013 with over 245,763 members whose average annualised savings rate is \$69⁵ per member, we have the evidence to prove it works.
- We have exceeded Youth savings group formation targets despite a slow start. We can now prove that young people CAN save and want to save (something not everyone in the sector believed before Banking on Change Phase 2 had the evidence to prove it) – but given that few join traditional VSLAs (just 18% of Phase 1 members were under 25), we quickly learnt that a new approach is needed to forming and sustaining Youth Savings Groups, with some amendments to the traditional methodology. This is captured in the Youth Savings Group Model which should be an important tool to advocate for and drive up the deliberate inclusion of young people in savings groups.
- We have evidence from a range of tools (IDS research, our own pre and post training assessments and Focus Group Discussions, a Randomised Control Test) demonstrating the value of financial literacy training for young people, in particular the need for savings goals and training on how to manage finances in order to meet a goal. Our Youth Savings Groups are much more effective because of the financial literacy (and other) trainings we delivered; by demonstrating this to the sector we can encourage other NGOs establishing Youth Savings Groups to include Financial Literacy training in their programmes, thus multiplying impact.

What has BoC Achieved during phase 2

Youth Savings Group formation

Following programme design workshops in 2012, Country Offices carried out Youth Scoping Exercises (a needs analysis approach). The results gave us confidence that young people were keen to join the

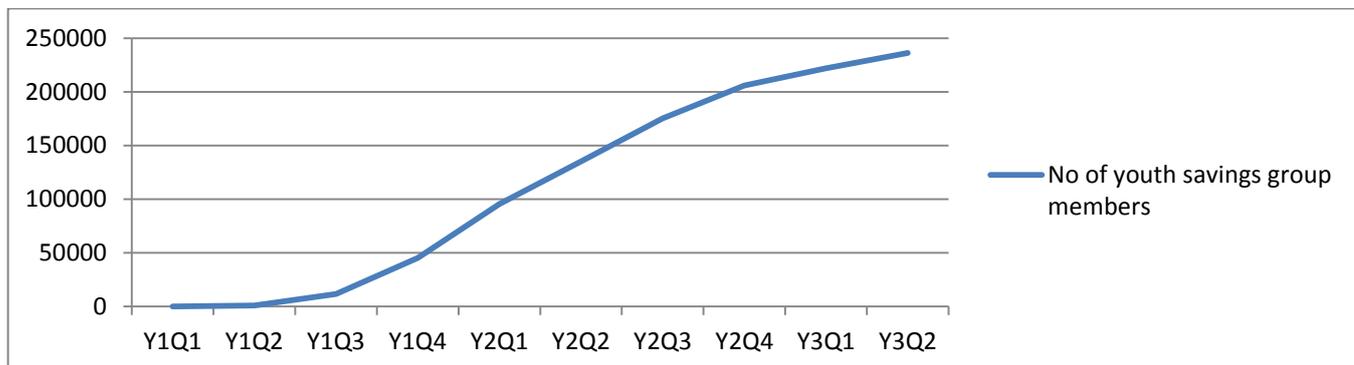
⁵ This figure excludes India data; the Banking on Change Africa countries all used the same MIS and so data could be aggregated but the India teams used a different system.

programme, were capable of saving and would welcome skills training, although the risks of drop outs due to migration were highlighted in some countries.

The next stage was to develop and adapt the traditional training manuals to suit the needs of young people; we used the Freedom From Hunger financial learning games alongside the traditional financial literacy manual, and worked with Making Cents International to develop specialist youth enterprise skills training curriculum (Enterprise Your Life / EYL). In financial literacy, there was a focus on long term goal setting and how to save and plan for the future, whilst the EYL curriculum included coaching on life skills such as negotiation, personal development and decision-making.

We then began outreach. When Banking on Change Phase 2 began forming Youth Savings Groups in 2013, initially Count Office staff followed the same approach they had used for Phase 1; simply seeking permission from village chiefs/elders and then inviting the community to a sensitisation meeting. However, they quickly learnt that young people were not responding to this traditional outreach method. It was necessary to reach youth 'where they are' and to use peer to peer outreach. Even so, as explored in more detail below, some young people did not become full 'convinced' of the benefits until after their first share out.

The graph below shows how outreach accelerated towards the end of Y1 as we learnt how best to adapt the approach. In addition, Global Learning Events and Global Learning Calls as well as a very productive Executive Board meeting in March 2013 gave opportunities for Country Offices to learn from one another and fine-tune their strategies. Regularly reporting enabled reflection and correction of strategies where needed. For example, in Uganda after two Quarters they realised that not all Youth Savings Groups were sufficiently youth-focused and so they delivered more Training of Trainer (ToT) to partners and re-formed some groups. This took more time but ensured the end result was strong youth groups.



Graph to show youth savings group formation

Focus Group Discussions held with young people demonstrate the importance of the adaptations we made to the methodology, and of the financial literacy training. Several young people for example noted that they were reluctant to join the programme in its early stages, as shown by IDS Research, Genesis interviews and Country Office End of Partnership Reports (this reluctance has also been observed with older men not wanting to join VSLAs):

- One IDS interviewee (an 18-year old male) noted he did not join the group in the first cycle because he did not see the benefit. He joined in the second cycle upon hearing about the benefits of the groups from his family members, particularly after their shareouts. Another young male only joined the group in the second cycle after seeing the benefit of the group, namely through his friends' reactions to the first shareout. [IDS Research Report].
- Interviews conducted by Genesis Analytics (the Banking on Change independent evaluators) told a similar story; interviewees mentioned some of them didn't think YSGs would work and so didn't join in the first cycle, but then they observed the benefits which other members were enjoying and decided to join too.

- “Working with the youth has a lot of dynamics and reaching them was quite challenging at first, we redesigned/adaptions manuals and approach of mobilising/training the youth by using the already existing structures like youth centres, sports centres, youth associations, religious places, theatre centres and health support groups among others.” [Kenya End of Partnership Report]
- “Youth involvement into savings groups requires more effort. We had to ensure awareness-raising [with parents, local government leaders and people of influence in the community, and with young people themselves, especially through Youth CRPs] was well done before the inception of the YSGs, so as to avoid high drop out.” [Tanzania End of Partnership Report]
- “They [the young people] all required some constant external motivation, guidance and support. ... The adaptations the program has made include the development of youth aptitude assessment tool to understand the orientation of the youth towards either employment or entrepreneurship; and the conduct of ‘youth melas’ to motivate youth and as a tool for mobilizing them, which is completely different to the practices followed for adult SHG members.” [India End of Partnership Report]

However, once young people became convinced thanks to the adaptations we had made to the methodology and to the training we delivered, they began performing strongly. The table below compares the performance of Carryover and Youth Savings Groups in all of the Banking on change African countries.⁶ Overall, the table below demonstrates that Youth Savings Groups perform just as well as Phase 1 Carry over VSLA groups – attendance rates, drop-out rates, write-off rates, % of members with loans and return on savings are all similar. The average savings per member is lower for young people but this is to be expected as most have lower incomes and Carryover groups from Phase 1 have been through more cycles and are likely to have increased their share price over time.

Had we not adapted our outreach approach and methodology for Youth Savings Groups, we believe we would not have had such strong results for Youth Savings Groups. Given the slow start to outreach and the strong appreciation and impact of trainings, we can infer that it was only because we varied our outreach approach, made some adjustments to the traditional VSLA methodology and delivered extensive, youth-specific trainings, that so many Youth Savings Groups were formed and performed so well.

Table to show the Banking on Change Global Comparison of the Performance of Youth Savings Groups and Phase 1 VSLA Carryover Groups (Egypt, Ghana, Kenya, Tanzania, Uganda, Zambia. Data from 30th June 2015)

Indicator (SEEP Ratio)	BoC Africa Phase 1 Carryover Groups	BoC Africa Youth Savings Groups	Notes
% of women	83%	67%	Whilst women are still the majority in YSGs, around a third of YSG members are men compared with under a fifth in adult groups. We believe that Savings Groups appeal more to young men than to adult men (some older men see them as women’s groups – although this attitude is perhaps changing). We also believe that there are more barriers to young women joining Savings Groups compared with older women (see section below for more details). However, further research is needed to be sure.
Attendance	89%	89%	Attendance rates indicate short term relevance (ie during the current savings cycle), value of services and appropriateness of methodology. Typical benchmark is 80%+. Both Youth and Carryover groups performed equally well
Drop-out Rate	2%	1%	Drop out rates long-term relevance and value of services (ie if members do not drop out, we can infer they find the group relevant and worthwhile. However, note that these figures are calculated automatically by the Savix and only show net drop out and not gross (eg if 5 members dropped out and 4 new members took their places, the drop out figure here is the net 1). Thus this result does not reflect the ‘churn’ and deputising we know from other monitoring tools did occur in some groups.
Average annualised savings per	\$84	\$69	Can indicate level of confidence members have in the programme but should be interpreted with care as context may determine saving capacity. As expected, phase 1 VSLA Carryover groups have higher savings capacity than youth as they are likely to

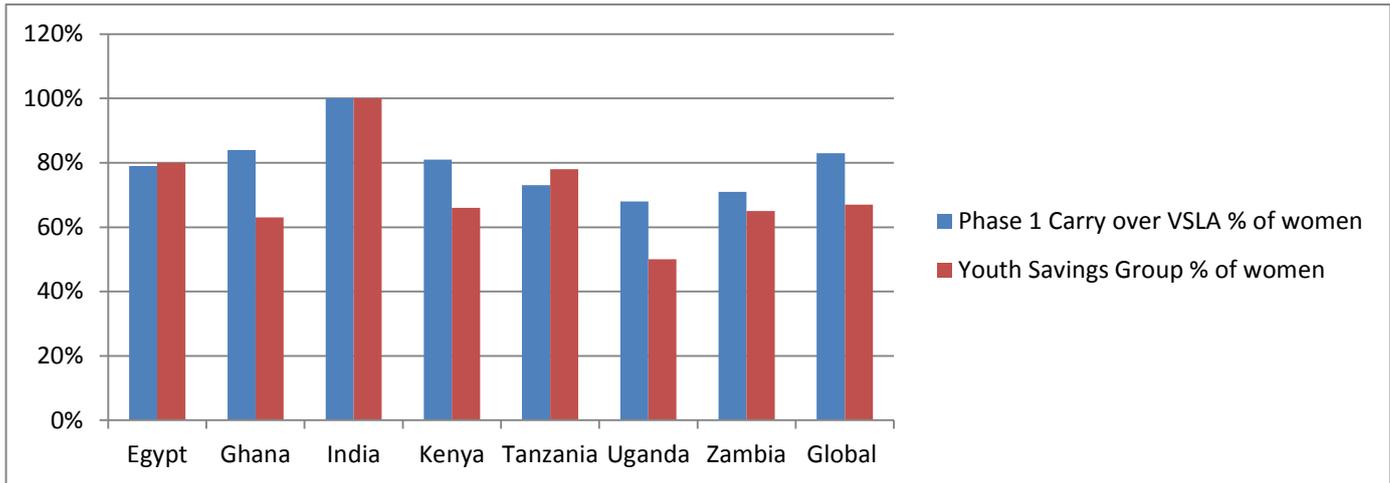
⁶ The data is from 30th June 2015 and excludes India data; the BoC Africa countries all used the same MIS and so data could be aggregated but the India teams used a different system.

member			<p>have higher earning potential and will have increased their share price over the course of more cycles, but overall both figures (average savings of \$69 per annum for YSGs and \$84 per annum for Carryover members) are very healthy.</p> <p>[These figures should only be compared to the \$58 average annualised savings per member seen in Phase 1 with caution, as the calculations have been done differently (Phase 1 calculations were manual; Phase 2 was able to benefit from the new online MIS programme which could automatically calculate the annualised figure) and the change in exchange rates since Phase 1 will also have affected it.]</p>
Average Social Fund Balance per group	\$49	\$37	<p>Group members contribute a small sum of money to the social fund each meeting. Fines (for being late, missing a meeting etc) also go to the social fund. This is then used for grants or no interest loans for emergencies – for example for health reasons. Carryover Groups typically set the social fund contribution slightly higher than Youth Groups but both Carryover and Youth clearly make regular contributions to the Social Fund.</p>
Weighted Loan Fund Utilisation rate	88%	77%	<p>This indicates the level of demand for loans. As expected, Carryover groups have slightly higher levels of loans demand but both Carryover and Youth groups make good use of the loan funds available LFU depends on the stage in the cycle (fewer loans are made at the beginning of a cycle as funds are still accumulating, and at the end before share out) but this data is weighted to allow for this.</p>
% members with loans outstanding	49%	50%	<p>Indicates degree to which loan access is equitable and whether the typical rule that members may only borrow 2-3 times their savings is being upheld (ie if only 10% of members had loans but the Loan Fund Utilisation rate is 90%, these 10% of members must have very large loans). Here both Youth and Carryover groups performed equally, with half of all members having loans outstanding at the time of the data collection. As with LFU, fewer members will take loans at the beginning and end of a cycle.</p>
Write off rate	0%	0%	<p>Indicates % of assets lost by the group due to bad debt. Typical benchmark is less than 5%. Both Youth and Carryover groups performed equally well with no bad debts written off.</p>
Return on Savings	19%	16%	<p>Measures profitability of the group, and is determined by interest rates charged, number and value of loans made and any write offs. Both Youth and Carryover groups performed equally well, with Carryovers slightly head due to higher loan fund utilisation. Therefore if a typical YSG member has saved \$69, and they got 16% return on savings that could be an extra \$11.</p>

Gender and Age

Alongside the outreach data above, Banking on Change has compared the % of women and % of Under 25s in YSGs and phase 1 carry over VSLAs in each country, as shown in the table below.

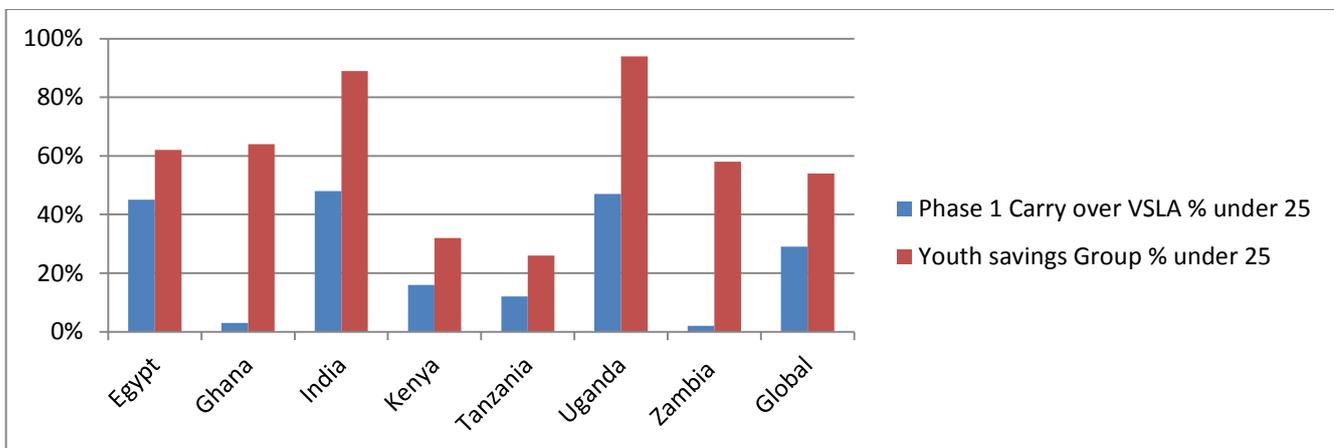
Q3 2015	Egypt		Ghana		India		Kenya		Tanzania		Uganda		Zambia		TOTALS	
	VSLA	YSG	VSLA	YSG	VSLA	YSG	VSLA	YSG	VSLA	YSG	VSLA	YSG	VSLA	YSG	VSLA	YSG
% of women	79%	80%	84%	63%	100%	100%	81%	66%	73%	78%	68%	50%	71%	65%	83%	67%
% under 25	45%	62%	3%	64%	48%	89%	16%	32%	12%	26%	47%	94%	2%	58%	29%	54%



Graph to show the comparison of the % of women in YSG and Phase 1 carry over VSLAs

As can be seen, globally the VSLA groups carried over from phase 1 had 83% women whilst the YSGs had 67% women – still by far a majority but not such a strong majority as in the VSLA phase 1 carryover groups. Ghana, Kenya and Uganda in particular show a slightly larger gap in the % of women in their phase 1 VSLA Carryover groups vs their youth savings groups. We believe the higher % of women in Phase 1 VSLA Carryover groups is because younger women face slightly more barriers to joining Savings Groups than do older women – for example, younger women in some countries are culturally not free to make their own decisions and would need their husband’s or father’s permission to join a Savings Group, whereas older women may have slightly more independence.

Younger women are also more likely to be on the verge of marrying, when they will have to move to their husband’s village, so they cannot commit to joining a Savings Group programme; whereas older women are likely to be already married and settled, and therefore more able to commit to joining a savings group. Thirdly, younger women may be more likely to have the double-burden of school work and domestic chores to do, leaving them less time for other activities such as Savings Groups. Younger men in contrast typically have fewer domestic chores and restrictions; they are more free to join Savings Groups if they wish to do so. We also believe that young men may be less likely than older men to feel that Savings Groups are a women’s affair – ie young men may be more willing to join Savings Groups than older men. This may be especially so given that older men may be able to access loans from peers or relatives more easily than younger men who are perceived as less reliable, and therefore younger men may feel joining a YSG is their only option. However, this is hypothesising and further research would be needed to be sure.



Graph to show the comparison of under 25s in YSG and Phase 1 carry over VSLA

When we look back to Banking on Change Phase 1 data, when there was no age targeting at all, we see that just 18% of Phase 1 members were under 25 only. This really demonstrates the need to deliberately target young people and adapt the methodology to ensure young people remain in a Savings Group programme.

The Phase 1 Carryover groups have 29% under 25s – slightly higher than the Phase 1 average because the selection criteria for being ‘carried over’ into Phase 2 meant that groups with younger people were more likely to be selected.

The new YSGs of course deliberately targeted young people. Even with targeting and adaptation, the overall % of Under 25s in BoC phase 2 YSGs at 54% is a little lower than we might have hoped. Some countries such as Tanzania bring down this average because they deliberately included some older members in YSGs to act as mentors and role models and to encourage younger people to join. Banking on Change defined youth as up to 35 although with a focus on 16 – 24, and Ghana and Uganda very deliberately targeted under 25s only.

Lessons learnt

- 1. Young people can save.** This was always our hypothesis, and it is very satisfying to be able to prove that this is the case. We’ve learnt how to adapt the outreach approach and the VSLA methodology to reach out to youth as set out in the Youth Savings Group Model paper. Once we had the right outreach approach, the new youth savings group accelerated.
- 2. Trainings are effective and essential.** The training package through Banking on Change of combining financial education in the basic methodology plus Enterprise and/or Employability skills has been successful. This is demonstrated by average **uplifts in knowledge of 47%** across 3 countries after receiving EYL training, and quotations from young people in FGDs and IDS interviews endorsing the value of Financial Literacy training. For example:
 - *“I have been in many savings associations before, but the Youth Saving Group has more additional training which enables me to know how to manage my expenses and also keep separate records of all my businesses. This helped me know which of my businesses is making more profits or losses. I used not to keep records and put all my monies into one bag without separating them.”*
 - *“Since my participation in further financial education training I have been able to help my mother, who has a provision shop, to keep records and monitor sales, to know which products are making losses. I have also advised my mother to be more cautious about selling on credit.”*
 - *“This is the only training that has made us youths do things without relying on help from outside and even now we are transacting on our own and will continue to do so for many years to come”*
 - *“Financial problems will always be there, but through the trainings, I am now able to distinguish between needs and wants. I prioritize my expenses depending on my income”*
- 3. We would recommend regular refresher trainings.** This is partly because we have some evidence that young people are less keen in the first cycle and so do not engage with the trainings delivered in the first cycle so much, so refreshers when they are more keen in the second cycle can be beneficial. It is partly also because with such a high volume of training, refreshers to embed the knowledge and ensure new skills can be applied proved valuable.
- 4. There was also strong demand for vocational skills training.** Whilst this was not provided in this programme (although some COs including India and Kenya did partner with other institutions which were able to provide some technical trainings to members), we would recommend it is considered in future similar programmes for young people. However, this would have implications on the costs and durations of programmes.
- 5. We should have collected age data only once,** when a member first joins the programme, rather than re-collecting the data each Quarter. This would have been more efficient.
- 6. Our approach may not always have reached the most marginalised.** One Country’s stakeholder reflection exercise noted: “Youth and field officers did report that there was a lack of

people with disabilities, illiterate people, divorcees and widows that made up the groups, thus they were not heard throughout the decision-making process.” That said, we have at least one case study of a disabled young person participating fully in her YSG so this is not intended to imply we did *not* reach the marginalised; simply that deliberate targeting may be needed to ensure the most marginalised are reached.

Multiplying Impact

The Youth Savings Group Model will enable us to multiply the impact of Banking on Change Youth Savings Groups. Because Banking on Change phase 2 has formed so many Youth Savings Groups, the Youth Savings Group model synthesising best practice for all our own evidence and consultations has strong credibility and should enable other NGOs to establish more effective savings groups for young people. **Save the Children is already applying the principles in a new programme it is setting up**, and other NGOs have also welcomed it. The SEEP Network is going to publish the final Model alongside its own acclaimed Programme Quality Guidelines.

Impact will also be multiplied through the ongoing spontaneous formation of Youth Savings Groups and peer to peer training of new young people by those who benefited from skills training through Banking on Change. Further, Banking on Change Country Offices will continue to share and apply the learnings on working with young people through Banking on Change whilst at global level, Plan and CARE International will also be continuing to promote the Youth Savings Group model Principles in their programming. For example, the Plan International Global Savings Group Adviser has already used it in peer training and will be promoting alongside a new manual of youth financial literacy and life skills training across the Plan Federation of countries. CARE International has seen considerable enthusiasm for the focus on youth created through Banking on Change; youth was a new area of focus to CARE but countries have expressed keenness to continue this work.

What continues including recommendations

Further detail is given country by country in the Sustainability section below, with further detail in the individual Country sections. In summary, Country Office teams see the impact for young people being strongly sustained thanks to the skills trainings they have received and the savings habits they have formed.

“What we are sure of is that those youth and adults who have already benefited will continue to use the skills they have gained – that we are sure of because we already see it happening.” [Country office staff, Ghana]

Youth Savings Groups are largely expected to continue operating and several will have continued oversight from Youth Village Agents, CRPs etc through the fee for service model (or, in Zambia, the ‘contribution for service’ – setting the barrier lower than ‘fee’ to make it more affordable). However, some countries were concerned that not all Youth Savings Groups would be able to afford to pay fees to Youth Village Agents for ongoing oversight and training, and there will no longer be quality assurance checks and monitoring from Plan/CARE Country Office staff. Some Youth Village Agents will continue forming and training new groups, and some groups (based on typical SG programme experience) will spontaneously replicate.

However, it will be challenging to continue delivering the specialist Banking on Change trainings given the costs of using experienced trainers – Enterprise Your Life for example requires intensive Training of the Trainer (ToT) and the employability and bank literacy trainings required some expertise for cascading too:

Recommendations for sustaining and scaling work with Youth Savings Groups are as set out in the **Youth Savings Group Model** *[which will be finalised before this final report is submitted]*

Nefertitis Story, Egypt

“I am a 24 year old women. I am not married. There are 7 girls and 1 boy in my household. My father has passed away. Four of the girls have left home having got married.

I sell general groceries, primarily confectionary, at the side of the road. I’ve had my business for 1 year. I started it using a loan I took from my youth savings group. I chose the business because I saw that there weren’t any other

groceries in the village. After one year, the business is thriving.

I was initially worried the business would fail but found what I had learned during the financial literacy training was useful in helping me do a feasibility study, a budget and manage my expenses. I would however like additional help in doing business budgeting. [At this stage, Nefertiti had been through one Savings Group cycle, and she had borrowed 400LE from the group, paying back 50 LE a week. Her group had not received Enterprise skills training at the time of the interview.]

My youth savings group has 10 girls in it. Via the group I also took part in another project, "Arab Women speak out", which seeks to amplify girls and women's voices in Egypt. We also use our group to talk about other issues which affect us. The rules are that there should be no delay in repayment, it should be participatory and shares are valued at 11LE each. Some of the other girls are engaged in activities such as making and selling bread, and buying and selling electronic devices. Most of them joined to take loans, though they did eventually see the benefit of savings. Two people in the group wanted large loans, but collectively we decided to give them the start-up capital they needed for their businesses. If the businesses were successful we would lend the additional money, thereby reducing the risk.

I hadn't saved before joining the SG, but I do now. I use the profits from the group and my business to help my family with expenses and to buy electronic devices for myself. I am also getting married, and I spend money on buying things in preparation for my wedding. I recently had to buy a gift for my sister's wedding, but didn't have enough from my group and business profits. So I decided to buy frozen chickens to sell, and used the profits to buy the gift.

My dream is to develop my business and eventually open a supermarket."



Enterprise Development

Global goal - Banking on Change will support the start-up of around 84,761 income-generating activities (of which 48% will be started by youth savings group members), enabling people to become self-sufficient.

- **In-depth trainings set Banking on Change apart** from other financial inclusion programmes and have been effective and essential – although it's important to adapt trainings to appeal to youth (one size does not fit all) and carry out refresher training to help instil learning.
- **Enterprise your Life training is successful** – it has been delivered to over 100,000 young people and has shown an 43% uplift in knowledge, indicating it's relevant and accessible.
- **116,936 small businesses have been started** by members since 2013 (just over half by youth). 97% of all members' businesses are profitable, and 67% have been sustained for over 6 months.
- **1,335 village agents recruited and trained** during phase 2, of which 74% have been youth and will remain in the community

Summary

To date, 197,162 people have received enterprise training which is an overachievement of the target by 29% and 116,908 have established incomes generating activities, exceeding the set target by 38%. Of these, 51% have been established by youth members.

Highlights

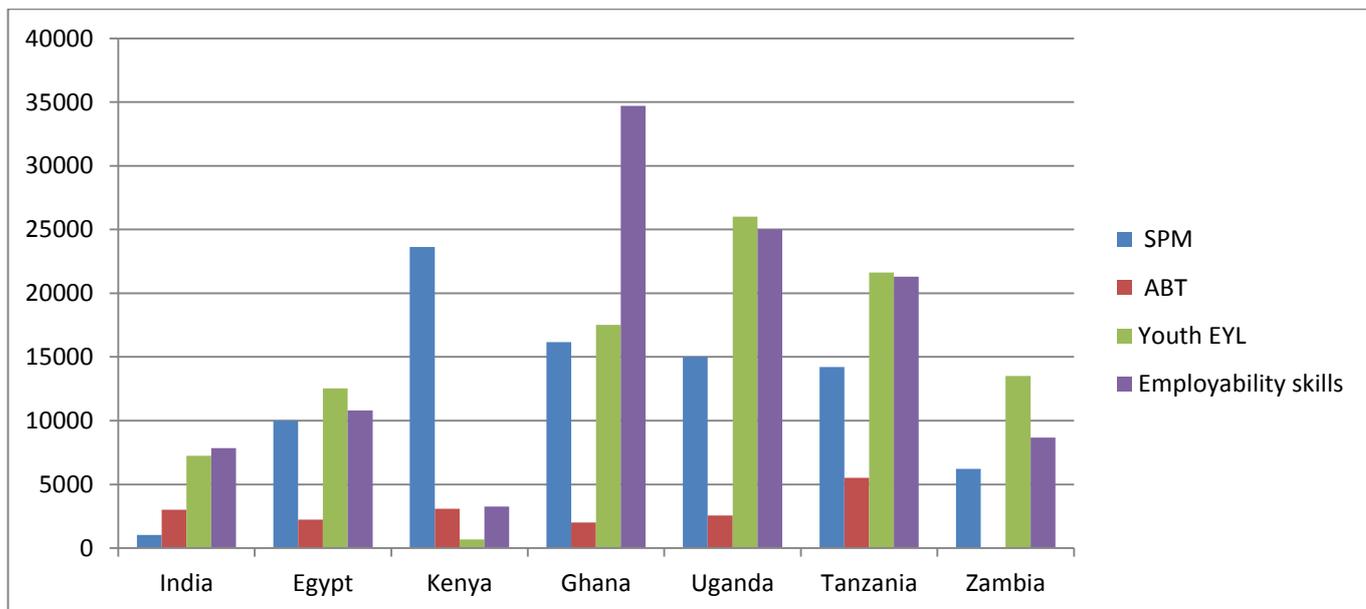
- **Overachievement of targets:** The set targets for both the enterprise trainings and the number of IGAs sustained have been overachieved, which is worth highlighting, especially as there was a point during year 2 when it seemed like the delays with Youth Savings Group formation would mean that enterprise training targets (next in sequence) could not be met.
- **Selection, Planning and Management (SPM) training proved to be very effective in providing phase 1 carry over VSLA members with the right set of skills and knowledge for setting up and managing small businesses, as well as** making appropriate decisions on investments. Capacity building of members through training in income generating activities combined with financial literacy training has enhanced and built BOC members' self-esteem and confidence, which has helped them in running their businesses as they are able to negotiate with their households as well as consumers
- **Advanced Business Training (ABT):** This targeted training reached 15,434 entrepreneurs with enterprises demonstrating high levels of growth. India promoted the diary value chain which has emerged as a successful model and has already been replicated, reaching about 3,000 members.
- **Development and roll out of Youth Enterprise your life (EYL) training:** Results from before and after training assessments suggested an impressively high increase in knowledge for youth. This is we believe in part due to low base levels of knowledge but also in part due to the effective Making Cents curriculum and coaching approach to training which was strongly appreciated by members.
- **The increase in the number of members starting an IGA during Banking on Change.** For example in Uganda, 59% of VSLA members at baseline were engaged in some form of business compared to 71% at end line. 99% of business owners said they realised profits from their businesses at end line compared to 96% at baseline and while 72% had increased capital investment in their business at end line, only 56% had done so at baseline.
- **IGAs and sustainability:** Overall, 67% of IGAs set up during Banking on Change have been sustained for at least 6 months (Carryover Groups) or 3 months (Youth Groups). IGAs set up by Carryover members are very slightly more sustainable (69%) than those set up by YSG members (64%). It is worth noting that this indicator measures only those IGAs set up during Phase 2 and we know from Baseline results that many members already had an IGA.

What has BoC Achieved during phase 2

	Enterprise skills training received	Employability skills training received	IGAs Started during phase 2	IGAs sustained
Total 3 year Target	152,028	114,954	84,761	41,160
YEAR 1 (Dec 2013)	12,309	101	15,075	n/a
YEAR 2 (Dec 2014)	71,362	22,993	74,225 (43% youth) 88% target achieved	37,112 (50% of IGAs)
Year 3 (Nov 2015)	197,162 (129% target achieved)	112,726 (98% target achieved)	116,936 (138% target achieved)	78,176 (190% target achieved)

Training

Overall, the trainings were timely and relevant to both carry-over and youth groups. For the youth, this was an opportunity for them to kick start their process to transit from financial dependence to independence and from child hood to adulthood. For phase 1 VSLA Carry over members, after the enterprise training, majority exhibited improved abilities to save and borrow loans for productive investments; they also improved savings patterns and also improved on their borrowing and repayment patterns.



Graph to show the no of people getting Enterprise (SPM, ABT, EYL) or Employability skills training

Selection Planning and Management (SPM)

A total of 87,624 people received SPM training. Results from Focus Group Discussions and end line studies across Banking on Change countries indicate a very strong increase in members' knowledge and skills in business selection, planning and management as demonstrated by the increased number of IGAs started and profit realised across countries, (Egypt, Ghana, Tanzania, Zambia and Uganda) - enabling them to plan better and to make appropriate decisions on investments. For example, in Uganda at end line 79% had invested more money in their businesses compared to 70% at baseline. Also noted in Uganda, the findings show gender perspective differences in that women tended to show more attention to IGA related decisions compared to men while young people tended to shy away from big business ventures than adult members. As a result of SPM training, members in Ghana are able to separate their income and categorise into three parts; consumption/basic needs, investment and savings. This has helped them to prioritise and minimise on unplanned spending. Some members indicated that they now do joint financial management and planning with their spouses.



Enterprise Your Life (EYL)

100,085 youth members received EYL training accompanied with the financial literacy training. The trainings proved to be very timely for the youth who describe this period as a transition from financial dependence to financial independence as they progress from childhood to adulthood. Results from before and after training assessments suggested an impressively high increase in knowledge for youth which varied from 20% in Ghana, 50% in Tanzania to nearly 80% in Egypt. This shows both that the training was needed (members had relatively low levels of knowledge before the training) and that it was effective – members acquired new knowledge. Another striking trend across the EYL training is that the uplift in knowledge is broad-based, meaning the number of youth who improved their scores post training is high. This indicates that the training contains relevant concepts and also that the delivery is accessible for many youth from different background and contexts. In Egypt, EYL training prompted members to share experience and learn from each, it also provided the youth an opportunity to develop self-confidence. Several trainers mentioned how much members had enjoyed the participatory and fun approach.

Advanced Business Training (ABT)

Although the number reached with ABT look to be small (15,434) compared to other trainings, this has been aimed at members whose businesses have shown high levels of growth and their owners are showing signs of becoming successful entrepreneurs. Banking on Change countries have found that referral services for enterprise development are important, but feel there is a strong need for the project to provide mentoring and coaching for those high potential businesses as they grow. In Kenya and India, the project adapted the value chain approach and deliberately linked members to specific value chains for specialised set of skills. India promoted the diary value chain which has emerged as a successful model and has already been replicated, reaching about 3000 members of which at least 2000 have become entrepreneurs in various points of the value chain including milk production, feed shop ownership, fodder plot cultivators, azolla producers, milk retailers, para-vets among others.

Employability Skills Training

This training was aimed to engage youth in a certain amount of self-exploration, and gain self-confidence that would help them to job search activities and prepare them to gain employment, though the project has not been tracking number of people that have gone on to get employment. The training materials were adapted to the realities and context of the young people across Banking on Change countries. A total of 112,726 young people received employability skills training. The approach varied from country to country. For example, India adopted an interesting approach by first assessing and understanding members' orientation towards either employment or entrepreneurship using an aptitude test which they had developed. Ghana adapted the manual to include special trainings on substance abuse which had been identified as important in their youth scoping exercise at the outset. Other Country Offices, adapted this training focusing on social empowerment and confidence building. For example, in Egypt, they offered 2 trainings; one with more social inclusion that suits the households and the other that focuses on the technical & professional aspects and suits the young VSLA participants. In Uganda, the training was more integrated or given alongside enterprise your life training intended to build self-confidence of the youth to meaningfully engage in businesses and be able to confidently compete. In Zambia however, it was found that this training was not suitable for all members; the selection criteria required members to have reached grade 9 or above at school and only around 45% of members had reached this standard. Further, in rural areas there are so few opportunities for formal employment that not all young people saw the relevance of training on, for example, how to write a CV. Tanzania had a similar experience with some rural youth, like Zambia, preferring the enterprise skills training over employability as enterprise seemed more relevant to their immediate prospects.

Finally, given the context in which Banking on Change operates, the project has found that basic vocational skills training is also an important component for securing employment for youth and has therefore partnered with relevant training centres to support youth with specific skills building.

Income Generating Activities

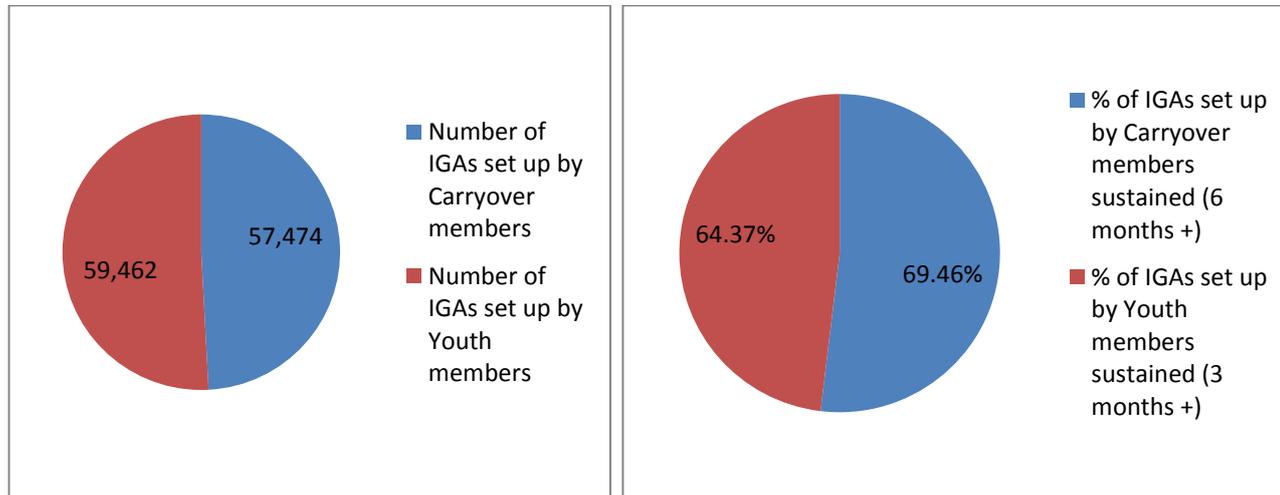
A total number of 116,908 IGAs have been established since the beginning of Phase 2 exceeding the set target by 138%. 59,434 (51%) of these IGAs have been set up by Youth Savings Group members, which

is 144% of the target. Overall, 67% of the IGAs set up during Banking on Change have been sustained (Carryover groups: 69% of IGAs sustained for 6 months+ ; Youth Savings Groups: 64% of IGAs sustained for 3 months+).

Total IGAs set up by Carryover and YSG members	116,936
Total IGAs sustained	78,176
% IGAs sustained overall	67%
% of IGAs set up by Carryover members sustained	69%
% of IGAs set up by YSG members sustained	64%

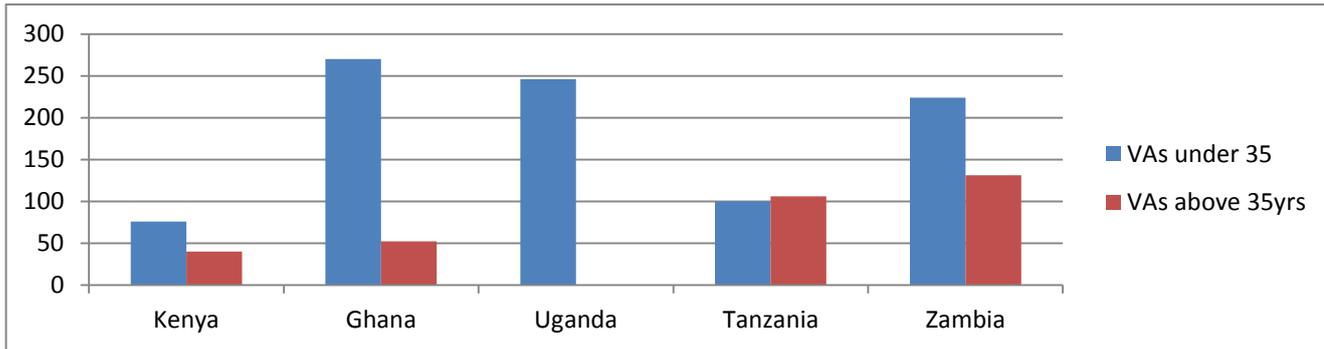
At the beginning of the project, we had the assumption that providing SPM and EYL training to VSLA members would equip them with knowledge and skills to be able to start and operate IGAs. This assumption has been proven true. Results from end line, Pre and Post training assessments and Focus Group Discussions indicate positive results from the various trainings and is an indication that the enterprise trainings were relevant and impactful on the behaviours and attitudes of VSLA members.

Given the rural location of most members supported under Banking on Change, agricultural based activities, particularly crop production remains the mainstay of the economy and therefore is the main activity for income generation for VSLA members. Yet, rain fed agricultural activities are fragile given the reliance on irregular rainfall in most of Banking on Change countries, and therefore income from such activities will fluctuate from one season to another. Hence the need to make agricultural based IGAs more forward looking by value addition, improvement of storage facilities, and other improved agricultural technologies, including crop varieties. This is an important learning for future programme design around supporting IGAs to ensure interventions go beyond training and provide support to access markets and relevant information, technical skills development and access to additional credit for investment.



Village agents

A total number of 1,335 village agents were identified, trained and facilitated to mobilise, train and mentor groups in VSLA methodology and a few to train these groups in financial literacy and business skills. Of these, 74% are youth who have looked at this as a job opportunity besides giving back to their communities. Village agents were not used in India or Egypt (although Egypt does use volunteer promoters).



Graph to show the no of Village agents by age

CASE STUDY: Kugoya Elizabeth

Kugoya Elizabeth is a member of Kyabakola Kyobona youth savings group (which means do things when others are watching). Her group is located in Bukiri LC 1, Kayogero parish, Mutere Sub County in Bugiri district in Uganda.

In the 1st cycle, the share value was Uganda shilling. 1000 and they were able to share out a total of Shilling. 2,500,000. **“We were surprised and happy to find out that we are able to mobilize all that amount of money from our selves, I had never seen sh. 1,000,000 in cash but now I was able to see and touch a total of sh.2,500,000”** narrated Elizabeth the money counter. The group which is now in its second cycle that started in January 2015 has already contributed 3,000,000 Uganda shillings in savings.



Elizabeth who is 30 years old is married and with a one year old child (Isabirye Dan). She has a certificate in nursing. Before she joined the youth savings group she was employed in some ones drug shop in the nearby trading centre. **“After school I had a plan to start my own drug shop but could not get enough money to fulfill my dream. I had little money I had saved from the sale of agriculture products which was just enough for rent”** said Elizabeth.

She explained that the training in financial literacy, SPM and employability skills equipped her with more skills, knowledge and desire to start her own business. In the 1st cycle Elizabeth was saving Sh. 2,500 per meeting and she was able to share out a total of sh. 220,000 which she added sh. 250,000 that she had saved from the sale of agriculture products and started a drug shop in the trading centre in her village. In the second cycle, Elizabeth is now saving 5,000 Uganda shillings a week and expects to share out more money than that shared in the last cycle. She has borrowed some money from the group that she used to buy more stock for her business

For her future plans, Elizabeth says **“I plan to use the money I will get out after the second share out to add capital in my business so that I can increase sales and profits from my business”**

Elizabeth’s story explains how trainings like SPM, FL and employability skills adds more value to the Youth in savings and loans associations as it gives them skills and knowledge to be enterprising and start their own IGAs.

Lessons learnt

- **The versatile nature of IGAs** among Banking on Change VSLA members (cross border trade, general merchandise, charcoal burning, fresh foods, brewing, tomato selling, fish, cooked food business etc) calls for market linkages and other skills enhancement in the given business fields. Linkages with other development partners might help the SPM component of VSLA yield more sustainable results
- **Monitoring of IGAs:** Linked to the above, the versatile nature of IGAs is a challenge for monitoring and evaluation. Several amendments were made to the IGA tracker to ensure we capture the changes in enterprises and report against sustainability accordingly. Country offices appreciated this tool as one of the M&E tools developed under the programme.

- **Quality of training:** can be enhanced when delivered by trainers who have experience in running an enterprise. Equally sustainability of training outcomes can be complemented with targeted mentoring support over the longer term. Where trainers are based in the community this may be possible. Though this is not something that was explicitly explored in the programme it should be considered in future programme design.
- **It is important to tailor enterprise training to be contextually appropriate especially for the youth;** for example for rural areas, focus on rural farm and non-farm sector that have ready rural market like the transport sector, and other value chains that can easily be done such as dairy farming, poultry. This should be done with better business planning that would minimise risks and assure ready market. In India, youth show preference for skill based IGAs, in particular, tailoring. While urban youth have opportunities for entry into stitching of value added garments and business arrangements with organized sector, those in the rural areas generally depend on stitching of traditional garments such as blouses for women. They have limited opportunities to work with organized sector however, the program is already taking efforts to break this barrier. Similarly, in other countries urban youth were more likely to set up IGAs selling airtime for example. Youth also prefer a coaching approach to training which is more interactive rather than desk based. Therefore the Making Cents training was greatly appreciated and we expect is the reason for the great increase in knowledge as evidenced in pre and post tests.
- **Many Banking on Change members especially women have started occupying more space in the household level economic decisions:** “One young woman reported that after she started a successful IGA, her husband stopped abusing her, and many young women report that they are often included in discussions revolving around the family budget.” *Egypt End of Partnership Report, December 2015; “I am happy about the group because nowadays my husband respects me. I used to borrow money from him all the time such that it came a point where it frustrated him. But, now that I was able to join the group, I have been able to get my own money and do my own things and he is even proud of me.”* Female YSG member, Focus Group Discussion, Kenya. However, there is always a risk that female empowerment can lead to increased GBV (for example, if husbands dislike women having more confidence and asserting themselves) and we recommend programme facilitators are alert to this risk.

What continues including recommendations

- Enterprise trainings have addressed a gap that was identified in Phase 1 among members looking to invest their savings; they needed enterprise skills trainings to do so more effectively. The findings under Banking on Change Phase 2 demonstrate that economic empowerment can be enhanced further when access to finance is combined with enterprise training. This combination is also hailed by the UN Women as a proven intervention. The learnings from these training are sustainable in that the VSLA groups and Youth Savings Groups will continue to be a support mechanism for learning and sharing. As mentioned above, the quality of training can be increased when trainers themselves have experience in managing a business and can share their personal learnings.
- In order to strengthen sustainability of enterprise trainings, it is recommended that training is accompanied by; mentoring over a longer term, supporting access to markets, technical skills training, and access to credit for larger investments.
- Refresher trainings have also proven to be essential in topping up member knowledge after 3-6 months.
- In India, the enterprise and employability skills will be sustained and championed by the Federations that the project has supported and built their capacity. As they move forward, they can think of making these trainings as fee based. Other countries using a fee for service model believe some VAs and Youth VAs will be able to continue delivering trainings to new groups, although there will no longer be the oversight / quality assurance from Plan/CARE staff in country. The majority of countries however used specialist trainers to deliver the enterprise and employability trainings.

Financial Inclusion Deepening and Linkage to Formal Financial Institutions

Global goal - Banking on Change will link 5,063 informal VSLAs to formal financial institutions (aimed at Barclays) in Ghana, Kenya, Tanzania, Uganda and Zambia.

- In Phase 2 the partnership linked **4,397** savings groups, including **1,956** linked to Barclays.
- At December 2015, groups had over **\$1 million** in savings deposited in bank accounts.
- **2260** individuals self reported that they have opened their own account

Highlights

- **Commercialisation of Linkage:** In Uganda the partnership successfully linked over 1,000 groups to Barclays, played a key role in the development of innovative digital products, and worked closely with Barclays as this initiative shifted from the CI space to the Retail space.
- **Responsible Linkage to Other FFIs:** In the absence of mobile or credit products at Barclays, over 2,400 groups chose to link to other local or national banks, such as Fidelity Bank in Ghana and Tanzania Postal Bank. The partnership ensured this was done responsibly and in accordance with **Charter principles**, and a **Linkage Toolkit** was developed to protect groups and make the linkage process more efficient.
- **Pathway to Full Financial Inclusion:** There is increasing evidence that group members are able to open a personal account with a bank after the group is linked. To date, 2,260 members have reported that they now have access to an individual accounts.
- **Thought Leadership:** Genesis credits Banking on Change as being 'a recognised voice in the growing momentum and interest in linkages'.

What has BoC Achieved during phase 2

A total of 4397 groups have linked (87% of target) to formal financial institutions of which 1956 (44%) are linked to Barclays and 2441 (56%) to other formal financial institutions. Banking on Change Uganda has the highest number of groups (1,040 - 53% of the total groups) linked to Barclays bank. Of these, 529 (Uganda only) are youth groups.

	Targets	Linked to BB	Linked to other FFI	Total
Kenya	2988	685	1298	1983
Ghana	500	27	538	565
Uganda	927	1040	5	1045
Tanzania	500	182	564	746
Zambia	148	15	36	51
	5063	1949	2441	4390

Several studies conducted (Banking on Change Linkage review study, Genesis Final Evaluation, data from the linkage monitoring tools) confirm that group members decide to link to formal financial services for security of their funds as the main reason. This is affirmed by the analysis of the VSLA accounts held with Barclays bank and other Formal Financial Institutions across the Banking on Change countries (see table below, taken from Country Office narrative reports) that shows at least groups are keeping their savings with the banks. Other reasons for linkage include earning interest against their savings and access to credit.

	Savings in BB (USD)	Savings in other FFI (USD)	Outstanding loan amount in BB (USD)	Outstanding loan amount in other FFIs (USD)
Kenya	25346	271354	0	0
Ghana	19645	575853	0	20346
Uganda	135839	8690	26890	1827
Tanzania	0	154043	0	0
Zambia	6911	0	0	0

For better understanding and developing a winnable business case, it would be quite powerful if programmes and institutions involved in linkage work to develop some statistics on how account balances grow over time, how savings grow after a group accesses credit, the rate at which group members' transition to individual accounts among others.

Over the course of implementation, a number of potential challenges to achieving the linkage targets and the overall quality of Linkage were identified and study to better understand the depth of some of these challenges was commissioned. The study that was conducted between the months October 2014 through the first week of December 2014 covering countries of Uganda, Kenya, Tanzania, Ghana and Zambia focused on at least six challenges. These included i) distance to branches; ii) the account opening process; iii) demand for credit; iv) branch staff turnover; v) account access and usage; and vi) quality of Linkage training. The key outcome of this study was the development of the linkage tool kit which has been shared and used differently across Banking on Change countries and is now being adopted by others. Also the study raised issues that were both programme and Formal Financial Institutions related that were affecting target realisation. Most of these were addressed by the linkage tool kit and followed up closely.

Key challenges

Kenya: As part of regular monitoring activities we identified some quality issues with the new youth savings groups in Kenya and significant over reporting of the number of groups linked to Barclays (found to be 1000 groups less than reported). This was followed up by an in-depth quality assurance review which found the following key issues.

1. **Technical issues** – the immediate reason for the errors in data were due to bugs in the MIS compiler which had led to double counting of linkage figures. The review also uncovered data integrity issues which had also led to mistakes in data entry not being identified. The reliance on the MIS figures led to a false sense of security that linkage targets were being met.
2. **Field Supervision** – the review also identified that Field Officers and Field Supervisors were not holding to account partners and franchisees to established linkage targets. There was a lack of challenge in questioning outputs that showed that individual targets weren't being met, yet it didn't make sense that overall targets were being exceeded.
3. **Incentives** – franchisees were incentivised to form and train groups but not for linkage.

A cross-partnership task team - together with CARE Kenya - developed a Recovery Plan that guided the project implementation in the last two quarters of the project with specific focus around both quality of groups/training and linkage.

Zambia: The linkage target in Zambia was not met; 51 groups linked against a target of 148. The key challenges were: i) banks having low penetration in rural areas and not yet having developed appropriate products for savings groups (including lack of mobile money products which could have overcome distance challenges); ii) rigid KYC requirements at banks and iii) the requirement that all savings groups must register with one of the government ministries before being permitted to link. This registration process itself was very time consuming and expensive; cost was a key barrier; as noted in the Banking on Change linkage study: 'The average cost for securing the registration certificate as reported by members interviewed [across all 5 linkage countries] is £4.56. For most groups this was a one trip event but in Zambia, with registration being completed at the national level, the average cost goes up to £45 per registration as it is completed in the capital town of Lusaka.' Plan Zambia lobbied for groups to be permitted to register with the Ministry of Agriculture rather than with the Ministry of Home Affairs or Registrar of Societies as it was believed this would be simpler, but it seems this has not speeded up the process; at the Q3 report, Plan Zambia had 248 groups undergoing the registration process and hoped that 70 groups would complete the process during Q4 but this has proved an over-estimation.

Unlike the other 4 linkage countries, Plan Zambia had not done any linkage during Phase 1 and so had no prior experience to draw on; Phase 2 was effectively a pilot. Plan Zambia intends to continue supporting groups which wish to link in 2016 through its network of permanent Community Development workers



who work in the target communities and are being trained on linkage so that they can continue to provide support.

Linkage to Barclays

1,956 VSLAs opened accounts with Barclays bank across the five BOC linkage countries, representing 44% of the groups linked during phase 2. Barclays is viewed favourably by savings groups, but the factors that influence their decision to link to other FFIs remain consistent across countries: distance to Barclay's branches, ease of account opening because of stringent KYC requirements that Barclays bank follows, availability of credit, and an increasingly competitive market with more local and rural banks now seeking to engage with VSLAs as a market segment.

Linkage to Other FFI's

Groups' linkage to other FFIs has been higher than anticipated at the time of the programme design especially in Ghana, Tanzania and Kenya. 2441 groups have linked to other FFIs across the 5 linkage countries, which is 56% of all groups linked. The linkage Tool Kit that was developed helped and will continue to provide a set of guidelines on how best to engage with other FFIs either already linking the groups or those that plan to do so. It also provides a template for an MOU with an FFI that practitioners can use to enter into a meaningful partnership with these FFIs. The draft MOU template incorporates Savings Charter principles thus providing an avenue to ensure responsible linkage and to engage with any FFI already working with BOC to sign the Charter especially those who have signed MOUs with either CARE or Plan.

Linkage of Youth Savings Groups

Banking on change linkage strategy was to work with VSLAs that had existed for at least two years, because these would have attained some level of experience, financial literacy and saved reasonable funds to benefit from formal banking institutions. However some youth groups wanted to link earlier, some even in their first cycle. Experience and interaction with youth groups reveals that groups' motivation to link includes the security of their funds especially toward the end of the cycle; mobilisation strategy adopted at the time of formation could also influence the decision to link,. Youth are also attracted by access to credit; as explained by one member in Uganda ***"We got excited when groups in our neighbourhood accessed OD product and how they have used this money to develop themselves – we would also want to reach such development."*** Although there has been discussion across Country Offices of whether the practice of linking mature groups (two cycle and above) should be modified, the programme agreed that the linkage principles would remain as they are now with mature groups as the focus. However, youth groups were be assessed and supported at individual level; in Uganda, 529 youth groups are linked to Barclays bank.

Individual accounts

Although not a core part of Banking on Change, we have seen at least 2260 individual accounts have been reported as opened by individual group members of which 66% belong to youth members – as self reported in the final data collection. These accounts have been opened across a number of FFIs including Barclays bank.

Linkage summary per country

- **Ghana** – A total of 565 groups were linked to FFIs. A big number of groups have linked to other FFIs and the number kept going up steadily while linking to Barclays remained static since start of year 2. This trend is mostly attributed to stringent KYC requirements that Barclays need to apply compared to local banks, coupled with confusion regarding the potential roll-out of a credit product. Also the local environment became increasingly competitive as rural banks, MFIs and credit unions have started targeting groups like VSLAs. This led to an increasing number of VSLAs banking with these types institutions (Sonzeli rural bank, Microfin Rural bank, Wa Cooperative Credit Union, Tumu Credit Union, o Sissala Rural bank, Forikrom Community Rural bank, Nandom Rural bank, Lambusie Community Corporative Credit Union, Sombo Credit Union and Fidelity Bank). The Rural Banks tend to be much closer to groups than Barclays Bank Ghana which has made them more popular. MOUs have been signed with some of the banks with the objective of

ensuring linking is done responsibly. This has been done in collaboration with Barclays Ghana. Plan and CARE Ghana worked with Barclays Ghana to develop early elements of the linkage toolkit.

- **Kenya** - had the highest target 2988/5063 but was only able to link 1990 groups of which 35% was linked to Barclays Bank Kenya. The impact of Kenya not meeting their target, has a big impact on the overall achievement of the global linkage target. During year 1 and year 2 Kenya were over-reporting linkage figures, due to technical issues with data, inadequate monitoring and follow-up as well as the supervision structure, which led to a false sense of security around meeting targets and less focus on linkage activities. On discovery of the issue in year 3, a cross-partnership task team together with CARE Kenya put together a Recovery Plan with clear set of objectives that CARE Kenya used in the last two quarters of the project. Although not fully achieved, the project was able to a) restore the integrity and reliability of data by setting up new MIS files and inputted the data again, and beefing up by weekly verification of newly linked groups by BBK; b) started the review of the Franchisee model and a committee was set up at CARE Kenya to review the trends or practices of the model and come up with recommendation for current and future interventions. A new incentive and supervisory structure was instituted for Banking on Change; and c) health checks' were done for all groups mobilised for linkage, so that knowledge gaps where they existed were identified and addressed through refresher training. For already linked groups, this was done through the routine monitoring activities. This led to 402 groups being linked to Barclays between June-December 2015
- **Uganda:** has had the most success with linkage with Barclays, with 1040 groups linking to Barclays and only 5 groups have linked to other FFI's out of the 1045 groups linked in Phase II. This is because Banking on Change Uganda followed a very strict linkage process that was more tailored to promoting Barclays Bank but also this was facilitated by the products that BBU offered on the market. Also the bank used a saving led approach, unlike many other Financial Institutions which focus more on credit first.
- **Tanzania:** was able to exceed its set targets by linking 746 groups. Over the implementation period, there was a steady increase of linked groups to other Financial Institutions, registering 564 groups opening accounts with other banks. Tanzania Postal Bank has been a popular choice for linkage partly because they are able to offer products that have better delivery channels such as with a mobile money solution which are more convenient for those groups (the majority) that are some distance from Barclays branches. It should be noted that Tanzanian mobile money sector is quite advanced and with increased uptake of mobile usage outside of the urban areas, many financial institutions are taking advantage of the added benefits of providing mobile banking for their customers, yet to be embraced by Barclays. The TPB product combined savings first with mobile money facility and access to credit, so proved popular with both groups and IMAs in Year 3.
- **Zambia** – have not met the set targets, only 51 groups have been linked out of the target of 148 groups. A key challenge in Zambia is distance to banks; as the mobile money sector develops, this may be overcome. Another challenge in Zambia identified by the team is that not many banks are prepared to or have appropriate products for the VSLA sector (the Linkage Review found some groups had linked for credit first early in Banking on Change Zambia and these groups were therefore not counted towards the target. The team worked with banks to encourage more responsible linkage and in fact had great success in attracting Charter signatories so this may be a promising sign for the future). Thirdly, the registration process which groups much go through with a government Ministry prior to opening a bank account is time consuming and expensive.

Commercialisation of Linkage in Uganda

The Barclays Uganda/Grameen/CARE mobile technology pilot for Ledger link and eKeys is on-going. The Ledger Link pilot was completed at the end of May with 53 groups having had their records put in digital form and migrated to Barclays Servers. Of these 52% were actively sending their data to the server. These 53 groups were also trained on usage of the e-keys mobile platform where groups will be able to send and withdraw money from their phones in order to eliminate the challenges of long distance to bank branches and high transaction costs. Barclays Uganda has commercialised linkage and

transferred to retail division with a plan of scaling up the linkage activities including the usage of the OD facility through 2016.



Innovation 1 – E Keys

Embed an agency banking distribution model in partnership with a telcom firm



Innovation 2 – Ledger Link

Launch a digital app that enables capturing of Savings group data



Innovation 3 – Group overdraft

Test a group overdraft lending strategy

State of Linkage report:

Barclays, CARE and Plan commissioned the State of Linkage report to provide, for the first time, a global mapping of linkage activity. The report identifies: where linkage is taking place, the organizations that are currently linking to savings groups and the kind of products being offered. The report will be launched in February 2016. Top-line findings include:

Global picture:

- The report identifies 107 active savings group products that are offered by 96 financial service providers across 27 countries

Linkage in sub-Saharan Africa:

- There are (at least) 60 financial service providers, spread across 17 countries, offering products to savings groups
- Two thirds of these products are found in the Banking on Change markets (Ghana, Kenya, Tanzania, Uganda and Zambia)
- Linkage appears to be driven almost entirely by financial institutions operating at a local or national level
- Two thirds of the savings group products are offered by retail banks, and 40% of these banks provide access to credit
- Only 15% of the bank/MFI products use a mobile money platform (however, it is likely that these banks have a substantial share of the market)

Case study

Kyebakola Kyobona (which means do things when others are watching) VSLA is one of the youth Savings and Loan Associations that have been formed under the Banking on Change 2 project in Eastern Uganda. The group started saving in November 2013 with 30 members (15 men & 15 women) but membership went down to 25 active members, all below the age of 25 years in its 2nd cycle. The five dropped out after the 1st cycle as some of them went back to school and were unable to raise money for the weekly savings. In the 1st cycle, the share value was sh. 1000 and they were able to share out a total of Sh. 2,500,000. ***“We were surprised and happy to find out that we***

are able to mobilize all that amount of money from our selves, I had never seen sh. 1,000,000 in cash but now I was able to see and touch a total of sh.2,500,000” narrated Elizabeth the money counter. The members raise their incomes through sell of agriculture products, poultry, milk selling retail



shops and trading in coffee and maize. In March 2015, the group opened an account with Barclays bank in Iganga Branch which is about 45 km away. The members mentioned security of funds for the money in the cash box as the main reason for their linkage

“We feared theft of our cash box any time because members of the society had come to know that we have a lot of money after seeing the development activities that the group members are doing and to reduce on this we decided to open an account after sensitization from the trainer” The group records showed a total of Sh. 1,000,000 at the bank (equivalent USD \$ 314) at the time of the collection and were planning to deposit more in the coming weeks since they are moving towards share out and most of the members are repaying loans

The group is one of those piloting the Ledger Link where its records are being entered on the application on the smart phone and sent to server in the Barclays bank. The Ledger link product helps the bank to be able to monitor group performance and this supports applications for banking products such as group overdraft facility. In addition it will also guarantee the Security of group data; if the group’s record get lost or destroyed, they will be able to get a copy at the bank. Submitting of data will also allow CARE and Barclays to better support the groups as there will be more regular checks and increased visibility of the group records by CARE and Barclays. The group is also interested in e –keys and is willing to be enrolled after the scale up of the product

Lessons learnt

Banking on Change has learnt huge amounts from its linkage work and is in a strong position to share learning with the sector from its pioneering work. The growing interest in linkage across the sector (as shown, for example, by the number of banks at SG2015) shows how timely Banking on Change 2 was.

- Like any bank customer, savings groups want to build a relationship with Barclays. Access to information is key to achieving this as testified by a VSLA member in Uganda *“If we could send the bank a picture of our records they could see more information about us; we’d be somebodies, not nobodies.”*
- Experience has shown that need for security of groups savings is the driving factor as opposed to the initial and traditional belief that credit come first (although groups are often interested in credit too, and particularly younger groups).
- Partnerships at global and country levels especially with Barclays bank teams across branches is also expected to facilitate sustainability. We have seen that the active involvement of Barclays staff in the project is expected to enhance sustainability of linkage activities given that bank staff already understand the business side of the linkage and are willing to engage with VSLA clients
- Different banks have realised that VSLAs are potential clients for the new market segments. They are coming up with special products and recruiting specific qualified people to serve the VSLAs. They have also invested in special innovative products (cf ledger link and e- keys) for efficient and cost effective linkages
- Linkage work is likely to be sustainable where Formal Financial Institutions have started dealing with groups as a business rather than corporate social responsibility. Some Banks have recruited relevant staff to champion the VSLA linkages
- It is very critical to create process ownership amongst different stakeholder because it eases roles distribution and fulfilment at different levels of implementation. e.g. the fact that group members are involved in opening their own bank accounts, choose their signatories , monitor deposits and withdrawals, without interference from the Linkage Officers and Community Based Trainers can give them more confidence that they will not lose their money to anyone.
- Developing MOUs with banks at initial stages of the program is key in defining clear roles and responsibilities as it becomes easy to hold the involved teams responsible and track each partner’s performance in a timely manner.
- The process for linkage has been long and expensive for members who have to travel long distances to access a bank. In addition, getting the necessary requirements needed for account opening has always been a long process and very tiresome especially for groups who are far from

the relevant government offices. Delay in account opening especially by Barclays bank in Ghana, Tanzania and earlier in Uganda demoralises groups and this information has sometimes spread to other groups thereby causing them to fear opening accounts.

- BOC Kenya has learnt that the linkage process is step by step processes that requires time and have been able to isolate different steps that are distinct and require different interventions.” ***Our experience is that staff must be prepared and knowledgeable in order to mobilise and prepare both VSLAs and the FFIs for linkage***”. Regular reviews between different stakeholders including the FFIs and groups themselves are important and have proven effective. Also close follow-up and being able portion accountability is also critical for successful and sustainable linkage.

.Multiplying Impact

- Bank literacy combined with financial literacy training exposed Banking on Change members to the formal financial sector and especially counteracted the bank phobia, thus opening their doors to utilising formal financial service. This is reflected in the number of accounts that groups have opened with different Formal Financial Institutions but also individual members that have decided to open up bank accounts. Tailored products that are already on the market are likely to stay and be modified further to meet the competition.
- The Linkage for Change Saving Charter that has already attracted 29 signatories and has been shared widely. It forms the basis for responsible linkages
- The innovative technology that has adapted a commercially viable retail proposition - the adaption has taken into consideration the ledger link which captures data of the savings groups so as to store it safely but also build financial history of both individual group members and the group itself. The other aspect is the Ekeys that will allow sending and withdrawing money from their phones in order to eliminate the challenges of long distance to bank branches and high transaction costs. Barclays Uganda has commercialised linkage and transferred it to the retail division with a plan of scaling up the linkage activities once lessons have been captured and it has proved viable.
- Feedback from various studies and interaction with VSLA members indicate that one of the impacts of a groups opening an accounts with an FFI is increased confidence for members to save more as they are sure of security of their money. Also there is increased capacity of members especially those that have accessed loans and invested in profitable IGAs, and may be able to save more than before.

What continues including recommendations?

- Trust is key to linking groups to FFIs, travelling to branches is time-consuming and expensive therefore bank products need to add value, and the issue of distance needs to be addressed.
- Financial literacy and bank literacy training is vital, therefore Barclays Bank and other FFIs need to design a continuity strategy – could easily be through meaningful employee engagement
- Both the Linkage Toolkit and the Linkage for Change Savings Charter will be powerful legacies of Banking on Change which should enable responsible linkage to continue in Banking on Change countries and beyond after the end of the programme.



Employee Engagement

Global goal - Barclays will support 810 employees to engage with Banking on Change through volunteering, skill share or awareness-raising

Summary

665 employees have engaged with the programme (82% of target).

Barclays Volunteers	Egypt	Ghana	India	Kenya	Tanzania	Uganda	Zambia	Total
Actuals at end of Programme	62	20	71	210	197	55	50	665
Target	200	100	20	200	200	50	40	810
% achieved	31%	20%	355%	105%	99%	110%	125%	82%

It can be seen from the table above that all countries met or exceeded their targets with the exception of Egypt and Ghana. In Egypt, there were challenges with security given the political situation 2013 – 2015; employee engagement events arranged had to be cancelled due to security concerns. In Ghana, local Barclays branch staff found it difficult to take part in Employee Engagement events because groups were located so far away from Barclays branches. In both Ghana and Egypt, when Employee Engagement events did take place, they were appreciated by both Barclays staff and Savings Group members; it was unfortunate that political context, distance of groups from branches and shortage of employees' time did not permit more activities to be executed. In all other countries, Barclays employees typically supported Banking on Change through delivering Bank Literacy training and getting involved through Make A Difference Day. These interventions too were appreciated.

Highlights

- Savings groups members were motivated and encouraged by Barclays staff taking time to come and voluntarily deliver training and advice to them
- Useful input in particular on bank literacy support, linkage, financial literacy and IGA advice
- Women reported feeling the banking halls were de-mystified thanks to employee engagement activities
- Relationships laid down for the future between Plan and CARE Country Offices and Barclays local offices

What has BoC Achieved during phase 2

EGYPT: During the programme, only one Employee Engagement event took place. The approach used involved group discussion and one to one coaching sessions. Discussion themes were on: money management, career coaching, financial literacy, enterprise, and steps to start a business. The event was organised in 5 parallel sessions of 30 minutes each with youth group rotating between sessions. All youth groups of 7-8 participants had the opportunity to discuss the themes with Barclays Employees. Work sheets with suggested questions were prepared in advance and were used by the Barclays Employees in the groups to generate discussion with the youth. Participating youth mentioned the event helped youth to identify some effective solutions to their challenges. It provided them with some ideas for marketing, and ideas and advice on how to activate and continue their IGAs. Barclays Employees expressed the event was a good opportunity to learn about the programme and acquire knowledge about youth challenges in starting IGAs.

KENYA: The Employee Engagement activities were mostly done during Make A Difference Day (MADD), as this was the appropriate time for the Barclays staff to participate in large numbers. The activities were done where the YSLAs were located across the project sites. A total of 210 Barclay's staffs interacted with project beneficiaries where they were able to induct youth on financial literacy and basic entrepreneurship skills. They further engaged youth groups in activities such as tree planting, supporting women groups with raw materials to improve their IGAs, as well as providing sport groups with sports

equipment. Youth were also engaged in debates and discussions around how to be an entrepreneur, maintain business records, undertake budgeting, identify barriers in doing business and how to start an enterprise. The engagement of BBK employees was quite low in the beginning. To address this challenge, the project team engaged BBK media relations and corporate affairs leadership to drum up support and voice the opportunities in the BOC II project activities for BBK employees' engagement. It is anticipated that this engagement will enhance community investment, commitment, integrity and ultimately lead to building sustainable structures for project continuity beyond BOC lifespan. In addition, other interactions with BBK include the linkage account facilitation which is not directly an EE activity but MADD events complemented this and were used as a platform to demystify the misconception about BBK as the formal financial institution for the rich. This has really helped the beneficiaries to appreciate financial institutions like BBK. They are slowly gaining confidence to do business with the banks

GHANA: The Employee Engagement activity and approach used was the "Making a Difference Day"(MAD) which is an annual event day set aside by Barclays Bank Ghana during which Bank Staff were expected to carry out voluntary community activities. There were two employee engagements sessions organised by YARO with Wa branch of Barclays for carry over groups in the Wa municipality. These sessions offered the opportunity for 6 Barclays employees to interact and educate the group members on operations of the bank. The issues Barclays staff discussed with the group members include:

- Barclays bank and what it does
- Procedure and requirement in opening an account at Barclays bank
- What the bank can offer to clients especially the women
- Introduction of the staff and what they do and finally who they should contact when they have any challenge in the bank.

During the sessions the women were coached on what to do on arrival at the bank and who to contact for any service in the Bank. The women were helped to understand that their banker is the manager and they were directed how to locate him in the bank, so that he could be approachable.

INDIA: In Delhi, 165 youth received training from Barclays volunteers on personality development, communication skill and bank literacy. This programme was well received by the Youth since it complemented the trainings they were receiving on FFE, Employability and Enterprise Skill Development. Moreover the youth had good interaction with Barclays staff since most of them have just completed school/college education and the Barclays staff were also quite young so were able to understand the youth behaviour. The youth aspire to join good corporates and are interested to know more about them. Also Barclays staff showed good interest in motivating the budding entrepreneurs who were skilled in making fashion jewellery and eco-friendly cloth bags to suit present generation. They gave simple tips to market their goods like displaying during big corporate events and on Fridays in their office premises. Barclays staff were also part of a 'Youth Mela,' a special programme conducted for Youth to inform them of Employment opportunities in their neighbourhood and also introduce them to Bankers who support Youth, especially, those are interested to venture small/micro enterprises with credit facilities. During this programme a cultural team from Barclays performed a MIME show on "Road Safety" which was thoroughly enjoyed by Youth members.

In Tamil Nadu, there were 9 EE programmes during BoC II and 337 project participants benefitted out of these programme including 218 youth. 38 Barclays staff were engaged through these activities. Many of Barclays' staff said that these EE activities have given them a good exposure to rural and urban poor communities and have given them immense sense of satisfaction while also proving to be a learning opportunity.

TANZANIA: The Unlocking Youth potential event that involved more than 100 youths in Dar es salaam was very powerful as BBT staff spent their time with Youth by delivering the banking literacy skills and enterprise skills. The employee engagement gave a more interactive and learning opportunity for both the group members and BBT staff. It also helped in broadening knowledge in bank literacy and getting more understanding of employee engagement commitment to the project.



UGANDA: As part of the plan to advance Employee engagement, a number of Barclays bank branches engaged some VSLA groups in Money management/ financial literacy and mini business skills training. Engagement with bank's employees has been done throughout project implementation because it is very important both for the bank staff to understand more about their clients and how they do their businesses, where they invest their money and which gaps they have in relation to financial management so that they can be able to provide them with relevant bank services that suit their needs. Barclays has also employed **Lead Generators mostly from CARE and its partners** at the branch level that work closely with VSLAs mainly at account opening and processing of overdraft. The VSLA product manager at Barclays Uganda head office has also been recruited to coordinate all the VSLA products in the country. In the long run, this will create a close relationship between the bank and the group members hence harmonizing bank linkage thus translating into sustainable linkage processes

- **Lira Branch** - 8 bank staff volunteer St. Mary's VSLA group in the area of implementing partner: Northern Uganda Private Sector.
- **Iganga Branch** -15 Bank staff visited and trained Budondo VSLA groups in the SEPSPEL area of implementation.
- **Busia Branch** -7 bank staff visited Bisisa VSLA group in Busia alongside SEPSPEL partner staff.
- **Kasese Branch** – 8 bank staff held meetings at FURA offices in Kasese town to forge a way of starting with the youth VSLA groups.
- **Kabarole Branch** – 6 bank staff trained in the VSLA methodology and best practices and the need for linkage to the VSLA groups
- In February 2014, the Barclays senior management team, including the Retail Director (Mr. Mahmood Nazim) and Corporate Affairs Manager (Mr. Kaddu Michael) visited Iganga branch, Umoja VSLA group in Iganga and Busia branch where they assessed the performance of VSLA linkage project.
- New bank staff including lead generators in Kaborole and Kasese trained in VSLA methodology and linkage

This initiative enabled quick linkage of youth groups to the bank because it shortened the training process and availed customer friendly services at the bank.

ZAMBIA: Employee engagement was done by Barclays bank staff who spearheaded the process. The employee engagement was carried out in the community among the youths and their parents. The sensitisation focused on financial literacy. The approach used was motivational speeches and presentations to youths. This method motivated and encouraged the youths and some adults to join the VSLAs. It also helped the youths to rethink their ways of managing and using their money. These activities renewed the interest of youths to participate in VSLAs.

Lessons learnt

Suggestions included:

- Improve the ratio between Barclays Employees and savings groups participating in future events to increase the one to one interaction and discussion.
- Shorter duration of the event (not to exceed 3 hours)
- Creating a clearer link between the event and the programme and blending it to the programme rather than having it as a stand -alone activity.
- Carry out orientation program for the Barclays staff prior to their EE activity, to help it meet expectations on both sides
- Be aware of time constraints on the side of Barclays employees, and potential language barriers.

Sustainability

The Global Banking on Change team asked COs which areas of work they thought would continue even after the programme ends, and what would be Banking on Change's legacy. Below are a selection of responses. In summary, the teams see the impact for young people being strongly sustained, although it will be hard to continue delivering the specialist Banking on Change trainings given the costs of using experienced trainers. Some teams also saw a challenge in sustaining oversight for YSGs, although believe the fee for service model will enable this. Linkage is also considered sustainable; considerable learning on how to link effectively has been gained during Banking on Change and relationships built with appropriate FFIs, even with MoUs signed in some cases which will underpin the continuing work after Banking on Change Finally, another very sustainable element will be the skills gained from all the trainings: ***“What we are sure of is that those youth and adults who have already benefited will continue to use the skills they have gained – that we are sure of because we already see it happening.” [CO staff, Ghana]***

EGYPT:

“The legacy of BoC will lie in its youth participants and other marginalized groups mobilized, specifically girls and women who participated in the project. The legacy is tied to the importance of financial education as well as financial inclusion. Thus BoC was able to create a platform for financial education for which youth received specific training packages. Youth also built up confidence and their capacity regarding entrepreneurial skills, enabling them to jump-start IGAs, while creating self-sufficiency at the same time. Finally, the legacy of the relationship between CDAs and participating youth is very strong as many of these CDAs have formally been involved in empowering youth, and thus were able to create strong linkages to other project areas, which generally expanded the project.

The project can have a sense of continuity as youth were trained to train and re-train other youth regarding IGAs and entrepreneurship. However, training as designed in the current programme will be difficult to sustain. They require skilled facilitators to train local promoter/FOs or directly the VSLA members. Training methodology as current face to face makes it expensive and difficult to sustain in the absence of substantial financial resources. Recommendations include, simplifying the training content and organizing it in one training manual where key messages are included. Develop aligned more visual tools in delivering the trainings. Make use of blended learning including on line training where possible, especially in countries with a good internet and mobile penetration

Among the programme activities most likely to be sustained to some extent are the VSLA groups. Those groups with a clear understanding of the methodology and supported by partner CDAs will be more likely to continue. However Youth have been concerned overall with the sustainability of the VSLA project. These youth have approached CDAs, which in some instances, offered to contribute to the salaries of the FOs. However it has suggested, if this is to continue that VSLA members should contribute to part of their salary as well. It has been challenging to convince VSLA members to agree to this.

The experience with this programme has been critical for both Plan Egypt and CARE Egypt to develop knowledge and expertise on working with young people and partners in youth economic empowerment. Lessons learned informed the shaping of the Strategic objective on youth economic empowerment in the new CSP of Plan Egypt (2016-2020). Experience with the programme has positioned BoC Egypt in the national level with national stakeholders like National Council of Women, Egyptian Banking institute to join efforts in activating the National strategy on youth and women economic empowerment.”

Kenya:

“One of the most sustainable activities among the youth savings groups is rigorous savings among the members as most groups conduct their saving activities weekly, fortnightly and monthly. There have been trends of groups training other groups on the methodology without necessarily relying on partners to do so. Group members have saved and taken loans to start income generating activities. However, sustainability of enterprises may be slow as it requires close mentorship and support. To strengthen sustainability on enterprise activities, the project should have factored in referral services and showcasing of model enterprises that are anchored on youth enterprise hub centres into the project design.



To ensure sustainability in the transfer of knowledge, partners and their trainers have had their capacity built on enterprise development, value chains facilitation skills and be exposed on how to forge partnerships and referral services with county governments and other departments like agriculture, fishery, social services and livestock departments. The challenge is that the project didn't invest in intensive monitoring and business mentorship of individual IGAs hence there is a gap in ensuring robust performance of these IGAs long after project phase out."

GHANA:

"The Programme has over the Six year period has demonstrated that it is the pathway for financial inclusion in Ghana given the vast majority of the rural and peri-urban populace within very hard to reach communities who prior to its implementation had no access to formal financial services of any kind currently enjoying financial services at the lowest cost ever and at their door step. Many of these vibrant and functional savings groups have operated for about six years thereby proving the sustainability of the intervention and most of all because beneficiaries have acquired skills which will impact on them positively for the rest of their lives and generations yet unborn. The special focus of the Programme on Youth economic empowerment in terms of its promotion of youth savings, social capital, access to credit, business management and entrepreneurial skills resulting in the identification, management and sustainability of income generating activities would continue to showcase lasting impact of producing more youth entrepreneurs and reverse the current trend of massive youth unemployment in the country.

"The ability of the project to deliver appropriate financial services in remote areas marked by weak economic activity, on a sustainable basis, and at low establishment cost is what makes this project unique. Now it is very rare to see a child who doesn't go to school if he or she or their father or mother is in a YSLA or a VSLA" (An Opinion Leader).

According to the Adult members, opinion leaders and the District Assembly representatives, the project in their view inculcated the habit of regular saving among youth members. They stressed that the Project reduced deviancy particularly among the youth, addressed youth jobless because of their engagement in business activities. An opinion leader was quoted as follows: ***"Youth members of the groups see their future differently because of the skills acquired in add-on trainings, many of them have become more financially independent and prepared to make important life decisions."***

INDIA:

"Feedback by member of SHGs including youth: It has been excellent opportunity for youth to participate in the program. It is only because of this, the youth are now part of the SHGs and have started saving now; they have access to credit and other financial services including micro insurance and micro pension; they were able to enhance their skills in financial literacy, employability and entrepreneurship.

Feedback by NGO partners: It is the first time that we have had a program with so much focus on the youth. This has given us a lot of learning in terms of mobilizing youth, engaging with them and training them on various skills. They also requested that the engagement with youth should be continued for some more time so that more youth could be guided and supported.

Feedback by skill development agencies: Mobilizing youth is one of the challenges that we faced earlier. With the support of this program, we have been able to overcome this. We have been able to reach more youth to train them on many vocational skills. The employment opportunities can be further promoted through strengthening of linkages with potential employers.

The case studies inform us that working with youth for fostering their financial inclusion is challenging when approached as a stand-alone intervention of mobilizing them into groups. When combined with the skill development opportunities for employability and entrepreneurship promotion, they come forward more willingly to participate. It is the vocational skills that acted as a significant driver for the youth. The participation in the groups and the training programs have contributed to advancing their skills. The important areas for improvement may be that of facilitating linkages with potential employers for youth to



seek gainful employment and follow-up support for potential entrepreneurs with appropriate credit and market linkages.

All the three trainings – FFE, Employability skills and Enterprise Skills – are all sustainable. The federations can take them forward with some resource support in the immediate future. As they move forward, they can think of making these trainings as fee based. However, the training programs on vocational skills that we initially focused will not be sustainable without the support of external resources. These are resource intensive but are of utmost importance to enable women become entrepreneurs. There are a number of Government programs that focus on providing these vocational skills. What is required is adequate facilitation to link our community members to such opportunities.”

TANZANIA

“Local NGO’s can play a big role in ensuring sustainability of the project. Building the capacity of local NGOs ensures we leave behind a wealth of people equipped with relevant skills.

Barclays’ role in the project has led to stimulation of interest from other banks as well to work with the poor and develop products to suit the SGs. Even though they did not sign the charter, banks such as TPB, NBC and NMB have gotten involved in serving the groups and even sponsoring some activities at local level.

Involvement of the Government both at local and national level has helped a lot in achievement of the project targets and it is set to continue working with the SGs for the long term. This is evidenced by the inclusion of SGs in the new National Microfinance Policy and the willingness of government to register SGs and IMAs. The government recognizes that the VSLAs and IMAs are a reliable partner because they already have a track record for excellent repayment of loans and will therefore make better candidates for government loans than previous groups.

At baseline many of the youth were mostly still in school or self-employed with very little or knowledge and skills in entrepreneurship. They had never before participated in a savings group or leadership of any kind. At the endline, some youth were qualified CRPs, engaged in training new groups and monthly supervision of current groups. At least twenty youth from each area were part of teams of trainers involved in cascading the EYL and other training. This brought out the leadership qualities in them. Both female and males took leadership part by playing part in the central committee of their respective groups. The skills they have gained from the training have enabled them to start up IGAs and run them in a more organized manner.

Groups represent a promising conduit to building the financial capability of poor youth and women when access to and use of savings services (formal and non-formal) are integrated with financial education. The combination of these two elements have been important because the education develops financial knowledge, skills and attitude changes, while the savings service provides an opportunity to apply the new learning. The youth think that there has been a real opportunity to shape knowledge and skills around issues that will result in more productive adult livelihoods.

Youth CRPs will continue to form new groups but will need support from the local NGOs on refresher training and access to kits. A strong cadre and team of Community Resource Persons(CRP’s)and Trainer of Trainers(ToT’s) has been built and given the capacity,ability,desire and competitiveness to carry on with the work of group formation, monitoring and sustaining the groups savings and credit activities after technical support ceases.”

UGANDA

“**Local leaders** recognized the economic impact of the project among the youth. This was majorly on its contribution towards youth self-employment and access to formal financial services through linkages. In terms of sustainability, government officials pledged continuous support to the youth and promised to involve them in any other government program. They were however concerned about the limited reach of innovations beyond the current targeted area and access to bank services since the project anchored



Barclays Bank which has a limited coverage especially in rural areas. Thus, they advocated for an extension of digitalized financial services piloted by Banking on Change phase 2.

Multiplying impact - As Chair of the Self Help Group Sub-Committee (SHG) of the Microfinance Forum where the VSLA Model is seen as one of the best financial inclusion model. The sub-committee has been able to achieve the following:

- It has brought all the implementers and promoters of the SHGs in Uganda together and now there is platform where they can voice their issues to be heard especially those related to them to do their work efficiently and effectively in order to cause impact
- There is coordination of these organizations so that there is not much duplications and different messages to the communities since the target groups are the same
- Every organization has shared their approaches in supporting the VSLAs and we have harmonized these approaches based on consensus which has not been there originally because they did not know what weaknesses and strength within their approaches unless you compare with others of your peers not that the approaches have to be changed and one fits all organizations but only the key principles an example of this is the community entry activity model which was agreed to be the same across all organizations”

ZAMBIA

“Before the project most of the members had difficulties in accessing finances for agricultural inputs for farming. Now most of the groups time their sharing out time with the start of the farming season. This enables them to have money to buy some of the farming inputs using the money they get after sharing out. Besides, access to small loans has been made easy for most members because it is affordable in terms of interest rates. Before the project the most common source of credit was the local Money Lenders who charge an interest of between 50 to 100% interest for a period of one month. This has also made it possible for members to borrow from the group a reasonable amount of money to enable them start an IGA. Access to finances has been made even more easy and frequent for those who have established businesses because they sell commodities every day and hence handle some money on a daily basis, a thing that was not common before the project

The youth saving culture has increased from what it used to be previously, where the youth had difficulties to save money. In many instances any income received by these youths was spent immediately on unproductive things. This was further worsened by communities not having youth groups that encouraged savings; the trend has changed with the increased number of youth saving groups.

The Ministry of Community Development took part in training for the YVSLA indicated that the concept was the best for the vulnerable and disadvantaged populations. They would introduce the concept to the women groups to improve sustainability among these groups.

Village Agents and Youth Village Agents are more sustainable because their capacities have now been built. We expect EYL to continue being delivered through YVAs / VAs, due to demand.

At this stage savings groups are unstoppable.”



Advocacy and Communications

Global goal - Banking on Change aims to be known as a global leader in responsibly linking poor savers to formal financial institutions, for providing the roadmap for a global focus on youth financial empowerment and as a powerful partnership advocating for financial inclusion to be reflected in the post-2015 framework

Highlights

- **President Clinton's visit to Tanzania** in 2013 and his subsequent article in Time Magazine.
- **Sky News piece** by Samantha Washington on World Savings Day October 2014 reaching over 14.9 million people.
- Banking on Change showcased at a **British Embassy reception in Washington**, following the World Bank/IMF meetings in 2014 attended by Justine Greening, Secretary of State for International Development.
- **Creation of the Linking for Change Savings Charter**, launched at WEF Davos 2014 by Anthony Jenkins, and an alliance of 29 organisations supporting responsible linkage and which we aim to transition to new host.
- **Developed the Youth Savings Group Model** from the learnings and experience working with young people
- **Recognition of the programme** has come through the following awards:
 - ✓ Highly Commended Best Business NGO partnership - Ethical Corporation Responsible Business Awards
 - ✓ Shortlisted for the BITC Unilever Development Award
 - ✓ Winner Barclays Citizenship Award - 'Contributing to Growth' - the Linkage team in Uganda
 - ✓ Winner of the bba Financial Innovations Awards – Best community banking initiative

What has BoC Achieved during phase 2

1. **Build an alliance via the 'Banking on Change Charter'** *Influence and enable 100 institutional and individual supporters by 2015 to endorse and support the Banking on Change linkage principles to help the 2.5bn unbanked to access appropriate financial services*

Banking on Change developed the Linking for Change Savings Charter in consultation with industry peers in order to support the extension of formal financial services to poor groups of savers in a responsible way. Since its launch at World Economic Forum, Davos in 2014, 29 organisations have signed the Linking for Change Savings Charter and shown their support for responsibly linking poor savers to formal financial services. This impressive achievement exceeds the revised target of getting 20-25 signatories agreed by the Executive Board in January 2015. There has also been strong support shown for the Charter by influential bodies such as CGAP, IFC and DFID who have not been able to sign but who made clear their wish to stay involved and learn from best practice. Although unable to sign, a supportive letter was also received from the Governor of the Central Bank of Kenya.

We've established an alliance around the signatories and supporters of the Charter stewarding them to share knowledge and encourage collaboration using resources and assets such as the Charter webpages, and quarterly e-newsletter. We've convened events including a very successful webinar in association with the SEEP Network, attended by over 100 people, with speakers from Barclays, Fidelity Bank and Grameen Foundation to discuss the linkage learnings, and brought Charter signatories together at a lunch meeting at the SEEP SG2015 Power of Savings Summit in order to discuss plans for the future transition of the Charter to a new host following the end of the Banking on Change programme.

In response to a willingness shown by some signatories to deepen their engagement with the Charter, we have worked with these organisations to implement business changes in support of expanding

financial services to poor savers. As a result, the MasterCard Foundation has integrated the Charter principles into its linkage work and requires that all tenders for funding show commitment to them. Accenture Development Partnerships has shown their commitment to the Charter principles through their work with CARE on a report into how banks in emerging economies can grow profitably by being more inclusive.

In early 2014, we commissioned a piece of research which has resulted in the development of the State of Linkage Report. The report provides, for the first time, a global mapping of linkage activity between savings groups and formal financial institutions around the world. In total, we were able to identify nearly 90 financial service providers – including banks, microfinance institutions and mobile network operators – that provide formal financial products to groups across 27 countries. The purpose of this piece of work was to highlight the scale of group linkage around the world and draw attention to size of the group linkage opportunity, with the aim of encouraging other banks and financial institutions to explore expanding their services (responsibly) into this market segment. The draft of this exciting new piece of work was shared at the SG2015 Savings Summit in Zambia in November 2015 and following feedback from the Charter signatories and other key stakeholders, the final version will be formally launched on 17th February 2016.

With the momentum gained through the Charter, the partnership was very keen to ensure the Charter would continue after the end of Banking on Change. The Charter Working Group undertook a piece of due diligence work to identify organisations that might potentially host the Charter. UN Capital Development Fund (UNCDF) came out at the top of our list and the UNCDF also made clear their strong interest in taking on the Charter, which aligns well with their own strategy of expanding financial services to the poor and complements the Better than Cash Alliance, which UNCDF currently host. At the time of writing, negotiations are in their early stages, but the signs are encouraging for a full transition of the Charter over the course of six months to a year.

2. **Create an agreed best practice model for young savers** *Launch an agreed best practice model for youth savings groups at Child and Youth Finance International (CYFI) 2016*

With the global backdrop of the youth bulge where over a billion adolescents will transition into adulthood, Banking on Change, as the largest programme working with youth savings groups, has generated evidence to support the premise that youth savings groups can help reduce youth financial exclusion, and provide a stepping stone to formal financial inclusion and equipping young people with the skills they need to support themselves economically.

Given the scale of the challenge and the global effort required to overcome it, Banking on Change has developed the Youth Savings Group Model, with the aim of encouraging others – international NGOs, local NGOs, funders and policymakers – to integrate youth savings groups in their work to drive increased financial inclusion, financial education and skills building for young people. The model outlines good programming principles for youth savings groups and, moving beyond simple financial inclusion, provides insight into their relation to youth economic empowerment.

The Youth Savings Group Model has been developed over the course of Phase 2 of the partnership using the programme experience and extensive data collected from each of the programme countries. We also conducted a consultation with peer NGOs and young people, and commissioned a piece of independent primary research conducted by the Institute of Development Studies (IDS).

The model therefore incorporates evidence from practitioners and other specialists interviewed from Plan International, CARE International, Freedom from Hunger, the MasterCard Foundation, World Vision, the Mothers' Union, Opportunity International, and Catholic Relief Services (CRS); from webinars with young people, in partnership with Child Youth Finance International (CYFI); from roundtables with partner staff and young people as part of Banking on Change, and from participation in sector conferences including the Global Youth Economic Opportunities Conference (October 2015) and the SEEP Savings Groups Conference (November 2015).

Whereas evidence from the programme and the consultation related to experience and findings at the group level, the research conducted by the Institute of Development Studies (IDS) enabled us to drill down to an individual level to identify different patterns of engagement with the programme, and how those patterns relate to savings group members' socio-economic characteristics, income generating activities, and the training they received. The findings from this research have led to the inclusion of a principle which otherwise Banking on Change would not identified, around the fact that savings groups can be a "family affair". This type of research is seldom undertaken and IDS commended Banking on Change for adding to the body of research in the field of savings group.

At the time of writing the Youth Savings Group model is being finalised and will be published in early March 2016. However, the draft model has been well received, and is considered a first in bringing different elements of youth programming into one framework. Save the Children is already using the principles in their programming work and the President of Making Cents, Tim Nourse, said "The content behind the Principles is strong and aligns with our programmatic experience."

3. Shape the debate with strong advocacy presence at global forums e.g. World Economic Forum at Davos 2015 *Present the Charter at Davos 2015 to influence the post-2015 framework to reference universal access to financial services with specific mention of youth*

Throughout Phase 2 of the partnership, Banking on Change has continued to be a strong voice in leading and shaping the debate around savings-led microfinance and in advocating for the extension of financial services. Banking on Change has been a highly visible and influential partnership and has captured the attention of and received praise from a number of highly regarded quarters. Strong communications have been key to raising the visibility of the partnership as well as amplifying our presence and our impact. Highlights of our advocacy and communications include:

Lord Boateng's support for the Banking on Change Breaking Barriers Report for which he hosted a launch event at the House of Lords. The report subsequently became one of the most read publications on CGAP's Microfinance Gateway in 2013.

President Bill Clinton, who visited Banking on Change in Tanzania in 2013 and then wrote about it in Time Magazine, stating that this is what banking is all about, a ringing endorsement of the innovative nature of the partnership. The visit received significant international and media coverage and Banking on Change was the top story on Barclays.com for 5 weeks. We were subsequently invited to speak at the Clinton Global Initiative the following year and Banking on Change was featured on the LED display on the front of the Barclays New York office building.

The Linking for Change Savings Charter was launched at World Economic Forum, Davos in 2014 at a breakfast event hosted by Antony Jenkins and attended by 23 global world leaders including Visa Inc, Accenture who both became the first signatories of the Charter. The event was profiled in a piece by Evening Times editor, Sarah Sands, in follow-up to a piece she had written after a visit to Banking on Change in Uganda at the end of 2013, in which she said "*Banking on Change's core principles are simplicity, trust, responsibility and integrity. The most radical feature is that it is happening amongst the world's poorest, the once unbankables*". The Davos event also received supportive tweets from ITV presenter Alistair Stewart and Financial Times Editor, Lionel Barber.

Justine Greening, Secretary of State for International Development, said that Banking on Change was "excellent" and invited us to speak at a DFID event at the World Bank/IMF meetings in Washington in 2014 and at reception at the British Embassy in Washington where Antony Jenkins spoke and the Banking on Change film was shown.

Samantha Washington, Sky News presenter, visited Zambia and filmed a piece about Banking on Change's work with young people, which was aired on Sky News on World Savings Day reaching over 14.9 million people.

Banking on Change was profiled at the World Economic Forum Africa by senior Barclays representatives at three events focused on Financial Inclusion.

The United Nations Capital Development Fund (UNCDF) signed the Charter and showed their support for responsible linkage in a public ceremony with their Executive Secretary, Laurie Lee and Diane Eschlemann and this has paved the way for talks on the UNCDF hosting the Charter in future.

Alastair Stewart profiled Banking on Change in an opinion piece which appeared in London's CityAm.

Most recently, Banking on Change has held sessions at the SEEP Annual Conference in Washington, the Making Cents Youth Economic Opportunities Summit also in Washington and had a very strong presence at the SEEP Power of Savings Group Summit SG 2015 in Zambia, at which we presented our findings and shared learnings on our work with and research on youth savings groups, linkage and the State of Sector Report, the Charter and our ambition for its future.

Additionally, Banking on Change has won significant recognition for its work in the form of awards:

2013

- C&E Barometer NGO-Corporate Partnerships Barometer – 5th most admired partnership

2014

- Highly Commended in the Ethical Corporation Responsible Business Award Best Business NGO category
- Shortlisted for the Third Sector Business Charity Awards in Charity Partnership – Financial and Professional category
- C&E Barometer NGO-Corporate Partnerships Barometer – 8th most admired partnership

2015

- Shortlisted for the BITC Unilever Development Award
- Shortlisted for the Ethical Corporate Business Awards in the Most Effective Community Investment category
- C&E Barometer NGO-Corporate Partnerships Barometer – 10th most admired in 2015
- Winner Barclays Citizenship Award - the Linkage team in Uganda (led by Nazim Mahmood) under the category of 'Contributing to Growth' for their work developing mobile apps for Banking on Change groups
- Winner of the bba Financial Innovations Awards – Best community banking initiative

Lessons learnt

- Banking on Change has set itself apart from other partnerships by setting (and achieving) its ambitious advocacy goals. The learning is that adequate resource to support advocacy goals needs to be built in from the start and should take into account both global and local level requirements. For example, Country office advocacy and communications budgets were capped at \$5,000, and it was only in later part of year 2 and in year 3 that local offices were asked to do more to support advocacy around the Charter and the Youth Savings Group Model. Some country offices did choose to reallocate funds from other areas of underspend which enabled them to hold events.
- Collaboration at all levels is vital to successful advocacy and communications. Banking on Change has been a true three-way partnership between Barclays, CARE and Plan at all levels. However, decisions by committee are not always easy to achieve and there are times when clear leadership and a decision-maker is required. Banking on Change achieved this by reviewing the A&C governance structure and creating a "heads of" group, to which decisions could be referred by the working group.
- Banking on Change set out to influence the major global banks and get them to sign the Charter. It quickly became clear that it was the local banks who were doing linkage on the ground and that they

were the banks we needed to influence to ensure linkage happened responsibly. This led to a much greater alignment between our programmatic work on linkage and our advocacy work around the Charter, enabling us to capitalise on the local willingness and desire of local banks to share knowledge and collaborate in support of the Charter alliance.

- The partnership worked hard to produce strong collateral to support communications and ensure consistency of messaging across the partnership with great success – the Banking on Change film has been particularly effective. We have struggled to draw out the rich programme data in our communications and the learning is to ensure there is greater sharing of information between the programme and the communication teams so that we can bring the programme alive and demonstrate its impact more effectively.

Multiplying Impact (consequences)

Banking on Change has raised awareness of the issue of financial exclusion on the global and the local stage. It has shown that with the right training and support, no one is too poor to save, including young people. It has also shown that with the right products and services, poor people can be financially included, but that this needs to be done in a responsible way.

By signing up to the Charter, Banking on Change has directly influenced over 29 organisations (more if you include those who were supportive but cannot sign) to adhere to its principles and in so doing, take steps to change the way they do business, supported by the opportunity to share knowledge and collaborate through the Charter alliance. For example, the MasterCard Foundation has integrated the Charter principles into its linkage work and the ripple effect that this will create extends the influence and the impact of Banking on Change ever further.

Perhaps the biggest impact of the partnership comes from Barclays itself, where steps are being taken to transition linkage from CSR into business as usual. Given Barclays global reputation, this act in itself will encourage other global banks to look at their own business models and encourage them to consider strategies which reach the customers at the bottom of the pyramid. Furthermore, the State of Linkage report has also highlighted the opportunity for linkage and that there are very few regional or global banks with a linkage strategy across across multiple markets, indicating that there is little competition to service this market segment.

CARE, Plan will continue to support use the principles through their programming and advocacy work, especially in their linkage programmes both at global and local level. As the two organisations with the largest number of savings groups worldwide, the potential multiplying impact of this is significant.

Banking on Change has been able to dispel the myth that young people cannot save, and that their mobility means they can't be reached. As the largest programme working with savings groups, the collation of Banking on Change's learning and experience into a credible and well-evidence best practice model or guide for working with young people will give other organisations the confidence to establish youth savings groups and make them a more effective intervention in the process. It is encouraging that Save the Children is already applying the principles to a new programme, and other NGOs such as World Vision, Making Cents and Freedom from Hunger have also welcomed it. The final model will be published by the SEEP Network alongside its own acclaimed Programme Quality Guidelines.

At the global level, Plan and CARE International will also be continuing to promote the youth saving group model principles in their programming. For example, the Plan International Global Savings Group Adviser has already used the model in peer training and will be promoting it alongside a new manual of youth financial literacy and life skills training developed by Plan Canada. Locally, Banking on Change Country Offices will continue to share and apply the learnings on working with young people through Banking on Change, as well as use them to lobby government in order to secure greater levels of funding and support for youth economic empowerment programming.



What continues including recommendations

- The Charter & the alliance of Charter signatories will continue beyond the end of Banking on Change and discussions are underway with UNCDF as a new potential host. In the interim, CARE will oversee the Charter until such time as full transition can take place. The Charter working group sees the principles and the collaborative nature of the alliance as key aspects of the Charter which should continue, and we would also like to see the State of Linkage report updated on a regular basis.
- The Charter principles will continue to be promoted and implemented by the Charter signatories and the Banking on Change partners who remain the founding members of the Charter.
- The State of Sector Linkage Report will be launched on 17 February and the ambition of the Charter working group is that it is taken on by the new Charter host.
- Youth Savings Group Model will be launched in early March and promoted across the SEEP and Making Cents networks. It will also be presented at the forthcoming Women Deliver Conference in Copenhagen in May. We recommend that ownership of the model is given to the Plan International Global Savings Group Advisor, who can evolve the principles over time to ensure they remain relevant and appropriate.
- The Banking on Change partners will agree on how they want to publish the IDS research which will determine where the document is kept and how it will be used in future. However, it remains a source of rich information which we would recommend is made available for others to use and mine.

Financial Update

By 31 December 2015, £9,525,403 (98%) of the BoC Phase 2 budget had been spent. The remaining budget has been carried over to Q1 2016 to support sustainability and linkage activities at country level or advocacy/comms at global level. A final financial report will be available in May 2016.

	Egypt	Ghana	India	Kenya	Tanzania	Uganda	Zambia	CARE UK	Plan UK	TOTAL
Year 1 Budget	£281,833	£629,089	£118,172	£501,233	£341,827	£618,678	£414,662	£259,430	£247,429	£3,412,353
Year 2 Budget	£309,630	£526,411	£326,977	£489,296	£336,785	£403,742	£248,119	£259,430	£252,429	£3,152,819
Year 3 Budget	£314,972	£567,364	£333,314	£453,364	£379,008	£352,526	£222,421	£259,429	£252,430	£3,134,828
Total Funds Available	£906,435	£1,722,864	£778,463	£1,443,893	£1,057,620	£1,374,946	£885,202	£778,289	£752,288	£9,700,000

	Egypt	Ghana	India	Kenya	Tanzania	Uganda	Zambia	CARE UK	Plan UK	TOTAL
Year 1 (1 Jan 13 - 31 Dec 13)										
Direct Programme Delivery	£90,941	£334,508	£51,373	£337,916	£225,809	£178,206	£272,266	£0	£0	
Supporting Programme Delivery	£2,226	£30,814	£957	£133,378	£17,884	£57,211	£32,139	£119,772	£143,249	
Advocacy & Communications	£0	£5,049	£0	£109	£0	£0	£5,674	£7,806	£4,557	
Total Spend: Year 1	£93,167	£370,371	£52,330	£471,403	£243,693	£235,417	£310,079	£127,578	£147,806	£2,051,844
Year 2 (1 Jan 14 - 31 Dec 14)										
Direct Programme Delivery	£348,972	£545,963	£255,102	£447,894	£375,919	£561,966	£253,434	£0	£0	
Supporting Programme Delivery	£35,964	£52,770	£31,219	£45,378	£74,458	£50,416	£20,413	£264,326	£303,968	
Advocacy & Communications	£3,050	£8,721	£22,938	£5,882	£788	£0	£439	£44,371	£19,875	
Total Spend: Year 2	£387,985	£607,455	£309,259	£499,154	£451,165	£612,382	£274,286	£308,697	£323,843	£3,774,225
Year 3 (1 Jan 15 - 31 Dec 15)										
Direct Programme Delivery	£342,672	£635,202	£331,191	£338,796	£323,999	£363,181	£192,730	£0	£0	
Supporting Programme Delivery	£25,997	£127,564	£48,522	£157,102	£28,096	£143,067	£37,734	£268,922	£212,248	
Advocacy & Communications	£7,461	£7,420	£0	£297	£726	0.00	£50	£47,337	£59,020	
Total Spend: Year 3 to date	£376,130	£770,186	£379,713	£496,195	£352,821	£506,248	£230,514	£316,259	£271,268	£3,699,334
Total Spend to date (by end Q4)	£857,282	£1,748,012	£741,302	£1,466,752	£1,047,679	£1,354,047	£814,879	£752,534	£742,917	£9,525,403
Remaining Funds (at end Q4)	£49,153	-£25,148	£37,161	-£22,859	£9,941	£20,899	£70,323	£25,755	£9,371	£174,597
% of Funds Remaining (at end Q4)	5%	-1%	5%	-2%	1%	2%	8%	3%	1%	2%

2016 forecast	£49,153	£0	£37,161	£0	£9,941	£20,899	£20,484	£18,500	£0	£141,093
Variance	£0	-£25,148	£0	-£22,859	£0	£0	£49,839	£7,255	£9,371	

Notes:

- **Egypt:** The £49,153 underspend in Egypt is as a result of savings made on staffing costs at Plan and CARE, and on field-office staff, as well as lower international travel costs. It will be used chiefly on refresher trainings and core staff salaries in Jan-Feb 2016, as approved by Barclays in Jan 2016
- **Ghana:** Plan Ghana has an overspend of £25,148 due to fact that refresher training was conducted for the all record-keepers of all the Plan youth groups. Plan Ghana felt the training was important for the sustainability of the programme as the groups may not have remained strong after the programme without it.
- **India:** CARE India has an underspend of £37,161 because they used phase 1 underspend during the first 2 months of phase 2 (ie Jul-Aug 2013). CARE India had only just achieved targets in November 2015 (Phase 2 began 6 months later than other countries) and needed more time to finalize project closure activities focusing on the two key components that will strengthen the sustainability of Banking on Change, by helping federations of savings groups and partner NGOs

to generate additional revenue and strengthen operationally and financially – these were planned activities that haven't be able to take place in the allotted time. In addition the Chennai floods caused major disruption in office and field activities for December, which will now fall into 2016. This was approved by Barclays in December 2015.

- **Kenya:** Kenya have an overspend of £22k due to extra quality assurance review and recovery plan.
- **Tanzania:** The £9,941 underspend is as a result of savings made on staffing costs. It is being spent chiefly on refresher trainings and core staff salaries in Jan-Feb 2016, as approved by Barclays in Dec 2015
- **Uganda:** reason is due to 10% underspend on running costs - ie savings were made in this line, and not using the AC budget The underspend of £20899 is due lower than expected running costs, and savings made from delivering Enterprise and Employability training of trainers together, and small savings made in the baselines and will be used for linkage activities in early 2016, as approved by Barclays in December 2015.
- **Zambia:** The underspend in Zambia of £70,323 is as a result of savings made on staff costs, as well as on the purchase of project vehicles and other project resources.. Significant savings were also made on Quarterly Review meetings (costs were covered by group contributions as part of a sustainability strategy introduced). In addition, some of the costs for revising training manuals had been allocated to Q4 in error and were not spent. There were also cost savings on the purchase of project vehicles and other project resources such as Village Agent kits.
- **CARE UK:** There is an underspend of £7,255 on the partnership and programme management budget lines. In addition £18,500 in costs have been accounted for in 2016 for the following activities: £7k salaries; £11.5k for final evaluation. Please note there was a further £37.5k spent on the charter (£25k from Barclays, £12.5k from CARE) that has not been included in this budget.
- **Plan UK:** Plan UK have an underspend of £9371 as a result of cost savings made on international travel. Included is all the expenditure for activities booked in 2015 even if paid for in 2016, such as the YSGM and the Final Evaluation report. Also included is £2.5K towards the cost of producing the Journey of Banking on Change report, and £5K towards the cost of holding the BoC session at the Women Deliver Conference in Copenhagen with a young person from Tanzania, and which supports the legacy of Banking on Change.

Annex

Table of Metrics

A=Actual (Y2 Q2 by 30 June 2014, and Y2 Q4 by 31 Dec 2014), % = against 3 year target, T=Target by the end of Y2 Q4

	Egypt	Ghana	India	Kenya	Tanzania	Uganda	Zambia	Total
Total outreach								
Y1 Q4	26,039	37,193	40,427	43,152	18,683	16,967	12,481	194,942
Y2 Q4	43,409	59,059	48,439	111,026	34,870	52,380	20,202	369,385
Y3 Q4	47,498	74,182	51,291	111,777	45,577	63,039	24,652	418,016
Target	37,200	54,000	46,800	80,823	41,900	48,401	21,800	330,924
Total Youth Outreach								
Y1 Q4	6,380	13,914	18,732	30,177	11,159	6,858	7,379	94,599
Y2 Q4	26,938	37,109	26,407	92,688	27,316	42,587	12,422	265,467
Y3 Q4	35,949	47,840	32,662	93,773	35,079	48,340	17,129	310,772
Target	29,300	41,167	27,077	60,784	34,300	38,273	18,475	249,376
New Youth Savings Group Members								
Y1 Q4	6,380	7,199	2,815	15,692	2,808	4,018	6,286	45,198
Y2 Q4	15,072	30,257	9,823	81,633	19,479	35,678	13,864	205,806
Y3 Q4	17,661	43,856	11,790	81,982	29,814	40,283	20,377	245,763
Target	13,300	33,000	6,300	47,750	27,500	30,500	15,300	173,650
New Youth Savings Groups								
Y1 Q4	539	384	221	770	178	146	552	2,790
Y2 Q4	1,004	1,415	641	3,550	792	1,311	1,157	9,870
Y3 Q4	1,125	1,958	752	3,550	1,166	1,463	1,711	11,725
Target	985	1,650	450	2,652	1,100	1,472	1,680	9,989
Fin Lit skills training								
Y1 Q4	0	0	966	14,136	0	2,260	2,771	20,133
Y2 Q4	16,148	36,872	13,705	110,690	14,737	15,930	10,407	218,489
Y3 Q4	25,308	72,513	50,500	110,690	28,329	44,334	21,540	353,214
Target	25,125	54,000	46,800	80,823	27,500	35,681	15,300	285,229
Enterprise training								
Y1 Q4	0	0	215	200	10,550	1,344	0	12,309
Y2 Q4	8,326	2,843	1,733	16,145	20,576	13,610	8,129	71,362
Y3 Q4	22,534	33,694	11,254	28,214	38,183	43,566	19,717	197,162
Target	19,045	21,600	10,000	22,702	25,000	35,681	18,000	152,028
Employability Skills Training								
Y1 Q4	0	0	101	0	0	0	0	101
Y2 Q4	2,637	0	1,642	703	2,604	13,610	1,797	22,993
Y3 Q4	10,801	34,706	7,837	3,255	22,439	25,006	8,682	112,726
Target	10,025	33,000	6,500	1,279	27,500	21,350	15,300	114,954
No of IGAs set up								
Y1 Q4	0	6,441	100	6,797	0	0	1,737	15,075
Y2 Q4	4,805	9,121	1,861	25,804	10,262	12,114	10,258	74,225
Y3 Q4	5,229	10,931	3,892	25,804	27,894	29,950	13,208	116,908
Target	2,708	10,800	2,100	8,795	26,900	19,958	13,500	84,761



No of IGAs set up by youth

Y1 Q4	0	1,265	100	1,797	0	0	1,647	4,809
Y2 Q4	3,544	1,327	240	12,860	163	7,628	6,269	32,031
Y3 Q4	3,544	2,660	954	12,860	14,919	16,428	8,097	59,462
Target	708	3,200	2,100	3,398	12,500	9,800	9,600	41,306

Total no of groups linked

Y1 Q4	0	169	0	90	75	146	1	481
Y2 Q4	0	284	0	910	342	418	29	1,983
Y3 Q4	0	565	0	1,990	746	1,045	51	4,397
Target	0	500	0	2,988	500	927	148	5,063

Groups linked to Barclays

Y1 Q4	0	15	0	0	0	146	1	162
Y2 Q4	0	25	0	0	181	415	11	632
Y3 Q4	0	27	0	692	182	1,040	15	1,956

Groups linked to other FFIs

Y1 Q4	0	154	0	90	75	0	0	319
Y2 Q4	0	259	0	910	161	3	18	1,351
Y3 Q4	0	538	0	1,298	564	5	36	2,441

Barclays Volunteers

Y1 Q4	0	11	20	170	52	50	34	337
Y2 Q4	62	20	71	210	197	50	48	658
Y3 Q4	62	20	71	234	197	61	50	695
Target	200	100	20	200	200	50	40	810

Total Savings USD

Y1 Q4	\$439,743	\$1,900,762	\$2,570,000	\$709,107	\$896,101	\$584,475	\$394,864	\$7,495,052
Y2 Q4	\$965,294	\$2,227,336	\$3,224,807	\$1,987,813	\$2,200,783	\$701,787	\$473,164	\$11,780,984
Y3 Q4	\$1,186,540	\$2,547,611	\$3,890,461	\$1,823,728	\$3,333,925	\$2,332,014	\$511,792	\$15,626,071

Total Loans outstanding USD

Y1 Q4	\$124,376	\$1,326,801	\$2,330,000	\$868,809	\$892,700	\$466,997	\$571,529	\$6,581,212
Y2 Q4	\$307,668	\$1,463,550	\$3,048,738	\$2,596,584	\$2,146,057	\$666,501	\$665,216	\$10,894,314
Y3 Q4	\$455,547	\$1,664,241	\$3,092,157	\$2,391,184	\$2,883,272	\$2,206,212	\$688,323	\$13,380,936

No of village Agents

Y1 Q4								0
Y2 Q4		289		100	206	246	258	1,099
Y3 Q4		313	19	190	206	252	355	1,335
Target	0	270	15	180	250	246	320	1,281

Banking on Change Events log - 2015

Event	Content	Audience	Coverage/Collateral gained	Outcome
March				
CYFI Webinar for Global Money Week 16 March	Youth savings group model consultation	CYFI network members organisations and young people	CYFI website	Feedback organisations on their experiences with youth savings groups. Raised the profile of BoC's youth work.
April				
Charter webinar Linking Savings Groups to Banks; what works and what doesn't. 21 April	Presentations from BoC, Barclays, Grameen and Fidelity Bank on linkage and technology.	100+ attendees Charter signatories, banks and SEEP Network members	Social media	Showcased experience and learning on linkage to an interested audience
Charter Roundtable with Kenyan Bankers Association 15 April	Responsible Linkage and the Charter	Kenyan Banks, telcos, donors		Showcased the Charter and warmed up banks as signatories.
June				
WEF Africa - private financial inclusion group event, a Guardian roundtable co-sponsored by Visa, and at a public debate. 3-5 June	Banking on Change key messages	Banking and financial sector	Media interviews with Bloomberg and CNBC by both Antony Jenkins (former Group CEO) and Maria Ramos (CEO, Barclays Africa).	Banking on Change profiled with a senior and influential audience
European Day of Development 3-4 June	Within reach Report and Banking on Change key messages	European policy makers (including Gabin Hamman, Head of Sector Private Sector Development for the EC) and banking/finance sector	Two CARE comms staff attended to live tweet event	Banking on Change profiled with an influential audience
July				
CYFI Webinar 6 July	Youth Savings Group Model consultation with young people	CYFI youth network members		Feedback on young people's savings habits.
September				
UNCDF Charter signing ceremony with BoC partners	Commitment to the Charter and its principles.	UNCDF General Secretary, Laurie Lee, Diane Eschlemann	Social media, article on MasterCard Foundation website.	UNCDF staff
October				
Global Youth Economic Opportunities Conference, (Making Cents), Washington 6-8 October	Introduction to BoC and YSGM work, youth VA's delivered an interactive session on Enterprise Your Life.	Private sector, NGO's, Governments, Academics, MFI's, Donors.	Social media	Sharing learning and experiences from BoC and our youth work. Obtained message of support for model.
SEEP Child Youth Finance Economic Strengthening Group Webinar 8 October	Youth Savings Groups as a platform for delivery of integrated services	SEEP Network members	n/a	Profiling the work of Banking on Change with young people.
November				
SEEP SG2015 The Power of Savings Groups Summit 10-12 November	Sessions delivered on the youth savings group model and the IDS research, Charter profiled across the event with the State of Linkage report	Private sector, NGO's, Governments, Academics, MFI's, Donors.	Social media, blogs on SEEP website	Profiled Banking on Change

Banking on Change Coverage Chart 2015

Cover Date	Headline	Publication
March	Guardian Witness – Photo competition - what does money mean to you? Photo of a VSLA meeting in Zambia on website.	Guardian Newspaper
March	Ethical Corporation Awards brochure	http://events.ethicalcorp.com/awards/pdf/EC-Awards-Brochure-Mar2015.pdf?utm_source=winner&utm_medium=pdf&utm_campaign=winner Page 20-21
8 April	Third Sector Business Charity Awards – Banking on Change shortlisted under the Best Charity Partnership – Financial and Professional.	Third Sector
6 June	From Saving and learning to Banking and Earning	Blog by Rachel Lindley on European Year for Development website A world at work: From saving and learning to banking and earning
10 June	A world of work: Banking on Change	Post on European Year for Development website https://europa.eu/eyd2015/en/plan-international/posts/banking-change
29 June	Profile of Banking on Change as finalist of BITC Unilever Global Development Award Finalist.	Business Fights Poverty website
22 July	Barclays Launches Savings Charter	Zambia Daily Mail (print and online editions)
29 September	Care International UK's lend with care programme bringing capitalism to the world's poorest. Opinion piece by Alistair Stewart mentioning Banking on Change	City AM
October	Young People Can Save: The Emerging Youth Savings Group Model and Why We Need Your Support	Youth Economic Opportunities (Making Cents) website: http://www.youtheconomicopportunities.org/blog/2698/young-people-can-save-emerging-youth-savings-group-model-and-why-we-need-your-support
October	Banking on Change: How Youth Savings Groups fit the complex lives of young people	Blog on SEEP Network website before Power of Savings Groups 2015 Conference in Zambia: http://www.seepnetwork.org/blog/banking-change-youth-savings-groups
31 st October	World Savings Day press release – Barclays Banking on Change disrupts “Savings Model” and encourages other to follow suit. Interview with Stephen van Coller.	38 pieces of coverage (print and online) across Africa e.g. Ghana, Nigeria, Zambia, across a number of pan-African publications
7 December	Live Q&A: The gender gap in financial inclusion is not closing - what next?	Guardian online - Katherine Hughes, financial Inclusion Advisor (Asia), Care International UK panelist



Barclays, Plan UK and CARE online channels - Highlights

Date	Subject	Channel
Plan UK		
13 March	Global Money Week	Article on importance of saving and Banking on Change youth savings groups.
April	Executive Board Visit to Kenya	Twitter – tweets with photos throughout the trip from Tanya Barron and Plan UK
October/ November	World Savings Day	Twitter – engaging content throughout the day – and over the weekend – 17 tweets in total utilising all comms collateral Blogs on Making Cents and SEEP websites around Global Youth Economic Opportunities and SG2015 conferences
9 November	Youth Savings Groups transforming lives	Blog by John Schiller in advance of SG 2015: Power of Savings Groups Summit.
CARE UK		
January	MDGs, progress, challenges and the year ahead: Why 2015 will be a big year for overcoming poverty	CARE Insights blog by CARE CEO Laurie Lee featuring charter
April		Executive Board Visit to Kenya Twitter – tweets with photos throughout the trip from Laurie Lee and CARE
May	Banking the missing billions is within reach Banking the bottom billions – new research and discussion at the European Development Days on 3 June Why financial inclusion? Follow the debate at our European Development Days event and find out if banks can serve the bottom billions	CARE Insights blog by CARE CEO Laurie Lee featuring BoC CARE Insights blog by Gerry Boyle featuring Banking on Change CARE Insights blog by Gerry Boyle featuring Banking on Change
June	How business can economically empower women through the SDGs	CARE Insights blog by CARE CEO Laurie Lee featuring Barclays
July	CARE International's submission to the World Bank Gender Strategy consultation Financing for Development Conference: Promoting financial inclusion could unlock \$100bn of domestic resources in developing countries	CARE Insights blog by Gerry Boyle featuring Charter CARE Insights blog by Gerry Boyle featuring Banking on Change
August	Why linking to savings groups may be key to increased bank value	CARE Insights blog by Gerry Boyle featuring Banking on Change
September	Reaching the Summit – a celebration, and a massive to do list – Part 1 Opportunity knocks: Financial inclusion and the Sustainable Development Goals	CARE Insights blog by CARE by PA Wilton featuring Charter CARE Insights blog by CARE by Gerry Boyle featuring Barclays
31 October	Three insights from Banking on Change's State of Linkage Report World Savings Day	CARE Insights blog by CARE by Matt Wilson of Barclays Twitter – engaging content throughout the day – and over the weekend – utilising all comms collateral.
Barclays		
March	Global Money Week	Twitter activity showcasing strong content
April	Kenya EB visit	Supported with twitter activity; retweets etc.
April	BITC International Development Award	Twitter activity directing traffic to BoC video following BITC nomination
June	Barclays Citizenship Awards	Profiling the the Linkage team in Uganda during a three month period in group-wide internal communications. The Linkage team won the contributing to growth award and were subsequently profiled further both on the website and in additional building assets – see below: https://www.home.barclays/news/2015/06/citizenship-awards.html Building assets included films in lifts, the intranet, the website and lift vinyls
June	WEF & European Development Day	Supported with twitter activity
August	Social innovation challenge – BoC & Uganda showcased as example case study of developing business solutions to social	Intranet article published across Barclays group; supporting film included BoC/ Linkage related footage



	challenges	
Sept	UNCDF signs up to Savings Charter	Profiled through @Barclays_cship twitter feed1
Sept	Alistair Stewart City AM comment piece	Article link shared via twitter
October	World Savings Day	Article on home.barclays and on the intranet. BoC film playing in the lifts at 1 CP. Twitter activity showcasing strong content.
October	Making cents conference	Pushed out twitter activity
December	Financial Innovation Award	BoC award win profiled internally and also news of win shared via twitter

Egypt End of Partnership Report

Highlights

- After an unsteady start in Year 1, Egypt made excellent progress and was the first of all Banking on Change Phase 2 COs to reach all of its targets for Group formation and training.
- “The trainings were very popular and people attended them. When we reflect we were overwhelmed that people were very happy to receive the trainings.” (Sustainability Call)
- “IGAs post training were more in line with the communities’ needs” (End of Partnership Report)
- Employability Skills training (called Social Empowerment training) delivered in Egypt has been particularly popular and effective, and young women have valued the ‘safe spaces’ which savings groups have given them to discuss issues such as early forced marriage, FGM or gender based violence. Whilst not originally part of the programme design, this is a strong impact.
- The Egypt team showed great initiative in holding Youth Roundtables to share learning and encourage feedback amongst programme participants.

End of Partnership Report – Three Biggest Impacts:

- Improved Social Capital: The programme increased trust among saving group members as they saved and lent to one another, made the social fund available to support members in need and bought from each other’s IGAs.
- Improved Access to Financial Services: Members have for the first time in their lives access to savings and credits without any collateral, in a very easy and simple way. This access to finance improved their well-being and helped them overcome emergencies. Family and community perceptions changed with regards to young people and women’s role and capability to save, establish a successful IGA and have a role in improving the economic situation of their family.
- Improved Self Esteem: The program improved members’ public speaking ability, decision making and self-perception. It further increased their capacities to analyze, solve problems and take positive risks in establishing their small businesses. In particular the program was instrumental in building confidence in young people and women, who began to participate in the household decision making, as well as managing IGAs and travelling outside their communities (not culturally accepted generally) for attending programme activities or marketing/selling products.“

What has Banking on Change Egypt Achieved during Phase 2

		Egypt	Status Overview and RAG
Informal financial services for youth	Youth Groups formed by end Year 1	0(0%)	114% of target achieved
	Youth Groups formed by end Year 2 (cumulative)	1,004 (102%)	
	Youth Groups formed Y3	1125 (114%)	
Enterprise Development	People trained Year 1	0	118% of target achieved
	People trained Year 2 (cumulative)	8,326 (44%)	
	People trained Y3 (cumulative)	22,534 (118%)	
Employee Engagement	Staff engaged Year 1	0	Target not achieved due to political/security constraints
	Staff engaged Year 2 (cumulative)	62 (31%)	
	Staff engaged Year 3 (cumulative)	62 (31%)	

Lessons learnt and Recommendations

- *End of Partnership Report – Three Lessons Learned:*
 - “Building on existing programmes that are run by Community Development Associations (CDAs) that target the youth is a good way to expand on youth outreach, and by using these connections youth are better able to coordinate with other projects regarding issues

related to sanitation and food scarcity, thus expanding the reach of the dimensions of the project as well.

- Regarding trainings, participants should walk away with clear-cut messages regarding financial education and social empowerment. By inserting central messages and topics that engage real-life scenarios, participants are more open to a new concept or idea they can then manage to digest.
- It is important to ensure that youth are included in the planning and design stages of the trainings. Subsequently, it is also important to conduct needs assessments and make sure that all youth, men and women, do not feel left out of certain trainings. For example, some youth participants believed that the project should have begun with social empowerment trainings designed for men and women.”
- *Other learnings from End of Partnership Report - Youth:*
 - SG meetings were often held at young women’s homes or safe, communal spaces and were advertised as such. Utilizing safe, public spaces also brought many young female participants into the project that might not otherwise participate. Girls who are unmarried are often not allowed to go out and participate in activities outside their houses.
 - Youth need non-traditional learning opportunities or activities coupled with different fresh ideas regarding IGAs. It is important to highlight entrepreneurial skills as it helps participants choose a sustainable IGA for them. Youth in general were involved in slightly different IGAs when compared with adults. Youth members tended to jump start IGAs that included mobile shops (selling prepaid cards), manufacturing activities (sewing, handcraft, haircutting) and trading activities (groceries, cleaning items, vegetables).
 - When youth see other youth benefiting from the project, they in turn request to join. The Peer-to-Peer Approach is a good tool because it encourages youth to express their opinions while simultaneously leading group discussions. When it is youth speaking to youth, it increases their receptiveness to the information.
 - Self-selection and decision making on the group formation, group rules and self-management were key to ensuring healthy groups
 - Each governorate is full of success stories and lessons learned. There could have been a better mechanisms to exchange information amongst the groups
- *Other learnings from End of Partnership Report - Trainings:*
 - Members of Enterprise were able to develop greater levels of confidence (especially the women) and self-sufficiency. These SG members were able to exchange ideas and advice regarding their own experiences with SG newcomers. In some governorates, new methods to generate interest regarding IGAs were piloted. For example, in Alexandria, a rotating exhibition of handmade crafts made by VSLA members took place several times, effectively creating a new market for Alexandrian VSLA members to sell their handicrafts.
 - Challenges emerged as well from Enterprise Trainings and these challenges had to be taken into account when designing trainings. For example, many of the women lacked independence and were not afforded decision-making positions in their families. Thus they were often not in firm control of selecting or implementing their IGA. Many youth were interested in fast, money-making schemes and wanted to design large projects that weren’t necessarily sustainable overtime. Sometimes demand for vocational skills training emerged, but couldn’t be addressed as this was not part of the programme methodology.
 - It is recommended that the trainings needed to start as early as possible, but generally applying the training after conducting a training needs assessment will help to better tailor the training to the real needs of the group members. There should be a participatory approach on selecting the training topics as well as the sequence of delivery.
 - The social empowerment training should come before the financial education training, however the social empowerment training should have done a better job of including men and boys into the training. Looking back, it might have been interesting if mechanisms were developed to increase male participation in SG.

“What will be the legacy of Banking on Change, in your view?” [from End of Partnership Report]

- “The legacy of BoC will lie in its youth participants and other marginalized groups mobilized, specifically girls and women who participated in the project. This is endorsed by the increase in youth groups and female members over time. The legacy is tied to the importance of financial education as well as financial inclusion. Banking on Change was able to create a platform for financial education for which youth received specific training packages. Youth also built up confidence and their capacity regarding entrepreneurial skills, enabling them to jump-start IGAs, while creating self-sufficiency at the same time.”

What will continue?

- After Banking on Change, it will not be possible to continue the programme in its current format as there will not be funding to sustain local partner staff. However, both Plan and CARE Egypt have applied for funding from a new funder for work on Women’s Economic Empowerment. If successful, both would implement the new programme through existing YSGs and SGs – which would also enable the teams to keep monitoring and collecting data on YSGs as they would still be working with them.
- YSGs and VSLAs should continue to operate on their own. Banking on Change began piloting a ‘fee for service’ model towards the end of the programme which would enable ongoing oversight of groups by VAs/YVAs even after Banking on Change ends.
- Cascading of comprehensive trainings in the structured way achieved through Banking on Change will not be able to continue as the trainers were specialists and there is no longer funding for this. However, some VAs/YVAs who have already been trained through ToT might continue cascading trainings to groups in their area which have not yet been reached. But there would not be co-ordination, quality assurance and oversight from local partners and Plan/CARE Egypt.
- There may be some spontaneous new YSG formation through VAs and YVAs, although without the structure of the project it will be hard to co-ordinate and monitor this.
- Cross-fertilisation between the young people who are in the YSGs will definitely continue, and young people will see others starting IGAs and come to learn from them. There will be continued growth and impact through peer exchange in this way.
- The team had planned dissemination events to share learnings from Banking on Change at national and community level, to perpetuate impacts. This will be done through social media if funds are not available. The team has also met with the Egyptian Banking Institute and SchoolBank International, sharing with them the YSG principles as we want to encourage the Egypt national regulator for banks and other banks to take more responsibility to promote savings for young people. This is another way in which Banking on Change’s work will continue. Similarly, we are trying to promote a national strategy to encourage youth savings which the EU is also promoting we would bring Banking on Change learnings to this.

Case Study from Egypt: Rami

Rami is a 26 year old man, married since 2007 with three children. His oldest, a girl aged 6, is just about to start school. He has a boy aged 2 ½ and his youngest is a girl aged 9 months. His business is ironing, using an industrial iron. He started off with a non-steam iron, and was initially home-based. He borrowed once from his group, borrowing 600LE to start his business. He is on his third savings group cycle. He is friends with one of the promoters (field officers) who told him about the group and so he decided to join.

He now owns his own work shop. His business is very profitable, and he has now employed someone to help him with the workload. His wife also helps him with the business. His savings have increased since he started in the group, and this has further increased since he started his business.

Prior to starting his business he was a carpenter, but didn’t feel this provided enough security for him and his family and also he didn’t like having to travel outside of the city regularly to find work.





He has received financial literacy training, where he learnt things like budgeting but he wants more assistance in project planning, particularly learning how to develop and enlarge his business.

He wants to buy another iron, but also has ambitions to open a laundrette and drycleaners, as well as starting a car hire business for use at weddings. He also wants to use the money he makes to make sure his children get educated, and eventually wants to own his own home.

Ghana Progress Report

Highlights

- Ghana exceeded its YSG membership target by a third, reaching 43,856 YSG members (133% of target) in 1,958 groups (119% of target).
- Ghana also exceeded Financial Literacy and Enterprise Skills trainings significantly, training 72,513 members in financial literacy (134%) and 33,694 in Enterprise skills (156%). The targets for Enterprise skills for Ghana had originally been set quite low given the relatively high outreach targets, but as the Enterprise skills trainings for both YSGs and adult groups were popular and effective, local partners continued cascading the trainings even after targets had been met.
- The team in Ghana showed excellent initiative in adjusting training sequences to suit the group life cycle better (eg delivering FL training on borrowing at the point in the cycle when young people were ready to take their first loans), and adapting their manuals to make them more youth-friendly
- Ghana also pioneered MoUs and Due Diligence Questionnaires for working with other FFIs to ensure responsible linkage with a range of local banks. These tools were adapted for global use as part of the Linkage Tools suite.

End of Partnership Report – Three Biggest Impacts:

- Improved social capital/access to financial services: The programme achieved improved savings behaviour and access to loans for investment and for household social and economic needs among rural and peri-urban youth and adult people who constitute 60% of the Country's population who have no access to formal financial services. ***“The ability of the project to deliver appropriate financial services in remote areas marked by weak economic activity, on a sustainable basis, and at low establishment cost is what makes this project unique. Now it is very rare to see a child who doesn't go to school if he or she or their father or mother is in a YSLA or a VSLA”*** ***“The ability of the project to deliver appropriate financial services in remote areas marked by weak economic activity, on a sustainable basis, and at low establishment cost is what makes this project unique. Now it is very rare to see a child who doesn't go to school if he or she or their father or mother is in a YSLA or a VSLA”*** (An Opinion Leader).
- Improved self esteem / skills and knowledge: Improved self-esteem among youth members gained through the acquisition of leadership skills, record keeping, basic financial literacy, employability and entrepreneurial skills trainings. A Youth network member affirmed this view of stakeholders in the following quote: ***“The project has empowered us through the various trainings to establish an identity outside of our family by giving us exposure and self-confidence in the public.”***
- Improved access to financial services / skills and knowledge: Improved economic independence and entrepreneurial capacity of beneficiaries through increased expansion, sustenance and creation of more IGAs in communities. An Assembly Member acknowledged this assertion in the following quote: ***“Participating in the saving group and acquiring enterprise skills played an important role in helping young people transition into adulthood by starting their own income generation activities thereby supporting them to become productive and economically active members of their communities and societies.”*** A YSLA member was also quoted as follows: ***“The add-on trainings has empowered us, especially we the ladies to do businesses. The training nurtured us to be enterprising and to generate more money to save at each meeting. I can now afford basic health service. I can see the difference between my family's good health and those of my neighbours who aren't in the savings and loans groups. I see other children chased from school for owing a book or school fees. I feel relieved that this is not my children anymore.”***

What has Banking on Change Ghana Achieved during Phase 2

		Ghana	Status Overview and RAG
Informal financial services for youth	Youth Groups formed by end Year 1	384 (23%)	119% of target achieved
	Youth Groups formed by end Year 2 (cumulative)	1415 (86%)	
	Youth Groups formed Y3	1,958 (119%)	
Enterprise Development	People trained Year 1	0	156% of target achieved
	People trained Year 2 (cumulative)	2,843 (13%)	
	People trained Y3 (cumulative)	33,694 (156%)	
Deepening Financial Inclusion	Groups linked Year 1	183 (37%)	113% of target achieved
	Groups linked Year 2 (cumulative)	298 (60%)	
	Groups linked Y3 to date (cumulative)	565 (113%)	
Employee Engagement	Staff engaged Year 1	11	Only 20% of target achieved, largely due to unavailability of BBG staff due to distance from branches to groups
	Staff engaged Year 2 (cumulative)	20 (20%)	
	Staff engaged Year 3 (cumulative)	20 (20%)	

Lessons learnt and Recommendations

- *End of Partnership Report – Three Lessons Learned:*
 - Project Annual Review Meetings serves to enhance stakeholder commitment and cross sharing of best practices for effective programme implementation
 - Youth interest in add-on trainings can be generated and sustained through the use of activity-based trainings with specific youth and community based examples. For instance, inclusion of relevant pictures and stories in training manuals enhances the understanding and application of training concepts by youth beneficiaries.
 - The use of the Community Volunteers concept to achieve scale and sustain adult groups can however not yield same results with youth savings groups due to their inability to pay for Youth CVs services.
- *Other learnings from End of Partnership Report - Youth:*
 - Youth can have high expectations for “hand-outs.” Small incentives/motivation (such as toffees) during trainings can arouse and sustain interest.
 - When young people understand the goal and objective of the project, they participate fully and own it
 - For sustainability of youth savings groups projects, key stakeholders must be properly engaged from the onset of project design.
 - Community radio is a strong and an effective weapon for youth mobilisation which is relatively less costly at the grass root level and should be exploited
- *Other learnings from End of Partnership Report - Trainings:*
 - Scheduling training meetings to suit youth members coupled with appropriate training techniques such as the use of ice breakers and energizers enhance youth participation.
 - Regular visits to savings groups by field officers enhance attendance and active participation in trainings.
 - When add-on trainings such as FFE and EYL are well delivered, it increases the number of members who want to take loans, start an IGA and manage their businesses well
 - The content of Employability skills training if well delivered is a gateway for youth to learning more about wage employment and life skills

Other learnings from End of Partnership Report - Linkage

- Groups that have been effectively assessed with the linkage assessment tools before linkage do well in their linkage process. Adherence to the VSLA methodological principles especially internal rules and regulations is critical in bank linkage.

“What will be the legacy of Banking on Change, in your view?” [from End of Partnership Report]

- The Banking on Change Programme has been **by far the biggest savings groups or community owned intervention in Ghana** in terms of funding, outreach and scale for both youth and adult savings groups as well as outcomes and impact level assessment. This view is based on the fact that no single other programme or project has so far reached out to over 100,000 adult members and a further 43,000+ youth savings group members across eight Regions of the Country. Furthermore, the linkage of over 500 groups to formal financial institutions makes it the highest achiever in this sphere, as well as the addition of add-on trainings and innovative delivery through CVs.
- The Programme has over the six year period has demonstrated that **it is the pathway for financial inclusion in Ghana** given the vast majority of the rural and peri-urban populace within very hard to reach communities who prior to its implementation had no access to formal financial services of any kind currently enjoying financial services at the lowest cost ever and at their door step. Many of these vibrant and functional savings groups have operated for about six years thereby proving the sustainability of the intervention and most of all because beneficiaries have acquired skills which will impact on them positively for the rest of their lives and generations yet unborn.
- The special focus of the Programme on Youth economic empowerment in terms of its promotion of youth savings, social capital, access to credit, business management and entrepreneurial skills resulting in the identification, management and sustainability of income generating activities should continue to showcase **lasting impact of producing more youth entrepreneurs** and reverse the current trend of massive youth unemployment in the country.

What will continue? (From the Sustainability Call)

- Within YSGs and VSLAs, some groups will continue to rely on CVs to help with share-outs and oversight, as they have throughout the programme. However, YSGs cannot always afford the fee for service and so it might be harder for YCVs to continue monitoring and supporting YSGs. Ghana has found that adult groups can manage the fee for service more easily. Some local implementing partners will still be active in the communities so may still be able to offer ad hoc support.
- CVs and YCVs who have been trained to deliver financial literacy will be able to continue doing so. However, it will be hard to continue rolling out the specialised trainings eg EYL or Employability as these required specialist trainers whose contracts have now ended.
- **“What we are sure of is that those youth and adults who have already benefited will continue to use the skills they have gained – that we are sure of because we already see it happening.**
- As for linkage, several of the FFIs (especially rural banks) with whom Banking on Change Ghana signed MoUs are now going directly to groups to offer agency banking / account opening in the field, so linkage is likely to continue. However, Plan and CARE Ghana and the IPOs won't be there to keep monitoring and preparing groups.
- The Plan Ghana team has a new programme on health starting next year and want to use Banking on Change Savings Groups as part of this programme – they will be the entry point for the health interventions. Both Plan and CARE Ghana also have other concept notes under development to enable continuation of this work, and a plan to incorporate SGs in (other) current projects/programmes as SGs serve as great platforms for other interventions. Banking on Change learnings and tools will feed into future proposals too.

Case Study: Kaka Latifa

“I was often sacked from school for not being able to pay my fees promptly and this affected my studies. I mostly found myself filled with worry anytime school reopened. Sometimes, I boycotted school sessions because I didn’t want to be subjected to the shame of being sacked from class during lessons. I preferred to stay home until my parents mobilized money to pay my fees but by the time they were able to do so, I would have missed a lot of class sessions already”, said Kaka Latifa.



Kaka Latifa is a 16 year old Junior High School girl in the South Tongu district of the Volta region of Ghana. Like most girls in her community, lack of money is a major issue which thwarts her efforts to climb the academic ladder and complete Junior and Senior High Schools. This barrier often leads to some girls dropping out of school and some others getting pregnant in their bid to secure finances from various sources to fuel their education.

Coming from a poor home, Latifa stays in her extended family house with her parents, two grandmothers, three aunties and her two younger siblings. The family depend on a small income obtained from proceeds from its cassava, pepper and okro farms. The poverty situation often makes it impossible for her parents to raise money to pay her school fees when school reopens.

However, Latifa’s story of missing school sessions due to her inability to pay her school fees has now changed. She is now a regular student and is preparing enthusiastically toward her final examination. This is because of the Youth Village Savings and Loans Associations introduced in her community.

“VSLA was not new to me, it had been in my village for four years now; but it was mostly for the adults. So I was very happy when the FYSSO (Local Implementing Partner) Field Officer informed the youth in the community that the project is now focusing on forming youth groups to empower us financially. I informed my parents and they promised to support me with my weekly savings. It was much easier for them to give me a little amount of money on a weekly basis for my savings as compared to paying a bulk sum for my school fees.”

Latifa joined a Youth Savings group and this gave her access to a GH¢270 loan. She used this money to pay her school fees and to buy her school uniform, books and bag.

“I am very grateful to Plan Ghana, CARE Ghana and Barclays for introducing this project. I will keep encouraging all the youth, especially girls to be members of the VSLA, to help them save towards their educational needs and to avoid being school dropouts and becoming pregnant”.

Latifa says that with this intervention, she is sure to further her education and become the doctor that she always dreams of becoming. She has shared the YVSLA strategy with several girls in the community who have also joined the savings group to save and source money for their education

India Summary Report

BOC India reached 51,291 people organised in 744 self-help groups of which 32,662 are youth members below 35 years exceeding the project set targets for both carry-over and youth groups. Business skills & financial literacy were provided to 11,254 & 50,500 members respectively and a total of 3,892 IGAs were set up of which 954 belong to youth members.

Highlights

Youth + Enterprise

- The project developed a psychometric tool for 'youth aptitude assessment', which captures their orientation towards employment or entrepreneurship. This has been an area of challenge for the project when mobilizing youth for employability and entrepreneurship training programs since most of the times; the youth are not decisive about their future directions. The tool has been developed with the support of an external consultant and is pilot tested with about 300 samples from across the three locations.
- Generally youth in the urban context without family responsibilities show more readiness towards employment opportunities. While youth performing the role of young mothers and newly married wives show more preference towards home based work, which is often the self-employment opportunities. The project experience confirms that urban context offers more opportunities for employment as compared to the rural contexts. Youth in rural areas are more inclined towards farm based enterprises. Tailoring is one enterprise which is emerging across both the contexts.

Enterprise and Employability skills development

- The dairy value chain has emerged as a successful model and has been replicated in the second federation and also in the neighbouring district. The initiative reached more than 3000 members, of which at least 1000 have become entrepreneurs in various points of value chain. In the no cost extension, the project will make efforts to mobilize members in the value chain and promote a producer company (a new legal form of an entity), an institutional arrangement that will enable better mobilization of resources including credit linkages.

Building Self-Help Groups as Community Based Institutions

- The project advanced a further step ahead towards institution building and strengthening of SHG Federations. In Delhi, the federation entitled 'Sakhi Sangam Society for Social Change' has emerged as unique community based organization in urban context. It is the apex body of SHGs representing the model SG (sub-group) > SHG > Cluster > Federation. The project is capacitating the Federation leaders on accounting and book keeping and governance and is motivating them to take complete governance and management responsibilities of the Federation. The Federation is also making efforts for establishing linkage with government institutes, schemes, financial institutions, grants for financial support. In Tamil Nadu, the project has also supported partner NGOs to focus on sustainability of the Federations with well developed plans and revenue sharing protocol between the NGOs and the Federations. All the federations have now started generating revenues from their linkages and services.

Linkage

- The project took advantage of the national mission on Financial Inclusion and encouraged youth to open bank accounts. As a result of this drive, all youth and other carry over members now have bank accounts. The national mission also recently launched social security products which included two insurance products and a micro pension product. There has been a good response from the youth members to take up these additional products with many already enrolled while others are considering positively for enrolment in the near term. The project focused on facilitating credit linkages for the trained youth to enable them embark on their entrepreneurship journey [India context is quite different from other BOC countries – their self-help model is more credit led compared to VSL methodology because the approach is somehow embedded into the government FI legal framework although for BOC, the element of savings was made more pronounced and

strong. More than 2,000 youth have been facilitated to obtain direct credit from banks for their enterprises. This is a graduation process where such youth are able to become direct clients of banks. This may be small loans in the range of INR 50,000/- to INR 100,000/- for a variety of enterprises including petty shops, trading, beauty clinics, cloth trading etc. These entrepreneur youth continue to be part of the SHG system and have all the appreciation that the SHGs have given them the recognition as entrepreneurs in the eyes of banks. The project is making efforts to facilitate linkages more specific to the needs of enterprises. Already the project was able to introduce more than 810 milch animals through linkages with NABFINS and other SHG Federations. The project is exploring opportunities to link the different emerging enterprises with the FFIs that show willingness.

Advocacy:

- In **Delhi**, the project organized a 'Banker's Meet' in June 2015, in which representatives of a number of banks participated. The objective of the meet was to sensitize the bankers towards the needs of the SHGs for linkages. In addition to a presentation of the achievements of the project, it also discussed the challenges faced by the community members. The meet also served as a platform to sensitize the community on their rights to live with dignity and on gender issues. In **Tamil Nadu** the project facilitated field visits for the State Planning Commission (SPC) to explain them the approaches, strategies and the model. As a result the SPC is supporting one of our partner NGOs, to replicate the Dairy Value Chain initiative in collaboration with the Department of Animal Husbandry, Government of Tamil Nadu. This is great opportunity for the project to sell its model to the Government and get them involved in the process. Additionally, the project is in the planning stages of proposing to replicate the BoC model in about 69 town panchayats of Tamil Nadu in partnership with SPC and the Directorate of Town Panchayats to increase presence in the domain of urban micro finance and livelihoods.
- The project continues to collaborate with the national level academic institution, 'Rajiv Gandhi National Institute for Youth Development' (RGNIYD) working on youth development. The project has facilitated one the partner NGOs to work in partnership with RGNIYD to offer skill development programs for the youth. The program is now an established resource for RGNIYD, which ensures that the team members participate and offer resource lectures in its social entrepreneurship programs.

Progress Overview

		India	Status Overview and RAG
Informal financial services for youth	Youth Groups formed by end Year 1	221 (49%)	Complete and overachieved
	Youth Groups formed by end Year 2 (cumulative)	641 (142%)	
	Youth Groups formed Y3 to date	752 (167%)	
Enterprise Development	People trained Year 1	215 (2%)	Overachieved
	People trained Year 2 (cumulative)	1,733 (17%)	
	People trained Y3 (cumulative)	11,254 (112%)	
Employee Engagement	Staff engaged Year 1	20 (100%)	Complete and overachieved
	Staff engaged Year 2 (cumulative)	71 (355%)	
	Staff engaged Year 3 (cumulative)	71 (355%)	

Lessons Learnt

Voluntary savings: Women understand the value of savings and are able to save for specific needs. This differentiated savings product with more flexibilities as compared to the mandatory savings in SHGs offers many advantages to the members such as flexible amount, flexible period, specific purpose oriented and withdrawal facility. Therefore, the SHG members are able to appreciate the product that has immense potential to enhance their savings in SHGs, which is one of the safest places to save. What started as a pilot in Phase I with the support of the 'innovation Fund' has now been taken forward to more than 15,000 members. There are many variations in delivering the voluntary savings, which will offer further learning in refining their delivery modes. The project is developing a detailed report and a learning brief on voluntary savings.

Youth Inclusive Financial Services: Mobilizing youth may appear to be difficult in the beginning but once done, they provide good potential to introduce savings and savings linked social security products, especially micro insurance and micro pension. The youth have been sensitized about these services both in the structured Financial Literacy programs and in the mass awareness programs, youth melas and cluster meetings. The program had relevant IEC materials to support this. One of the challenges was that they did not have lump sum amounts to pay for the premiums of micro insurance and micro pension. The program encouraged youth to start voluntary savings which can be diverted to pay for the premiums after a certain period of accumulation. Many youth had thus enrolled into voluntary savings. These long term savings linked products offer more advantages for youth than adults since they can start early and save for long. Also, when exploring the efficacy of individual bank accounts versus group accounts for youth, they showed clearly that they would like to avail both the services. They indicated their preference for individual accounts but at the same time realized that group membership offered a lot of other social development benefits. It is good to take potential youth, especially those aspiring to be entrepreneurs through the process of graduation. As mentioned, SHGs give them a platform for access to many other benefits including access to financial literacy, skill development, social security products and leadership development. Youth are clear about this and have indicated their willingness to continue with the Group even after availing individual account. Understanding youth aptitude towards employment or entrepreneurship is also another aspect of learning in the project. The team has developed a psychometric tool to assess their aptitude and guide them appropriately, which has lot of potential for wider application when engaging with youth.

Trainings: Training through peer trainer was adopted as an important methodology for educating and inspiring women. The strategy was an effective tool for community mobilization, financial inclusion awareness rising, and sensitization of potential beneficiaries for income generation activities. Organising collective enterprises such as the tailoring centre also acted as an attraction for the youth to participate in the program. The centre set as a real model for channelizing youth towards income generation through a chained process of skill building followed by production of marketable items and market delivery as well as earning profit.

ii) Enterprise / Employability Skills Development: Youth show preference for skill based IGAs, in particular, tailoring. While urban youth have opportunities for entry into stitching of value added garments and business arrangements with organized sector, those in the rural areas generally depend on stitching of traditional garments such as blouses for women. They have limited opportunities to work with organized sector. The program envisaged that the skill development will further lead to either employability or enterprise opportunity for the participants. For example, acquiring tailoring skill motivates a youth to either set up an enterprise or seek a related job. The program envisaged that after imparting vocational skills, they can be further provided with enterprise or employability skills based on their specific needs.

Targeting: By nature the targeted community were found to be interested for traditional vocations and in contrast, new emerging skill based jobs. Therefore the project identified specific sectors for employability skills and enterprise skills development. Employability skills include the following – beautician, women security force, tailoring and embroidery, rural marketing, fashion jewellery, housekeeping, computer skills and mobile servicing. Enterprise skills include horticulture, coir products & coconut thatching, garment production, soft toy production, snacks production, goat rearing, jasmine cultivation, dairy, and banana fibre products making.

Multiplier impact

The developed psychometric tool for 'youth aptitude assessment', which captures their orientation towards employment or entrepreneurship is instrumental and will continue to be adopted while mobilizing youth for employability and entrepreneurship, the help them made quick decision about their future directions.

In Delhi, saving group members ability to speak in public, make or participate in decision making have improved and has given them the self-confidence and prove that they can be self-reliant. It has further increased their problem solving skills and being calculative in the risks they take. The improved confidence and self-esteem especially among women and youth has helped them to address regarding awareness on female genital mutilation (FGM), early marriage, and right to inheritance among others. This is because the society started seeing the woman as a productive, and that must participate and associate well socially and economically. Through the PPAs FGDs and IGA trackers, it has come out that women have started occupying more space in the taking household decisions regarding the economies of scale. There are also perceptible changes in their financial behaviours reflected in their increased enrolment into voluntary savings, micro insurance and micro pension.

In Tamil Nadu, the project trained the partner NGO to develop business plans for individual enterprises and complete bank formalities and procedures for direct individual linkages. One of the key successes is that now one of banks (NABFINS) is able to view the relationship as a high value business opportunity since there has been zero default in loan repayment so far. The project negotiated with NABFINS for partnership with the federations directly, which will make the federations more legitimate, less dependent on NGOs and more financially sustainable. One of the major outcome is NABFINS has offered grant to two of our partner NGOs from its CSR to implement development activities, which is a sign of business potential the program has offered to NABFINS.

What will continue and Recommendation:

The legacy of BOC will be the strong and vibrant SHGs, which are further aggregated to form the six Federations. These institutions are promoted and nurtured to become self-sustainable. The Federations have their own business plans developed and implemented. They are all embarked on the path of sustainable financial and social intermediary. They demonstrate high level of confidence in their journey of self-sustainability. They are well prepared to take on the learning and promising practises beyond the BOC project. They are also now serving as model for other federations in the neighbouring geographies of their respective promoting NGOs. This view is based concrete evidence from the field and also from the recently concluded 'stakeholder's reflection exercise', which validated the views

Linkage: The linkage initiatives started by the project such as linkage of self-help groups through their federations as well linkages with insurance companies such as life insurance corporation (LIC), Bajaja Allianz Life insurance LTD among others are likely to continue because of the institutional capacity the project has undertaken with the facilitating NGOs. However, with the inflow of more credit, there is need to keep strengthening the systems. When the source of credit is diverse, the systems have to be stronger to take care of the different repayment requirements. The program has inculcated the habit of credit discipline amongst the communities. In SHGs where a member has a problem, then other members get together to support her repay her loan, which results in timely repayment by the entire group – this is part of the Asian Self Help Group approach. There have been some such incidents. The federations have begun to take up active involvement in ensuring zero tolerance in repayment defaults.

Enterprise: The dairy value chain activities likely to continue because it is already replicated and provides immediate benefits, besides supportive structures are already in place. The project through leveraging its learning, especially by taking them across to the Government programs and potential corporate donors, it has already facilitated a grant support to the tune of INR 2.2 million from the 'State Planning Commission' of Tamil Nadu to upscale the dairy value chain initiative. The grant will flow directly to our partner NGO, REAL for implementation in collaboration with the Department of Animal Husbandry, Government of Tamil Nadu. Thus, the model of dairy value chain has already been mainstreamed with the involvement of the state agencies.

Hey Youth! You have copious energies to make a difference!

“Hey! I am able to study, I am able to earn, I am able to save and I am able to help my parents.” said young Harthi, aged 17, cheerfully, while I met her on the day of ‘Youth Meet’ last month. Her face was glowing with happiness and she looked very enthusiastic. The cause of her joy is very evident in her shining eyes. Let me explain the happiness of Harthi to all of you to appreciate the copious energies that are packed inside this youth.



In January last year (2013), I met Harthi’s mother, Suseela, during a SHG meeting. Her gloomy eyes told that she has a problem and needs an external support. After the meeting, I called Suseela and asked her what is haunting her. She told, her twin daughters Harthi and Harchana are finishing their school education in May and wish to join college. But her husband who is a car driver working with a private car owner, has limited monthly income which is just enough to satisfy for their food and clothing. They have a small house for their own. College education is a dream to many lower income families and that too for girls. For boys, they dare to take loans either from formal or informal sources with a confidence that the boys will take care of their parents in future. But girls after their education will get married and move away to a different family with their husbands. Hence Indian rural villages witness less number of girls going to colleges. Vengadamangalam is a small village in Kancheepuram district where Suseela and her family live. Now is the turn of Suseela to decide whether to send her children to college or not and if so what could be her resources.

I said, “Don’t worry Suseelamma, your dear and near ones will support you.” She said “Not at all. I have already spoken about this with my relatives and no one has come forward to help me”. I said “Now your dear and near ones are your SHG members and federation members who are always with you- good and bad.” She said “Yes. Indeed but I do not know if I would be able to get good sum of money to join both my daughters in college.”



Months rolled and unexpectedly I happened to meet Harthi during summer while we were conducting a campaign for “Banking on Change-Phase II’ program to bring youth together to form ‘exclusive Youth Groups’ and then help them to get support from CARE by way of vocational skill trainings either to get employed or to start an enterprise so that their futures are assured for secured lives. Harthi showed great interest in entrepreneurship and hence decided to join a Youth SHG with her friends in the same neighbourhood take up a training programs that would help her to gain a livelihood. I asked her, “What about your higher education?” She said “Mother has approached the SHG federation to help her with a loan for our education and has

got the loan sanctioned for Rs. 25000. My sister and I have got application forms to join the college in July”. I asked, “then why are you interested to take up vocational skills training?” She said “My mother and father should work even harder to repay the loan taken from the federation. If I learn a new skill and use it to earn money, it will help my parents to some extent”. Her response moved me and I felt very happy for her parents to have such a good daughter.

Harthi and Harchana have joined college and are now in their first year of Under Graduation studies. Harthi has received a training on “Fashion jewellery making” during her summer vacation and started making small ornaments and selling them. Last month, I again met her during a “Youth Meet” where she made a testimony of herself. She said “ CARE has not only helped me to pursue my education, it has also helped me to learn a skill, earn a little and help my parents. Join the Youth Groups formed by CARE under “Banking on Change” project and get the most out of it. I am the strongest evidence for this. I am



earning nearly Rs.3000 per month from the ornaments I am making and selling it to my friends in college. Since I am also a college girl, I know what my friends like and cater to their needs by my own creativities.”

I said to myself” What a responsible daughter and an INSPRING YOUTH she is”
WOW! What lovely experiences we get during our work. I am extremely happy to be associated with CARE and work for the poorest of the poor to witness the true changes that is happening in their lives. My life is fulfilled in making lives of thousands of such women and girls fulfilled with purpose and joy.

Kenya Summary Report

Summary

BOC Kenya reached 111,777 people organised in 4,564 groups of which 81,982 are youth members below 35 years exceeding the project set targets for both carry-over and youth groups by 31% (MIS report November 2015). Although linkage work presented a huge challenge over the last three quarters of year III as over-reporting on linked groups was detected, a total of 1,990 VSLAs were linked, 66% of the set target. Of the linked groups, 35% were linked to Barclays bank Kenya. Enterprise skills & financial literacy were provided to 28,214 and 110,690 members respectively.

Highlights

- Over reaching targets, with a total of 81,982 youth members below 35 years supported.
- Use of the franchisee model including FBOs and CBOs to deliver project interventions yielded quick targets realisation, was cost effective and proved that scale up can easily be obtained. However, at the same time, it brought out unique lessons that have prompted CARE to review its relevance and efficiency regarding to groups' quality, monitoring mechanism and sustainability in delivering of training interventions to the groups.
- Evidence from the end line survey suggests that the VSLA model has performed very well in Kenya in producing useful and sustainable financial services to communities financially excluded. Individuals have increased access to income which they freely use to meet their financial needs including buying food, health and school bills, making journeys and building own house. In addition, they now use the loans for restocking (cows, sheep and goats, poultry) and expansion of businesses. The groups have provided members with a place to save and peace of mind as they know that they have a source for emergency funds and loan funds should they require it. On employment creation, the saving groups have provided some members with capital to initiate/expand their own businesses. VSLA members especially the youth and including women are now engaging in beneficial work as opposed to being idle as before; others have become more focused and hardworking to pursue their financial plans. *"Being in the group has helped me a lot. In the past I used to waste a lot of time sitting idle with no plans at all. But, since I joined the group, I always have a plan such that at the end of the month I take something to the group. So I have kept on working hard so that I may be able to get something to the group for my savings."* said a male member of Kauma Young, YSLA)

Challenges

- **VSLA Linkage with formal financial institutions** : Kenya had the largest linkage target 2988/5063 and only 1983 groups were linked of which only 34.5% were linked to Barclays bank. Over the course of implementation, during regular monitoring activities CARE identified some problems in our work to link savings groups to FFIs in Kenya. This was followed up by an in-depth quality assurance review which found several issues including that fewer groups have been linked to Barclays than originally reported while the number linked to other FFIs was more. 1273 groups had been reported linked to Barclays in the year 2 report, when in reality only 290 groups had been linked during phase 2 (there were also 222 that were linked in phase 1). A cross-partnership task team - together with CARE Kenya developed a Recovery Plan that sets a clear set of objectives for CARE Kenya to focus on in the remaining time left of the project:
 - **Restoring the integrity and reliability of data by:** a) strengthening organisational oversight and supervision of the reporting process, and b) improving the processes and systems used for data collection and analysis.
 - **Reviewing the Franchisee Model** to better understand how it can be implemented to deliver high-quality training and linkage – over the next five months and beyond Banking on Change. Access Africa will lead an in-depth review, after which they will recommend modifications and develop guidelines to make the model work efficiently and sustainably.
 - **Driving high-quality linkage aimed at Barclays** - by redesigning the linkage process, setting achievable linkage targets, and providing additional training and support to savings groups, Franchisees, Field Officers and Barclays' branch staff. A target of linking 734 new groups to Barclays by 30 November has been set, which would bring the total number of groups linked to BBK during phase 2 to 1024. Combining that with the existing number of groups linked to

other FFIs in Kenya (1058) would mean Kenya will reach approx. 70% of the total linkage target originally set for Kenya in Phase 2.

- o **Building the capacity of groups** - prioritizing those that are being assessed for linkage - by conducting continued 'health checks', identifying where knowledge gaps may exist, and providing refresher training as necessary,.

As December 2015, a cumulative total of 692 groups had been linked to Barclays, majority being linked between August – November 2015. MIS data had been cleaned and new entered files reset and the process of reviewing the franchise model was on-going. Groups that were linked during the recovery period all received refresher trainings based on the gaps identified whether methodological, financial literacy or enterprise related.

What has BoC Kenya Achieved during phase 2

		Kenya	Status Overview and RAG
Informal financial services for youth	Youth Groups formed by end Year 1	770 (29%)	Met and overreached
	Youth Groups formed by end Year 2 (cumulative)	3,552 (134%)	
	Youth Groups formed Y3 to date	3376 (127%)	
Enterprise Development	People trained Year 1	200 (1%)	Met and over reached
	People trained Year 2 (cumulative)	16,145 (71%)	
	People trained Y3 (cumulative)	28,214 (124%)	
Deepening Financial Inclusion	Groups linked Year 1	not known	Targets were not met.
	Groups linked Year 2 (cumulative)	Not known	The actual no of groups linked in year 1 and year 2 is not known, due to over reporting at the time.
	Groups linked Y3 to date (cumulative)	1990 (67%)	
Employee Engagement	Staff engaged Year 1	170 (85%)	Met and over reached
	Staff engaged Year 2 (cumulative)	210 (105%)	
	Staff engaged Year 3 (cumulative)	234 (117%)	

Lessons learnt

- **Youth:** Working with the youth has a lot of dynamics and reaching them is likely to be challenging unless the mobilisation and training approaches are adapted to the existing structures such as youth groups and recreational social centres, government structures, door to door mobilisation especially in slums, church youth-led structures. These were instrumental to reaching out the elusive youth especially female which comprises 67% of the total youth membership.
- **Income Generating Activities (IGAs):** Whether young or old, female or male, improvements in earning and contribution to household wellbeing lead not only to age positively but influences the societal perception about women and youth and also improves self-appreciation and worth. This is evidenced in increased women and youth participation in community functions and networks which have improved their self-esteem, social capital, recognition and confidence
- **Linkage:** The linkage process is a step by step process that requires a lot of time and effort. Many critical aspects are normally taken for granted but these influences the final outcome. This calls for the review of the linkage process. Apart from the need of developing a robust monitoring system, there is need to build capacity of staff and partners on various elements of linkage

process including training, facilitation and monitoring of the linkage preparation, this will ensure quality in executing linkage work. This was effective as BOC Kenya adapted the practice of holding weekly review and planning meetings to fast track areas that need to focus on, offer support and address emerging issues in a timely manner. While members expected loans from banks, this did not automatically happen once a group was linked. Thus the immediate benefit has been security more than loan access. Members take their savings to banks towards the end of the cycle, when they are about to share for security reasons. Banks benefit from VSLAs member's deposits because they are able to loan it out and get profit

- Asset acquisition is influenced by gender whereby male members buy or are likely to buy productive assets such as livestock, land and agricultural materials while women buy or likely to buy household items such as beddings, utensils and furniture.
- Sequencing of the training offered by BOC i.e. savings integrated with financial literacy and enterprise training complement each other as savings provides an avenue for members to access either loans or lump sum savings as capital for investment while enterprise training offers practical skills on how to use available funds to invest or expand and financial literacy strengthens the financial management skills including decision making on expenditures/utilisation and savings. Results from the FGDs indicate that financial literacy and business skills training complement each other and normally facilitates or enable the youth to either choose an IGA that do not require a lot of capital but prospects of growth are very high

Multiplying Impact

Savings and loans access among BoC VSLA members: participation in saving groups has enabled individual members to build up small savings amounts into useful lump sums which they have used to invest and acquire assets. This has enabled them to increase their income thus increasing their purchasing power and have therefore been able to protect and acquire new assets. Also there is noticeable capacity amongst VSLA membership reflected in tremendous housing improvement made on roof, floor, wall, toilet and additional rooms; increased access to education and quality education for self and others, improved access to health services and well as food security -

– *“My life has been able to change because of this group. Personally I can save some little money like 100 or 200 shillings from what I make. I keep this money in the group where it is able to gain interest. As time goes by it grows and at the end of the year I was able to build myself a kitchen and buy chairs...it that not change? (R4, a female youth (30years) of Kosalo B, YSLA)”*

Women socio-economic empowerment: Women members seem more empowered as they are able to solve their individual and household, influence their spouses' decisions as well as influencing important decisions in the community. Positive changes are noticeable in women and the perception of their social positions. Member's ratings on their contribution to all household's financial expenses increased for health, household equipment and food expenses. There seems to be a significant shift away from husband's control of women's income to either women's control or joint husband-wife control. In both women's control and joint control the shifts appear to be related to participation in VSLA. Just as was at baseline, carryover group members recorded relatively higher mean scores for household level indicators that touched on relationship with the spouse. Incremental changes were reported for “my spouse shows me respect” (at a mean of 4.88) and “my spouse values my role in the household” (at a mean of 4.92) by 0.03 and 0.07 since baseline respectively. Among the YSLA groups, most decisions are jointly made between the household head and spouse (43.1%) with slight improvement of 3.4% since baseline. Somehow participation in YSLA had increased involvement in household decision making on financial expenses allocation either as individual or and through consultation with the spouse. Contributions to decisions on the five areas (assessed in this evaluation) by the youth group members had significantly improved as indicated by increment in the mean. While the changes were not statistically significant, they signal potential of VSLAs to have profound positive changes in women's empowerment. Over time, these changes have started and will continue to bring multiplier impact at individual, household and community levels that are gender transformative.

Youth: They are increasingly becoming financially independent, there is tremendous decrease in dependence on parents and most of the youth are choosing to engage in income generation activities. Other notable changes include decrease in drug abuse (captured through the community reviews and case studies among the youth beneficiaries thus we don't have specific figures) especially in the urban areas, improvements in general livelihoods and diversification of IGAs including boda boda (motor cycle transport). Youth are also engaged in debates and discussions around on how be successful entrepreneurs and create employment for others.

Training and IGAs: The YSLA reported increased engagement in income generating activities as demonstrated by reduced proportion of members with no occupation (2.3% decrease), increased proportion of members involved in agriculture (29.5% increase), fishing (7.8% increase), employment both in formal(2% increase) and informal sectors(6% increase. This trend was the same among the carry overs. This shows a cascading impact of BOC trainings where the YSLA approach provides members with access to funds and supported with financial literacy and enterprise skills gives the right solution towards self-reliance through starting profitable income generating activities.

What continues including recommendations?

VSLA and formal financial services: members of VSLAs will continue with transactions, and new groups are likely to form as a result of the existing one. The need for linkage to formal financial services is like to increase and groups will continue linking themselves. CARE Kenya needs to address this in its programming and align new opportunities that may come up to build on BOC work.

The Franchisee model review process is on-going and will continue as it is one of the key CARE Kenya implementation approach. The review process should have an in built robust monitoring, mentorship and coaching strategies as well as accountability mechanisms to ensure quality work is done.

The mini "village mall"

Life before joining GS&L group

Polly Ngithi Ngungi is a 26 year old mother of two. She was born in Moraro village, Mbeti South District in Mbeere Sub-County to a family of 6 siblings where she is the eldest. Mbeere is a semi-arid region receiving minimal rainfall annually hence frequent droughts leading to food insecurity. Polly got married in 2004 at the age of 15, young, naive and inexperienced having dropped out of school in form three due to frequent illnesses that was an economic burden to her family. *"I decided to get married to Mr. Pius Ngungi, a matatu (a public service vehicle) driver by then, and then moved to Kiambere market in Kiritiri Division. We are blessed with two children aged 4 and 8 years currently in pre-unit and class 5 respectively."*



"In 2009, my dear grandmother got ill and hospitalised; the hospital needed KES 6,000 to perform a breast cancer surgery, the cancer was life threatening. My husband couldn't raise the monies in the shortest time possible; my friends didn't trust me to repay such an amount. Unfortunately she died on the hospital bed helplessly. This painful experience changed my life, I had to do something. I joined a merry-go-round savings group in 2010 (New Site group) then later moved to Family Care YS&L group in 2011 because I wondered what if my children got sick, or what if they needed school fees, food, clothing?"

Polly frequently quarrelled with her husband over cash for food, enrolling their children to a private academy away from the public schools in order to have quality education. The husband only brought home KES 300 insufficient for upkeep; he never saved any cash and the little they had was spent daily. Polly decided to work as a casual labourer in neighbouring farms where she toiled in tilling, planting, tending, harvesting and tending farms for as little as KES 200 a week. *"Sometimes I plaited women hair*

for a fee but I had no savings skills so we lived hand-to-mouth to survive.”

The transformation journey



Family Care GS&L group has 17 registered female members and Polly is the group’s secretary. The minimal share value is KES 100 and we meet monthly for savings and loans transactions. The group began its 5th cycle this January 2015, hoping to save more this year. The group is linked to Consolidated bank located in Embu town over 50 KMS away from Kiambere town compelling members to travel monthly to bank the monthly collections.

SPM Training

In November 2012 Family Care GS&L group got trained on business Selection Planning and Management (SPM), Polly gained knowledge how to start and manage a business with minimal resources. First she learnt how to raise capital through the group savings and loans, maintaining daily sales records, how to balance accounts weekly to gauge profits and planned expenditure. The training provided an enabling foundation to avert risky financial behaviours. Polly learnt how to select a business considering various factors; are there similar businesses in Kiambere market? If the competition is high what value can you add to attract customers?



“After the training I selected a business never ventured in Mbeere (selling petrol, oil lubricants to motorcycle owners and diesel for running posho millers in the market), I surveyed the market prices and fixed lower prices (2-5% lower) on various commodities; perfected public relations skills by being hospitable and consistency in restocking goods.”

Starting the business

The group loaned Polly KES 22,000 in November 2011 in addition to her shares worth KES 8,000. KES 6,900 was used to purchase 72 litres of super petrol; 40 litres of paraffin costing KES 4,600 and the rest was used to purchase diesel for powering posho mills, oil lubricants and assorted motorcycle spare parts. Part of the capital KES 2,500 was used to pay for business permit. *“I started the business because there was high demand, the motorbike operators plying the Kiambere – Kiritiri route had no petrol station, the operators would ride all the way to Kiritiri town 20 kilometres away to refuel; this was uneconomical for the small scale business”*

In September 2012 Polly repaid the loan and applied for KES 30,000. She expanded the oil and lubricants shop to house a Barbershop; spent KES 15,000 to purchase shaving machine, a solar unit worth KES 4,600, and solar powered batteries for charging mobile phones.

The balance KES 15,000 and part of the proceeds from the 2 businesses was invested in an assorted merchandise shop (dealing with foodstuffs, detergents, plastic and kitchen wares) targeting households in the area. The husband supported her initiative by constructing the shopping precinct as part of his contribution. Her husband runs a *matatu* business; he purchased the van in 2010 after receiving a soft loan from his father (KES 200,000) in addition to another loan (KES 100,000) secured from a micro finance institution. Due to his involvement in savings with the MFI, he was able to procure a second *matatu*, both are second hand vehicles. Polly repaid the loan in October 2013.

Polly is able to make KES 2,000 from the petrol, diesel and oil lubricants business daily depending on

customer traffic; KES 1, 200 from the paraffin business weekly, KES 1,200 daily from the assorted merchandise shop and KES 300 from the barbershop. *“The barbershop business is unique here, it’s the only one so anyone in this centre who needs hair cut visits me, I seized that opportunity as a strategy to start the assorted merchandise shop for a one-stop-shop experience”*

Unfortunately in mid 2013, the Mbeere sub-county authorities stopped the petrol business sighting safety dangers in mishandling, flammability and organised crimes. *“I was advised to build a petrol station with underground tank and pumps. After market survey and technical advice from experienced fuel station dealers I required KES 700,000 to start one”*. Polly’s dream to continue with the business had just begun; she started stocking plastic wares (water tanks, plastic chairs, washing basins and dish racks) out of which she earns a minimum of KES 5,000 monthly.



She has so far bought a piece of plot (10 by 50 feet) worth KES 30,000 and applied for electricity installation spending KES 17,000. These monies are proceeds from the established mini-mall. *“As a strategy to raise KES 700,000 I bought 1 hectare (KES 20,000) jointly with my husband where I plant green peas, beans and khat. I make some cash from the khat sold in Kiritiri and Embu at KES 800 daily. The other farm produce is sold seasonally, after 3 months I earn KES 20,000. I believe that in the next 2 years*

I will be a proud owner of the first petrol station in Kiambere shopping centre”

Polly has employed 3 domestic workers (a barber, house-help and a security guard) the guard is paid KES 1,500 and house help KES 3,500 both monthly. The barber is paid on commission from the day’s proceeds.

Future plans



Polly needs to construct an underground petrol tank, purchase 2 fuel pumps, install water tanks, build a service room, a washroom and install electricity. She is currently seeking training in handling petroleum products and the relevant trade licences. *“In the last 2 years there is a sustained increase of vehicles plying this route (between Motwafani to Kiritiri). The road was opened recently attracting more motorists and motorcyclists hence the petrol station is a potential future business venture”*

She also intends to purchase more plots for resale in Kiambere shopping centre targeting potential clients like upcoming institutions of learning, churches and shopping complex. She has also increased her shares from KES 100 to 2,000 monthly in order to secure a huge loan in 2015 *“even though the savings process is rather too slow, I believe in GS&L as a means to achieving my financial and investment goals”*

Polly’s business empire is roughly worth KES 300,000 excluding the total interest earned in the last 2 years and reinvested in pieces of land and other services like the petrol station project.

Challenges

The distance between Kiambere and Embu where she buys most of her stock is 50 kilometres away making the cost of transportation high. She relies heavily on the husband’s *matatus* to transport the goods hence breaking even in the capital cost. She is also concerned of any security risks to her business.

Tanzania Summary Report

Highlights

- Tanzania has exceeded its Enterprise Skills Training targets by over half as much again (153% of target), and this does not include Enterprise Your Life training delivered to adult groups as a result of demand (in place of ABT). The team hosted the initial Master Coach training and has continued to cascade and evaluate the training effectively.
- Tanzania has established a strong relationship with Tanzania Postal Bank; supporting TPB (at TPB's request) with the development of a product which allows savings groups to save, borrow and access their group accounts through mobile technology. An MoU is in place under which TPB covers the costs of training groups for linkage so the work will continue after BoC ends. The team has linked 746 groups as against its target of 500 (149%) thanks to the acceleration after the TPB partnership began.
- Tanzania also held an excellent advocacy event to promote the Charter, and has successfully advocated for the government to include VSLAs in the National Microfinance Policy.
- Tanzania has carried out further piloting and evaluation of the IMA (Intermediary Association – clusters of YSGs/VSLAs) methodology during BoC2 and now has a solid model for IMA formation and training which helps the sustainability of VSLAs and YSGs.

End of Partnership Report – Three Biggest Impacts:

- Improved Practice in the Establishment of SGs / Increased skills and knowledge: A total number of 1,166 groups with 29,705 members of which 79% are females have been formed.
- Increased Responsible Linkage: Plan worked with TPB to develop a linkage product for the SGs and has signed an MoU with the bank to link the groups.
- Increased skills/knowledge: A total number of 1,113 groups (inclusive of carryover groups) with 29,216 members have benefited from Enterprise Your Life training. Of these, 22,617 were YSG members; the remainder were Carryover Groups who received EYL instead of ABT. In addition, 15,566 Carryover members received SPM. EYL training has led to youth reporting a higher level of understanding of entrepreneurship in their businesses. Musa (26) from Kibaha: **“As a young man I had never saved before and did not have a business. After I joined my group I attended the EYL training and it is thanks to this that I now operate a successful barber shop.”**

What has Banking on Change Tanzania Achieved during Phase 2

		Tanzania	Status Overview and RAG
Informal financial services for youth	Youth Groups formed by end Year 1	178 (16%)	106% of target achieved
	Youth Groups formed by end Year 2 (cumulative)	792 (72%)	
	Youth Groups formed Y3	1,166 (106%)	
Enterprise Development	People trained Year 1	10,550 (42%)	153% of target achieved
	People trained Year 2 (cumulative)	20,576 (82%)	
	People trained Y3 (cumulative)	38,183 (153%)	
Deepening Financial Inclusion	Groups linked Year 1	75 (15 IMAs) (17%)	149% of target achieved
	Groups linked Year 2 (cumulative)	342 groups (68%)	
	Groups linked Y3 to date (cumulative)	746 (149%)	
Employee Engagement	Staff engaged Year 1	52 (26%)	99% of target achieved
	Staff engaged Year 2 (cumulative)	197 (99%)	
	Staff engaged Year 3 (cumulative)	197 (99%)	

Lessons learnt and Recommendations

- *End of Partnership Report – Three Lessons Learned:*
 - Local NGOs can play a big role in ensuring sustainability of the project. Building the capacity of local NGOs ensures we leave behind a wealth of people equipped with relevant skills.
 - Barclays' role in the project has led to stimulation of interest from other banks as well to work with the poor and develop products to suit the SGs. Even though they did not sign the charter, banks such as TPB, NBC and NMB have gotten involved in serving the groups and even sponsoring some activities at local level.
 - Involvement of the Government both at local and national level has helped a lot in achievement of the project targets and it is set to continue working with the SGs for the long term. This is evidenced by the inclusion of SGs in the new National Microfinance Policy and the willingness of government to register SGs and IMAs
- *Other learnings from End of Partnership Report - Youth:*
 - Youth involvement in savings groups requires more effort in ensuring awareness is well done before inception of the groups, to avoid high drop out. Through our local implementing partners, the community resource personnel (CRPS) did good work in mobilizing adult members from carryover groups to encourage young people in their communities join the groups.
- *Other learnings from End of Partnership Report - Trainings:*
 - Adapting training for youth in financial literacy and enterprise skills is realization of improved young people's knowledge and skills. The case studies support a positive change in attitudes and behaviours to savings and business. There is value for regular refresher trainings, both for the trainers and for the Youth Savings Groups members themselves.
 - As with adult groups, YSGs are a good entry point for working with youth to build a wide variety of life skills to help young people develop knowledge and skills around personal finance, entrepreneurship and employability
 - Financial literacy was also recommended by CRPs and youth groups because of its model of delivery of using games and the lessons.
 - Entrepreneurship and business skills through a coaching/life skills approach has essentially helped youth deal with issues they will face if they choose to start a business after training. The coaching approach was well understood by most of CRPs and more liked by group members than a traditional training approach.
 - Simplifying the Employability skills training manual was recommended by CRPs and Training officers from Implementing Partners
 - It has also been learnt that other organization running similar programs do not offer FL trainings so people especially women are anxious to join Plan sponsored YSLA's and VSLA groups so that they can enjoy such enriched integrated methodologies

Other learnings from End of Partnership Report - Linkage

- We learnt that mobile banking is the way to reach remote groups as mobile networks are more widespread than banks.

“What will be the legacy of Banking on Change, in your view?” [from End of Partnership Report]

- “Linkage of SGs to banks: Several banks have expressed an interest in continuing working with the groups after the project has ended. TPB has developed a product and is already linking with the groups, NBC has provided about \$200,000 for youth groups and NMB have contacted Plan about a possible partnership.”

What will continue?

- CRPs will continue supporting and forming new groups; we know this from BoC1. For example, we know that more than 100 new groups started between BoC1 and BoC2. Plan Tanzania operates the 'fee for service' model which enables CRPs and YCRPs to continue. We would like to introduce the FSD's e-kits (6 simple videos in Swahili to reinforce importance of savings etc, to help VAs to remember what to teach); these are easy to download on a simple phone and will help

CRPs and YCRPs remember key aspects for good quality groups even when there is no oversight from Plan staff.

- Training will still be cascaded through fee for service too. Particularly EYL as this was very popular. Employability skills may not continue as the modules were less popular and very bulky.
- Plan Tanzania believes YCRPs should be just as sustainable as adult ones. We would like to introduce e-kit training videos
- Linkage will continue as Plan Tanzania has an MoU with TPB to continue linking groups for 1 year, and TPB will be using their funds for this.
- Plan Tanzania will be working with Banking on Change YSGs in Dar and Mwanza on the 'Bridging the Digital Divide' project with Accenture, working with them to seek employment solutions digitally. Some Banking on Change beneficiaries in Kibaha, Kisarawe and Ifakara will also be reached through a Youth Economic Empowerment programme funded by the EU, through which they will receive vocational skills training. Further, a lot of learning and tools have been shared with the implementing partners and these will continue to pay fruits.

Case Study – Zainabu

22 year-old Zainabu Rashid lives in a highly marginalized community on the outskirts of Dar Es Salaam. Rashid is the owner of her own hair salon in the village and a member of the Upendo Hisa savings group set up through Banking on Change.

"When I left school, it was really hard to get a job. At school, I had dreams of being a hair dresser, but there were no opportunities, so I started plaiting women's hair in their homes and earned a little bit of money here and there. I really didn't have a fixed income and certainly didn't feel I had a chance of having my own business. I was living with my Mum, my two sisters and my brother.



Joining the savings group enabled me to save up enough money to rent my own salon. After saving for a while, I was then able to take out a loan from the group so that I could buy my own equipment—a hair dryer and a wider range of styling products. I was able to pay back that loan, and then take out another as my business grew, so I now have two dryers and have really increased the number of customers who visit my salon. I was able to move out of my Mum's house and rent my own place. I feel that I am now the mistress of my own destiny.

It was a big thing for me to join the group—I was quite skeptical when it started three years ago, so I didn't join straight away. But I learned it really is possible to save no matter how little money you have; you just have to arrange how you spend it and make sure you put a little aside every week. Before joining the group, I was only making 4800 Tzs (\$3) a day. Now my business makes three or four times that. One of the other things I've learned is how important it is to put aside enough money to pay back your loan when you take one out. I make sure I have enough money each week for the meeting, and I don't feel it's a challenge to find the money to save any more. And now, many other people are interested in joining the group because they've seen people like me opening up new businesses and maintaining our own houses.

I'd always dreamt that I would have my own salon and even my own chain of two, three, or four. Now I believe that could be possible. I'd like to employ other people to work in my salons, but I want to continue to work myself, too.

There are other salons in the village, but I don't mind the competition. I think it all depends on how you handle your clients and do your business. I am interested in my clients and making them feel special and that I know them—that's why they keep coming back to me, and I think my business can grow.



Women in the village are now able to stand up for their families without depending on their husbands. My new husband is proud that I have a successful business and that I feel I can make my own plans and then really carry them out.”

Uganda Summary Report

BOC Uganda reached 63,039 people organised in 2,110 VSLAs, of which 647 (22,756 people) are in carry over VSLAs 1,463 (40,283 members) are youth groups,. Combining both carry-over and youth groups, the programme worked with a total of 48,340 youth members below 35 years representing 77% of the total members reached. It also linked 1045 VSLAs of which 1040 are linked to Barclays Bank against the target of 927 VSLAs. Of the linked, 511 are youth groups. A total of 29,950 income generating activities were started and 67% of these have been sustained for six (6) months.

Highlights

Youth: BOC Uganda is one of the largest programme in Uganda that has deliberately targeted the youth with remarkable level of innovation that have fostered youth's ability and commitment to save and access financial services and has a clear intention of supporting their graduation to the formal financial sector. This is evidenced by the number of youth groups formed (1,463) of which 529 have already opened savings accounts with Barclays Bank. CARE Uganda has already adapted and replicated the lessons learnt and experience in their financial inclusion work, specifically in two of its other project that works with the critically vulnerable youth.

Linkage: BOC Uganda linked 1,040 VSLAs to Barclays Bank which is 52% of the global total Barclays linked groups. This is has been so because of the strong partnership that has existed between CARE Uganda and Barclays Uganda, where staff involved has been open to piloting, testing and learning from the linkage work. Also Barclays Uganda has been committed to this right from top to bottom structure of the Bank. As a result, linkage of VSLA groups has been commercialised, moved from community investment to the business retail unit of the bank. The commercialisation work is testing out three innovative products comprising an overdraft credit facility that is testing group lending strategy, ledger link – a t digital app that enables capturing of savings groups data and E-key which embeds agency banking distribution model in partnership with Airtel Uganda.

Advocacy and Communication: BOC has significantly contribute to advocacy and communication work of CARE and Barclays Uganda and to some extent to the government of Uganda. It influenced the setting up of the Self-Help sub committee that is hosted under the Ministry of Microfinance. The sub-committee is entrusted with directing and coordinating implementation of VSLAs activities and linkage work within the country. CARE Uganda is the current chair and has been for the last two years because of the vast experience in the sector. One of the tangible outcomes of the sub-committee is the development of the digital map with all groups that have been formed in Uganda. This is going to be instrumental in taking linkage work to another level because it provides information on where to find the groups.

What has BoC Uganda Achieved during phase 2

		Uganda	Status Overview and RAG
Informal financial services for youth	Youth Groups formed by end Year 1	146(10%)	Met
	Youth Groups formed by end Year 2 (cumulative)	1,311 (89%)	
	Youth Groups formed Y3 to date	1,463 (107%)	
Enterprise Development	People trained Year 1	1344 (4%)	Met
	People trained Year 2 (cumulative)	13,610 (38%)	
	People trained Y3 (cumulative)	43,566 (108%)	
Deepening Financial Inclusion	Groups linked Year 1	146 (16%)	Met
	Groups linked Year 2 (cumulative)	418 (45%)	
	Groups linked Y3 to date (cumulative)	1,045 (113%)	
Employee Engagement	Staff engaged Year 1	50 (100%)	Met
	Staff engaged Year 2 (cumulative)	50 (100%)	
	Staff engaged Year 3 (cumulative)	61 (122%)	

Lessons learnt

- **Partnership:** The success of the project to a large extent depended on direct involvement and activeness of all stakeholders, including the global team right from the project design, during periodic reviews/studies and refocusing implementation thus enabling project success, sustainability and ownership. Additionally, working through partners helped in the effective delivery of the project targets which is expected to foster sustainability of the project initiatives. Partnerships at global and country levels especially with Barclays bank teams across branches is expected to facilitate sustainability
- CAREs support and involvement in community meetings and sensitisation in partnership with local government structures provided an avenue for more learning and backstopping. This also increased the levels of trust by the communities and people became more willing to participate in project activities. For example the Local government officials both at the sub county and the districts have been supportive on group registration as one of the key requirements for linkage
- **Youth:** The youth scooping and baseline studies conducted at the start indicted that the youth were typically poor, economically and socially disempowered and had high expectations on the project. As a result of the project interventions and approaches applied, the evidence is different, the youth testify that their self-esteem and confidence have tremendously improved; they are respected and trusted by group members, their parents, spouses and members of households as well as the community. This is attributed to access to their savings which some have been invested that have enable them to cater for their basic necessities as individuals and households. The end line evaluation shows an improvement in acquisition of assets, housing, income and positive consumption trends. For example there asset ownership stands at 16% compared to 7% at baseline. Both boys and girls took over equal leadership positions in the group.
- **Trainings:** Enterprise training (SPM/EYL/ABT) combined with financial education positively deepens the impact of VSL methodology as well as linkage work as they directly addresses and impacts on members attitude towards investments that generates high returns but also have cascading impact whereby when members invest in profitable ventures, their capacity to save improves and their resilience to risks is improved.
- **Training approaches and materials:** Adaptation of training materials and approaches to local context and needs of the people is critical and effective. The project use of local materials drove the training content home and is cost efficiency as well as attracting active participation and learning from each other.
- **M&E:** Conclusive M&E requirements at project design and inception are effective for proper planning, implementation and management (The tools were not ready at start of implementation of the project which affected the M&E). Therefore it is vital to always roll-out M&E tools and frameworks at the same time as start of the project implementation This should be combined with routine support supervision, mentoring and coaching visits to the partners and groups which is critical for effective implementation of the project M&E. Also it is critical to conduct data verification exercises across the partners to ensure credibility, accuracy, reliability and validity of the performance data.

Multiplying Impact

BOC Uganda summaries it's multiplying impact as its remarkable level of innovations that fostered youth's ability and commitment to save and access formal financial services. This is evidenced by the 1,463 youth groups that were formed of which 529 groups have already opened bank savings accounts with Barclays bank Uganda. As a result CARE has become a learning hub, for its programming efforts as well as informing others' financial inclusion strategies. For example, the design of the government /IFAD Financial Inclusion programme strategy, CARE Uganda used some of the BOC unique lessons to influence the design and many have been adopted. The government now recognised VSLA as a financial inclusion model and have put forward funding formation of 15,000 VSLAS and linkages for 3,000 existing VSLAs to the formal financial sector under the Project for financial inclusion in rural areas (PROFIRA).



Savings and loans access among BoC VSLA members: VSLA members use multiple savings mechanisms but largely VSLA (93%) among the youth and carry over groups. It is known in the financial sector that VSL methodology replication and survival rates are very high. This is evidenced with some of the groups that BOC worked with in Phase 1. Groups that were linked in phase 1 are as old as close to 8 years but they still function very well. They have not only provided avenue for members to save and access loans but also have been a learning hub for their members and others including development agencies that keep on visiting them to see how they transact their business.

VSL Women members' Empowerment: There were improvements on indicators of women empowerment: ability to solve problems, women influencing their spouse's decisions and influencing important decisions in the community. There was a positive change on women and perception of their social positions for these variables: "my spouse values my role in the household" and "other members of the extended family show me respect. Women's ratings on their contribution to all household financial expenses increased for health, household equipment and food; control of financial resources increased as did ability to sale freely the production from their fields. While the changes were not statistically significant, they signal potential of VSLA plus add-ons to have profound positive changes women's empowerment. Women participation in VSLA has created harmony in homes since they are now able to provide for the family and the men have noticed the advantages of saving and now support them in saving. In engaging in BOC activities more women are able to:

- independent decisions on life and issues like children' education, their health, and own savings, property ownership
- Freely participate in community functions and can be listened to since they own some property
- Ably provide leadership to their groups
- Improve their personal health

Challenges experienced in IGAs by women and youth were less cultural but economic; women's social position and self esteem can greatly be improved through VSLAs, but significant improvements can only be realized after considerable time. These improvements accrue from several attributes that women and youth associate with the project: practical business skills, life skill building (self reliance, confident, social skills) discipline and good behavior in the community.

Livelihood conditions did not just improve only for VSLA members but the wider community. The impacts identified by VSLA members include Improvement in hygiene and sanitation; social cohesion and empathy towards people in vulnerable situations, positive business competition in the community leading to creation of semi urban vibrant local communities, social security measures in the community, development of a culture of savings. Overall, wider community impacts were expressed in terms of :

- more people who contribute to community functions and projects
- A variety of services and service providers
- Community receives attention from government and other partners
- Employment options through IGAs in community
- Visibility of communities enhanced through VSLAs- 'models'

In country partnerships

Partnership with Barclay Bank: The partnership with Barclays Bank was excellent, largely owing to clear understanding of roles and professionalism exhibited by the staff members on the project. Customer care was also appreciated about Barclays bank, staff always available, evener on call to help clients.

CARE worked in partnership four IPOs. These partners have their capacities assessed gaps addressed during the implementation period. These are well established organizations. The support from CARE international ensured that these IPOs had annual work plans against which activities are implemented. M and E tools were developed based on targets in the work plans.

Regular feedbacks are essential for successful coordination with IPOs. This includes not only feedback on formal outputs but also field visits. These help maintain a healthy relationship between CARE and the IPOs.

What continues including recommendations?

Linkage: group linkage work is continuing in Uganda for another one year to test and document lessons from the commercialisation efforts. Besides Barclays Bank, other banks (Bank of Africa, Centenary bank, Post Bank, Opportunity Bank) have realised that VSLAs are potential clients for the new market segments. They are coming up with special products and recruiting specific qualified people to serve the VSLAs. They have also invested in special innovative products – ledger link and e- keys for efficient and cost effective linkages. These efforts are being supplemented with interest and contribution of the telephone companies such as Airtel. CARE Uganda is also investing into mobilising funds that will promote and integrate innovations into its financial inclusion work

Trainings: Because of the sustainability nature of the trainings and given the community peer learning perspective, as well as the trickledown effect, application of the skills gained is likely to continue. What needs to be done differently is the rolling out of the training in the initial stages of the project beefed up with close monitoring and mentoring of individual members with IGAs.,

The Linkage for Change Savings Charter: is likely to continue being used by CARE Uganda to influence its work as well as the work of others. Although popularising it may have budgetary implications, the CO will work towards integrating it into on-going activities and lobby others to do.

Implementation approach: As CARE Uganda uses the partnership strategy, BOC was implemented with local partner organizations that share the same objectives of the project as implementing partners and formal financial institutions, including Barclays bank and Grameen with clear roles and responsibilities documented in memoranda of understanding. The IPOs have individual partnerships with other relevant development organizations and programs, for example linkages with the NAADS program for agro enterprises , and their presence in the communities ensures closeness to the beneficiaries and builds synergies with other stakeholders, thus builds sustainability within the project and continuity of similar activities.

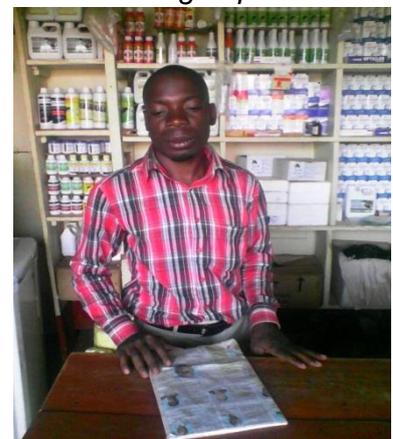
A case Story:

Geoffrey's journey to his current livelihood started when he joined Kungoza Village Savings and loans Association located in Buwolongoma Village, Bukanga Sub county Luuka district. The group that was started in 2011 during the Banking on Change I project has 30 members of which 8 are men and 22 are women. 8 of the members are youth aged below 35 years

Kungoza VSLA is among the many groups which have proved sustainability as is shown in their share out amount in the previous cycles. The group share out amount has been able to gradually improve as follows over the last 4 years

- 1st year 6,320,000
- 2nd year Sh. 9,800,000
- 3rd year, Sh. 11,000,000
- 4th year Sh.12,680,000

Geoffrey who is currently 27 years old joined Kungoza VSLA when he was still a student at Bukasa Agriculture College. He was encouraged by his farther after getting the information from the CBT





Being a student, Geoffrey's sources of savings at the time of joining VSLA were limited; coming from small business mainly selling of road side chapats(prepared from Wheat flour) that he had hired someone to operate for him in his absence.. "When I just joined VSLA it was very difficult to raise the weekly savings as my sources of income were limited, i could save on average only two shares a week valued at Sh. 1,000

However after finishing his studies 2 years back, Geoffrey started actively participating in the VSLA and increased the savings to Sh. 5,000 a week." I was able to get a loan of 200,000 that i used to buy a mobile kit which I am using in the treatment of animals"

"Later after the 3rd share out, i was able to start up a veterinary drug shop in Namugalwe trading centre with sh. 500,000 where 200,000 was my savings and 300,000 is the amount i borrowed immediately after the start of the 4th cycle. I latter borrowed sh. 400,000 that i added in by business" in addition to the

As a youth Geoffrey gives a good example to other youth who waits to be employed instead of using all the available opportunities to create their own jobs. . However with his active participation in the VSLA practice and being trained on how to plan and start up income generalising activities Geoffrey has since moved for self-employment

Zambia summary Report

Highlights

- *Zambia was the only Banking on Change CO to manage programme delivery solo, without using implementing partners. The team used the VA and YVA delivery model effectively, introducing selection criteria, incentive structures, ToT training and oversight by more experienced 'Super VAs.' They are now considering a 'contribution for service' (rather than fee for service) and VA/YVA Certification system to further enhance sustainability.*
- *Plan Zambia was the first NGO in Zambia to deliberately target young people for savings groups. It is now recognised for its expertise and currently chairs the forum for savings groups in Zambia.*
- *Zambia has piloted digital recording for savings groups, using mobile phone apps. It is also piloting the use of short training videos to supplement and sustain training*
- *Plan Zambia has introduced strong governance/advocacy structures and built good relationships with local government for future advocacy.*
- *There has been a good relationship with Barclays Zambia for delivery of bank literacy training.*
- *"Forming sustainable YSGs in Luapula was a difficult thing to do, especially asking youth to save their own money. But the project has helped improve the youth saving culture. In the past youths used to spend any income received immediately on unproductive things. Now the trend has changed with the increased number of youth saving groups; there are over 20,000 youth members who are saving." {End of Partnership Report}*

End of Partnership Report – Three Biggest Impacts:

- Improved self esteem: improved self-esteem and confidence in youth and adults has enabled them to run their own businesses; this is evident in the 13,208 small business run by youths/adults. This situation is the opposite of what used to happen where youths were afraid to run business ventures in the past. Trainings in financial education and enterprise your life and SPM that were offered to the project beneficiaries helped make them more confident and self-reliant. It is now common to walk in the villages and find youths managing small ventures. Further, as a result of the intervention, more members have gained access to finances through loans and profits from their businesses. This in turn has enabled them to contribute more towards their household requirements. As such they are now able to have more say in decision making at household level. Their increased incomes have made them to be perceived with value and respect. The members are also more confident to speak even in community gatherings because of the other additional trainings that they have received from the project.
- Improved access to financial services: Before the project most of the members had difficulties in accessing finances for agricultural inputs for farming. Now most of the groups time their sharing out time with the start of the farming season. This enables them to have money to buy some of the farming inputs using the money they get after sharing out. Besides, access to small loans is now affordable in terms of interest rates. Before the project the most common source of credit was the local Money Lenders who charge an interest of between 50 to 100% interest for a period of one month. This has also made it possible for members to borrow from the group a reasonable amount of money to enable them start an IGA. **Some members now handle money on a daily basis, a thing that was not common before the project.**
- Improved skills and knowledge: YVSLA members who benefited from the trainings are demonstrating the use of the acquired knowledge to do their businesses, invest correctly and run the businesses profitably. Some of them were even able to expand their businesses to levels which were impossible to them before acquiring the livelihood skills. The skills are not only helping them in their IGAs but have also improved their social statuses within the community; some have acquired leadership positions. Also, knowledge and skills gained by the Village Agents has created a multiplier effect on the communities' knowledge.

What has Banking on Change Zambia Achieved during Phase 2

		Zambia	Status Overview and RAG
Informal financial services for youth	Youth Groups formed by end Year 1	552 (36%)	102% of target achieved
	Youth Groups formed by end Year 2 (cumulative)	1,157 (69%)	
	Youth Groups formed Y3 to date	1,711 (102%)	
Enterprise Development	People trained Year 1	0 (0%)	110% of target achieved
	People trained Year 2 (cumulative)	8,129 (45%)	
	People trained Y3 (cumulative)	19,717 (110%)	
Deepening Financial Inclusion	Groups linked Year 1	0 (0%)	34% of target achieved. The challenges here were: Distance to banks; registration challenges and rigid KYC; lack of suitable products for the market segment.
	Groups linked Year 2 (cumulative)	18 (12%)	
	Groups linked Y3 to date (cumulative)	51 (34%)	
Employee Engagement	Staff engaged Year 1	35 (88%)	125% of target achieved
	Staff engaged Year 2 (cumulative)	48 (120%)	
	Staff engaged Year 3 (cumulative)	50 (125%)	

Lessons learnt and Recommendations

- *End of Partnership Report – Three Lessons Learned:*
 - **Delivery through the Youth and adult Volunteers** is cost effective and sustainable. The VAs were encouraged to work in teams for specific activities especially sensitization meetings and trainings. This helped them to take advantage of each other's strengths for example public speaking skills, facilitation skills.
 - **Youth savings groups:** This was the first project that engaged and targeted a critical mass of youth successfully.
 - **Increase in Savings culture:** Previously, youth had difficulty saving money. This trend has changed with the increased number of youth saving groups.
- *Other learnings from End of Partnership Report – Youth, Trainings and Linkage*
 - The youth found it more interesting in learning through the trainings that had so many games and fun, such as Enterprise Your Life trainings this attracted most of the youth and was seen to be very effective. In most of the youth groups it helped to improve attendance, easy to manage and conduct
 - Financial Education gives a strong foundation to any SG member and to create impact this training should always come first to enable members develop individual goals and steps to reaching their goals. The learning games will shape the YSG members' future. For the first time ever, we have seen youths coming up with individual goals and most them testifying how much the training has helped them achieve their goals. The FL was effective due to its simplicity and little time taken to cover the training. Some EYL modules were in high demand but others were less popular [Zambia delivered all 20 modules, unlike most COs.]
 - Employability training was relevant to the youths that had gone up to grade nine and above while others did not see the relevance. Only around 45% of Banking on Change Zambia beneficiaries had reach Grade 9 or above, which explains why the full target for Employability skills was not met.
 - The most important lesson learnt about linkages is that it must be demand-led by the group, not imposed.
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“What will be the legacy of Banking on Change, in your view?” [from End of Partnership Report]

- “The project has greatly empowered and changed the lives of the youth in a sustainable manner. During this period, more than 26,000 youth and adults were reached and have had their wellbeing transformed due to various capacity building trainings. Great impact has been realized in the lives of children, their families and communities, ranging from increase in household assets; increase in land utilization due to capabilities to buy inputs; increase in purchase of agriculture equipment; improvement and construction of houses; ownership of small stalls and shops; improved transportation (SG members buying bicycles, motorbikes and vehicles); increased disposable income at household level, increase in availability of foodstuffs; capability to pay for school fees for children; increase in new and expanded income generating activities; employment through supported volunteerism; members being recognized in various leadership positions in the communities due to trust built in them because of belonging to savings groups; assertive thinking, self-esteem, saving culture and strengthening of family ties and relationships.”

What will continue?

- Group formation through YVAs and VAs, together with basic trainings for the group on a demand-driven basis, will continue.
- Plan Zambia is piloting the introduction of ‘contribution for service’ rather than ‘fee for service,’ on the grounds that a ‘contribution’ will be affordable for any group whereas some YSGs can be put off by a set fee which seems to high.
- Due to well-established governance structures and the ongoing presence in the target communities of Plan Community Development staff and economic empowerment Project Coordinators, monitoring of groups and YVAs / VAs by staff should continue at least Quarterly; the team aims to continue holding Quarterly Review meetings at community level for sharing experiences and collecting reports from VAs and YVAs. These will be funded by small contributions from groups (c. \$2 from their social fund each Qtr).
- Plan Zambia aims to continue Linkage support as groups will still need this support to link. However, they are not sure whether BBZ will continue to come to communities to deliver bank literacy training.
- Other projects within Plan Zambia have used SGs as a platform for add-ons for other projects; a Girls’ Economic Empowerment project for example used SGs to mobilise and outreach to girls before delivering vocational skills, and the Bridging the Digital Divide project will also be delivered through some Banking on Change groups. So Banking on Change learning and experience will be used in the future in this way. We will continue to share learning with other NGOs through the SaveNet forum which we chair too.

Case Study: Kelvin Mbuji, 24

Kelvin completed his education and joined a youth savings group to help support his final year at school. His first business he opened, with a loan from his youth savings group, was a barber shop. The shop made K50 per day.

Kelvin’s real interest was in computers and using his savings and profit he made from his business he leased a shop space and bought computer equipment where he offers services such as printing, photocopying, cutting music and runs computer lessons.

Expanding this business Kelvin has bought video game equipment and a pool table. He closed his barber shop in order to concentrate on this business. In the future Kelvin would like to own his own shop rather than lease and will run his business alongside training to be a teacher. Kelvin has been accepted onto a college course for teacher training and will use his business to help fund his training



Kelvin says: “The group that we formed with my friends and fellow youths we joined the OSWAE where we save the money you raise, such as from your business such as a barbers shop or pool table and then you put the money together and then you save as a group, then you share out after saving for maybe six months to one year. The money that is shared out I have been using to buy items for my business in my shop.

...I am an orphan. I lost my parents in 2000. My business has improved (since joining my savings group) – the place I am in now is better than where I was two or three years ago.

I don't think I would have managed to support my sister or myself, it is because of group cooperation and the profit realising at the end of six months that has really helped me to grow. And it has given me a way to sponsor my sister's education as well.”