

## **POWER AFRICA: CÔTE D'IVOIRE ROLLING BASELINE REPORT 2017**

### **ACRONYMS**

VSLA - Village Savings and Loan Association

VA - Village agent

IGA(s) - Income generating activity (ies)

FSP - Financial service provider

PPI - Progress Out of Poverty Index

### **EXECUTIVE SUMMARY**

POWER Africa, CARE's Promoting Economic Opportunities for Women's Empowerment in Rural Africa Project, is a USD \$13 million, 4-year project, funded by the MasterCard Foundation which aims to increase financial inclusion in Burundi, Côte d'Ivoire, Ethiopia and Rwanda through the VSLA approach, while also creating a platform for sharing lessons learned within and between the four target countries.

Three years into the project there are 141,294 VSLA members in 6,433 groups.

This panel study, using 17 trained enumerators in six groups according to zones, carried out 360 1:1 interviews with VSLA members, examining their lives before VSLAs and now. Also interviewed as a control were 204 non-VSLA members. Additional evidence was gathered from a number of VSLA and non-VSLA focus groups.

### **REPORT FORMAT**

This report includes the following information:

1. Background information on the POWER Africa project in Côte d'Ivoire
2. Details on the rolling baseline's sample, methodology, and implementation
3. Findings and analysis of the most recent dataset, collected February 2017, comparing treatment and control groups
4. Comparisons between year two and three of the project
5. Conclusion and recommendations

### **CONTEXT**

With a population of just over 23 million (2016<sup>1</sup>) and located in West Africa bordering the North Atlantic Ocean between Ghana and Liberia, Côte d'Ivoire (Ivory Coast) has inland borders with Burkina Faso, Guinea and Mali.

In 2002, civil war split Côte d'Ivoire between a rebel-controlled North and a government-controlled South. Renewed violence flared in 2004 and 2010, as the country edged its way towards a political resolution to the conflict. In 2010, when Alassane Ouattara was internationally recognized as winner of the presidential election, incumbent Laurent Gbagbo refused to hand over power and was removed by U.N. and French forces. Political tensions have cooled under Ouattara. The president won re-election in 2015 with 84% of the popular vote in a credible and free election. Recent disputes between the military and the government over soldier payment have been settled without violence.

Heavily dependent on agriculture and related activities, which engage roughly two-thirds of the population, Côte d'Ivoire is West Africa's second largest economy. The country is the world's largest producer of cocoa, and a leading exporter of cashews, coffee and palm oil. As the country unifies in the wake of political conflict, the economy is experiencing continued

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<sup>1</sup> According to United Nations estimates. <http://data.un.org/CountryProfile.aspx?crName=C%C3%B4te%20d%27Ivoire>

economic growth. As a result, citizens enjoy a higher standard of living than in other countries in the region<sup>2</sup>.

Despite this, the country faces ongoing challenges. In June 2012, the IMF and the World Bank announced \$4.4 billion in debt relief for Cote d'Ivoire under the Highly Indebted Poor Countries Initiative. Cote d'Ivoire's long-term challenges include political instability and degrading infrastructure. The country ranks 86th in the 2016 Global Hunger Index, a tool designed to comprehensively measure and track hunger globally, regionally, and by country through the compilation of a ranking system of the hunger severity in 118 countries<sup>3</sup>. With a rating of 25.7, Côte d'Ivoire's hunger level is rated as serious<sup>4</sup>. According to the World Food Programme approximately 23% of the population are below the poverty line living on less than about \$1.25 a day (2017)<sup>5</sup>.

Financial inclusion and borrowing rates in Côte d'Ivoire are low. According to a study done by CGAP in 2013, 82% of low income Ivoirians save, but only 28% borrow money.<sup>1</sup> Through the study, which targeted a similar group as POWER Africa (Ivorians over the age of 15 earning between \$20 and \$100 per month), there are several trends around financial inclusion:

- Money transfers (sending and receiving money) are the most widely used financial product in Côte d'Ivoire (49% of Ivorians have sent money in the past year), although informal money transfers (where cash is sent with a close family member or friend) is also common. 59% of Ivorians would like to send and receive money through a mobile e-wallet. In Côte d'Ivoire, more adults have accounts with mobile money providers than traditional accounts at a bank
- Saving is common among Ivorian communities, with 82% saving regularly. 62% of those who save do so informally, keeping their money on their person or at home. Only 28% have a bank account to save money
- Women remain largely excluded from formal financial services. Only 29% of women have an account with a bank<sup>3</sup>. While high interest rates on formal credit, lack of knowledge about service providers and products, and the distance between bank branches prevent men's access to FSPs, for women this financial exclusion is a more serious problem. The policies of banks and financial service providers obstruct women's access to loans, as well as gender norms around business types affect the amounts of credit women can contract. This, along with traditional attitudes around women's participation in business form a significant barrier to general financial inclusion<sup>6</sup>.

The context of financial inclusion in Côte d'Ivoire is a backdrop to POWER's work in the country. Through this client survey study, POWER's work to increase financial inclusion for women, men, and their households will be assessed for its effectiveness.

## **POWER AFRICA**

CARE's **Promoting Economic Opportunities for Women's Empowerment in Rural Africa Project** (POWER Africa), is a \$13 million, 4-year project, funded by the MasterCard Foundation which aims to increase financial inclusion in Burundi, Côte d'Ivoire, Ethiopia and Rwanda through the VSLA approach, while also creating a platform for sharing lessons learned within and between the four target countries.

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<sup>2</sup> According to BBC country profile from January 2017. <http://www.bbc.co.uk/news/world-africa-13287216>

<sup>3</sup> Data as of 2016. According to the Global Hunger Index. <http://ghi.ifpri.org/about/>

<sup>4</sup> According to the Global Index of Hunger. <http://ghi.ifpri.org/>

<sup>5</sup> According to the World Food Programme. <http://www1.wfp.org/countries/cote-divoire>

<sup>6</sup> According to CGAP study in 2013

The CARE Power Africa model is based on VSLA as a means to not only provide access to valuable financial services, but to provide a pathway for formal financial inclusion. VSLA builds the financial skills and assets of participating households by providing access to a safe, convenient place to save and take on small timely loans. It provides the members with practical financial experience, which they can leverage to successfully engage with formal financial service providers (FSPs). Equipped with financial literacy knowledge and skills to ensure that members understand the way that formal financial markets work, pilots linking VSLA with FSPs have resulted in increased financial access for VSLA participants and high repayment rates for the banks. POWER Africa aims to ensure that women and men are equally included in, and benefit from, each stage of the financial inclusion ladder. It also aims to change gender relations to sustain these benefits.

### **POWER AFRICA IN CÔTE D'IVOIRE**

In Côte d'Ivoire, CARE has been working on VSLA programmes since 2005 with communities in the Centre, North, West and Abidjan and is also focusing on linkage development across the four areas. Through structured groups of VSLA 'promoters', they have also established commercial exchanges between the North, Centre, West and Abidjan zones, providing access to a safe and secure market for VSLA groups' agricultural products.

The aim of POWER Africa in Côte d'Ivoire is to scale this up and increase financial inclusion for 125,000 vulnerable individuals and their families, focusing on the four regions of the country demonstrating the highest rate of vulnerability and poverty (Central, North, West and Abidjan).

The target population is composed of 70% women and girls (15 to 24 years of age) and 30% men and young men (15 to 24 years of age) who are unemployed, school dropouts or working small subsistence jobs (such as street vending) in rural and peri-urban areas, and who are either heads of households (divorced, widowed, separated) or are the main wage earners and have a family to support. Particular focus is placed on: the most vulnerable members of communities; women widowed by HIV/AIDS; migrant workers; and young heads of households.

By scaling up VSLA activities and by strengthening them through MFI linkages and financial literacy training, CARE is confident that these young women will be able to access the economic opportunities, gain confidence and knowledge and create activities which allow them to change their social status and become empowered.

The objectives of POWER in Côte d'Ivoire are to:

1. Scale up VSLA groups, adding 125,000 new members in three years;
2. Graduate 125,000 VSLA current members through the VSLA programme;
3. Increase financial literacy and education of 40,000 VSLA members;
4. Develop financial linkages between 25,000 VSLA members and formal financial service providers;
5. Reduce gender gaps in the access and control of assets in key financial services.

### **PURPOSE OF ROLLING BASELINE**

It is essential to POWER Africa's success that we are able to access and assess the experience of participants in each POWER country. A solid baseline is central to this process, allowing us to understand the situation on the ground in target communities at the start of the project. A rolling baseline, or an adaptation of a rolling baseline, provides insight into the project's impact at a more granular level by returning to communities on an annual basis. In a pure rolling baseline, in addition to visiting each cohort at the same time each year, another, younger

cohort is added to the study. This gives an accurate portrayal of the continual change of VSLA membership and facilitates comparison over time.

Due to budgetary reasons, this study is not a pure rolling baseline. We do not attempt to add younger cohorts at each point of contact; instead, where possible, the same group members are followed annually. This provides insight into the change in livelihood of participants at key points in time.

The third data collection cycle of the rolling baseline in Côte d'Ivoire will enable the application of the robust and workable M&E system to measure the current situation (near midpoint) in the lives of VSLA members in Côte d'Ivoire and ensure that they are 'fit for purpose'. Analyzing data annually gives an up to date picture of what's happening on the ground for POWER participants in comparison to their non VSLA member peers.

## **METHODOLOGY**

Data collection for the third annual rolling baseline study took place in February, 2017 approximately 13 months after the second collection in 2016.

### **Enumerator training:**

There was a two day enumerator refresher training prior to data collection and an additional 1 day session for data entry technicians. As we worked with the same group (or largely the same group) of enumerators as in 2016, this was primarily a review session.

### **Data collection:**

- Individual interviews - The quantitative questions were closed questions asked to gain information such as age, marital and family status, and number of children as well as specific information about income generating activities, and access to, and use of loans and credit.
- The qualitative part of the interviews included open/semi structured questions to enable the maximum flexibility of responses. They aimed to elicit information about attitudes and experiences with regard to communication between young women in their role as wives and daughters in their households, and their savings practices and habits, ideas about financial sustainability, and uses of money. The question structure and data entry template enabled the recording of direct quotes.
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- In addition to this, focus groups with VSLA and non VSLA women and men were conducted in each implementation region

## **REVISIONS TO QUESTIONNAIRE**

The 2016 study used a modified version of the 2015 questionnaire. Based on data collected through our monitoring system and key learnings, we identified additional questions to include in the questionnaire, as well as questions to remove. In this form, the questionnaire will respond directly to the project in its current form. Sections of the survey were modified, removed, or added to reflect learnings and areas of interest.

Specific areas of modifications include:

- Linkage - in 2016, we added additional questions on linkage and loan contraction rates. The purpose of this is to determine the level of access and perception of linkage among VSLA and non VSLA members and compare this to monitoring data on CARE Côte d'Ivoire's linkage pilot. This will also help us to get a sense of readiness for linkage for credit

## **SAMPLE SIZE**

The study sent enumerator teams to four of Côte d'Ivoire's 31 regions, in accordance with POWER Africa's implementation areas: Tonkpi, Tschologo, Guemon, Poro, Gbeke, and les Lagunes. The total sample included 204 non VSLA members as a control group, and 360 VSLA members as the treatment group.

Where possible, the study visited the same group members but due to the movement of respondents this was not always possible. In this situation, data was collected from respondents that had been members of VSLA for a similar amount of time as the initial cohort. The average age of respondents is 37 years old. This is an older age group than in previous studies, where the average age hovered around 26.

#### **DATA COLLECTION AND DATA QUALITY**

The dataset was very strong. We did not have to discount responses for lack of clarity or data entry errors. Thanks to dedicated enumerator supervision by the CARE Côte d'Ivoire team there were minimal errors in collection. Data entry quality was high and, thanks to Taki's dedicated work and input, we were able to correct several errors in data entry as we identified them.

#### **DATA ANALYSIS**

Data in this report is analysed according to several factors:

1. Gender - sex disaggregated data to compare changes in the gender gap of financial inclusion
2. Region - assessment of rural and urban performance in VSLA, as well as identifying regionally specific trends
3. Age - comparison of financial inclusion and behaviour for VSLA members and non-members according to their age
4. Cohorts - data analysis and comparison between years 1 and 2 of the client survey to identify trends over time

#### **STUDY LIMITATIONS**

The study was conducted comprehensively in all of POWER's implementation areas. The study attempted to contact and interviews the same sample as in year 2, but where this was not possible VSLA members with a similar background were selected for the sample. It is also notable that this year we changed the composition of the sample size to include newer VSLA groups.

### **RESULTS AND FINDINGS**

#### **1. PROGRESS OUT OF POVERTY INDEX**

The Progress out of Poverty Index (PPI) is a simple, direct tool to measure poverty in a given population. Developed by the Grameen Foundation to assess and compare poverty rates between countries, the 10 question survey covers a set of basic but informative indicators about respondents' households and families. This is compared to national poverty rates to determine what percentage of respondents is below the poverty line. Using a country specific lookup table, data is analysed according to proportion of respondents who fall within pre-defined rating points corresponding to percentage of likelihood below the poverty line<sup>7</sup>.

#### **PROGRESS OUT OF POVERTY INDEX IN CÔTE D'IVOIRE**

Poverty scoring can be used to measure the share of a programme participants who are below a given poverty line, for example, the Millennium Development Goals' \$1.25/day line

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<sup>7</sup> According to PPI website. [www.progressoutofpoverty.org](http://www.progressoutofpoverty.org)

at 2005 purchase-power parity (PPP) or the International Finance Corporation's \$8.00/day 2005 PPP standard for defining the base of the pyramid. USAID micro-enterprise partners in Côte d'Ivoire can use scoring with the \$1.25/day line to report how many of their participants are very poor.<sup>8</sup>

The poverty scorecard is calculated along a scale of 1 to 100. This can be used to assess the change in poverty of households over time, as well as the probability of a group of households to be below a defined poverty line.

The most recent country-wide PPI data collection and analysis in Côte d'Ivoire was in 2008 and was revisited in 2013. This research was funded by the International Finance Corporation (IFC) and used Côte d'Ivoire's 2008 Household Living Standards Survey. The national poverty line (sometimes called here "100% of the national line") was FCFA 578 per person per day. This implied **country level poverty rates of 37.1 % (households) and 48.9 % (people)**. This person-level rate matches that reported in International Monetary Fund (2009)<sup>6</sup>.

POWER Africa uses the national poverty line to compare household poverty levels overtime to a similar communities across Côte d'Ivoire. We also measure against the International Poverty Line of Under \$1.25 per day, as defined by the United Nations<sup>9</sup> to enable cross-country comparisons of VSLA households' probability of poverty. To calculate the probability of households' likelihood to fall below the poverty line, we used the methodology defined by the PPI. Each question and response on the poverty scorecard has an associated value. The sum of households' responses totals to a score, which in turn corresponds to the likelihood of the household to fall below the national or international poverty lines. The higher the household's score, the less likely it is to be below the poverty line.

To calculate an accurate response, household score need to be converted to poverty likelihoods, or the probability of being below the poverty line. We do this by using the PPI look-up tables for Côte d'Ivoire<sup>10</sup>. For the national poverty line, for example, scores of between 35 and 39 have a poverty likelihood of 50.7%. The poverty likelihood associated with household scores are different for the national and international poverty lines, with the international poverty line typically resulting in a lower probability per score. For example while a score of 35 to 39 is a 50.7% likelihood of poverty for the national line, the same score equates to 33.2% poverty likelihood for the international poverty line<sup>11</sup>.

## CLIENT SURVEY PPI

In the 2016 data collection cycle, the PPI was used in both its original ten-question form, as well as with the adapted POWER Africa specific additional questions. This score, as opposed to the 'original' score, is unique to POWER Africa in Côte d'Ivoire and should only be used as a stand-alone baseline measure<sup>7</sup>. It can measure change/success over time and help the targeting of resources, i.e. helping to focus programme resources on regions/areas that scored least in the PPI should help improve their score (i.e. alleviate poverty in that area). The 'original' score according to the international poverty line can be used as a CIV baseline

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<sup>8</sup> According to PPI Memo Note for Côte d'Ivoire. [chrome-extension://oemmndcblldboiebfnladdacbdmfmadm/http://www.microfinance.com/English/Papers/Scoring\\_Poverty\\_Cote\\_dIvoire\\_2008\\_EN.pdf](chrome-extension://oemmndcblldboiebfnladdacbdmfmadm/http://www.microfinance.com/English/Papers/Scoring_Poverty_Cote_dIvoire_2008_EN.pdf)

<sup>9</sup> According to the United Nations

<sup>10</sup> Look-up tables are compiled by the PPI and are updated along with the poverty scorecard

<sup>11</sup> According to PPI Memo Note for Côte d'Ivoire. [chrome-extension://oemmndcblldboiebfnladdacbdmfmadm/http://www.microfinance.com/English/Papers/Scoring\\_Poverty\\_Cote\\_dIvoire\\_2008\\_EN.pdf](chrome-extension://oemmndcblldboiebfnladdacbdmfmadm/http://www.microfinance.com/English/Papers/Scoring_Poverty_Cote_dIvoire_2008_EN.pdf)

and can be compared to other countries that have participated in PPI. The difference between the national and international poverty lines indicates the relative improvement of wealth accrual and livelihood in Côte d'Ivoire in comparison with other developing nations.

## **PPI DATA 2016**

This year the PPI data and analysis indicate an increase in poverty for VSLA members. 43.6% of VSLA members live below the national poverty line, with 29% living below the international line<sup>12</sup>. This is a 6% higher likelihood than among non-members at the national level, and 4.5% higher likelihood at the international level. This is a concerning statistic, as it shows that VSLA as an intervention has not yet bridged the gap between members' and non-members' poverty ratings; at this late stage in the project VSLA members should be recording consistent progress out of poverty.

When the 2016 and 2015 datasets are compared, VSLA members' poverty rates have increased. In 2015, VSLA members ranked at 40.4% below the national poverty line and 30.5% below the international line, with an average score of 42.6. This represents a decrease in livelihood between Y2 and Y3 (3.2% for national poverty line), but an increase in livelihood for the international poverty line of 1%. This could be because of drought during the past year, but this is unlikely as this was not experienced across the whole country.

When data is disaggregated by gender and region, there are some distinct differences. In 3 of the 6 regions included in the sample (Gbeke, Guemon, and Tchologo), women are *less* likely to be below the poverty line than men. **\*\*\*ask why to the CIV team - would be amazing to find out there are gender committees in these areas\*\*\***

Notably, the dataset provides evidence that men and women are equally as likely to be below the national poverty line (both male and female household responses equate to a 43% likelihood to fall beneath the poverty line). There is a considerable difference, however, between men and women's likelihood to fall below the national and international poverty line. Only 16.9% of men are likely to be below the \$1.25 a day line, compared to 28.2% of women. Women outside of VSLA are 1% less likely to be below the poverty line than women in VSLA, while men are 12.4% less likely to be below the poverty line than men in VSLA. This denotes the widening gap between members and non-members, indicating that VSLA members continue to struggle with challenges to their daily livelihoods.

Notably, the gap between men and women outside of VSLA is significantly bigger than between men and women in VSLA. This means that VSLA has succeeded in narrowing the gap between men and women.

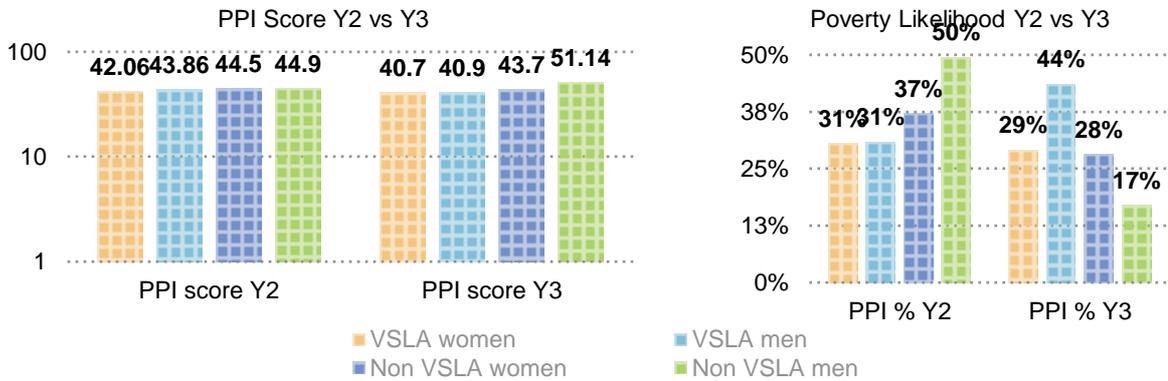
## **2. HOUSEHOLD COMPOSITION**

Both members and non-members largely live either in their family homes, or with their spouse or partner. VSLA women have the highest rates of cohabitation with their spouses: 52%. This

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<sup>12</sup> The international poverty line is defined as living below \$1.25 per day

is 10% higher than women outside of VSLA. This is a common occurrence within this context, as women typically do not live outside of their family homes until marriage. The vast number of women living with their partners indicates that the majority of women in VSLA are married. Men live in their family homes for longer than women, with 100% of men under age 20 living



with their families. A further 53% continue to live with their families until age 30.

### 3. MARITAL STATUS

66% of VSLA women are married: 48% monogamously, and 18% polygamous. Only 18% of women in VSLA are unmarried. The high rate of polygamy among VSLA women is unusual, and is likely based on geography. In the northern regions of Côte d'Ivoire polygamy is common. Interestingly, polygamy is more common among women within POWER Africa than men (13%). In contexts where men are typically the main breadwinners, this could indicate that women in polygamous marriages have less access to financial resources, as their husbands attempt to provide for multiple wives.

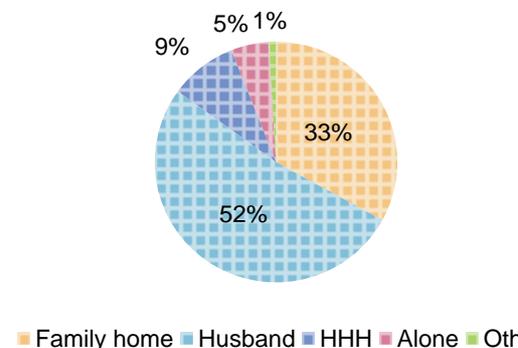
Among women under 20, 44% are single and living at home while 38% are married monogamously and 13% report a partner. The age statistics are in keeping with what we would expect: between 21-30 years old women enter marriages. Men typically remain unmarried for longer than women (67% of 21-30 year olds).

### 5. EDUCATION

VSLA members have spent a higher number of years in education than non-members. Male VSLA members report an average of 7.2 years in school, while female members record an average of 4.7 years. This represents a difference of .42 years for men, and .5 years for women. This is interesting because we would expect that higher education would result in bigger poverty line differences when comparing members and non-VSLA members.

Education level achieved and number of years of schooling is a key indicator of gender gaps between men and women. Women often are unable to complete their schooling to the same extent as men, as they are forced to abandon their studies due to expense, responsibilities at home, or to raise children. Accordingly, a large proportion of VSLA women have 0 years of schooling (34%) compared to 38% of non-members. When compared to men, the majority of non-members have received 6-10 years of education (43%), while 61% of male members have spent between 6 and 15 years in formal education. This is statistically relevant as it is evidence of the widening gap in access to education between men and women. This is not unsurprising for this dataset, as the sample does not include school age individuals.

HH type - VSLA Women

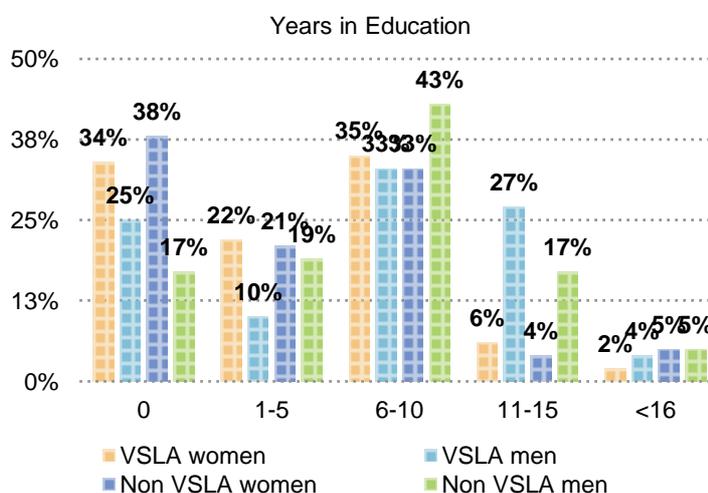


### 6. LITERACY RATES

Due to low overall education rates, women typically have a very high rate of illiteracy. The POWER Africa dataset is no different. 52% of women in VSLA say that they cannot read. This is only slightly better than non VSLA women, of whom 54% are unable to read or write.

For men the trends are completely inverse: 75% of male VSLA members can read. The rates are slightly lower among non members, with 63% of men able to read and write. as can non-members (63%). This is indicative of the gender equality barriers present in communities. Men have much higher rates of access to education than women, and are consequently more able to read and write. This has serious repercussions to the equal access to formal financial services and products of women. Illiteracy bars women from opening accounts, contracting credit, and using mobile money, as these services require the completion of written forms and statements. This means that women lack the confidence to visit the bank or approach an agent. Often, women are forced to rely on their husbands to assist with loan applications and account management. This cedes women’s control of their finances and financial decision making to their husbands.

Of the men and women who can read and write, 62% of women and 80% read and write in



only French, the language of education and urban centres in Côte d’Ivoire. Beyond this, there are a smattering of men who speak both English and Arabic, but this is very much the minority.

## 7. CHILDREN

### NUMBER OF CHILDREN

93% of female VSLA members have children. This is a higher rate than among non-members, of whom 87% are mothers. In a context where women typically begin to have children between 19 and 20<sup>13</sup> it is hardly surprising that the vast majority of women in VSLA are mothers. 61% of women in VSLA have between 2 and 5 children. This is slightly more than non-members: 66% have between 1 and 4 children. Very few members (16%) have more than 5 children.

### CHILD CARE

Caring for children typically falls to women, who are often responsible for several children in addition to their own: siblings’ children, neighbours’ children, etc. In 2016, 29% of VSLA men and 29% of VSLA women are not responsible for caring for any children. This is interesting, as it indicates relative parity in gender roles among VSLA members. VSLA men record some of the highest rates in childcare across the sample (10% care for 4 children).

### CHILDREN IN SCHOOL

<sup>13</sup> As of 2011/2012, according to the CIA World Fact Book and the US government. <https://www.cia.gov/library/publications/the-world-factbook/fields/2256.html>

18% of VSLA members are unable to enrol their children of school age for regular school attendance, compared to 30% of non-members. This is relatively high, as school fees are among the first expenses that families include in their monthly budgets. VSLA members are more likely to send their children to school than non-members. This does not change based on gender: 17% of VSLA members send 5 or more children to school regularly, compared to only 6% of non-members. This is likely because VSLA members have access to regular savings through VSLA, as well as training that encourages budgeting and joint household decision making. This, as well as ongoing businesses, allows VSLA members to earn enough money to cover their basic monthly expenses more effectively than non-members. This is an indicator of overall improved livelihood compared to control group.

### CHILD CARE DURING MEETINGS

77% of female VSLA members leave their children with their mother or sister, or leave them in the house alone when they attend a meeting. VSLA men respond similarly, with 87% leaving their children with their wives, mothers, or alone. This is an indicator of the continued division of labour between men and women. Men still do not regularly care for their kids in order to support their wives' businesses or group activities. The difference is more pronounced among non-members, where 82% of men leave their children with their wives. Women outside of VSLA must leave their children with their mothers or sisters, leave them alone, or take them with to any activity outside of the home.

## 8. SAVING

### REGULAR SAVINGS

Saving rates among VSLA members are low for this phase of the project: only 74% of VSLA women and 71% of VSLA men report saving regularly. This is still a much higher rate than non-members (57% of non VSLA women and 67% of non VSLA men say that they save), but is still concerningly low. After VSLA groups reach maturity<sup>14</sup>, saving rates for member should be nearer to 100%. Of members who do not currently save, 39% have been a member of a VSLA group for at least 2 years. This means that members have received full trainings and have experience with group activities. This trend will need to be closely monitored going forward. Despite this, it is clear that VSLA members are able to set money aside considerably more than non-members. This is due to familiarity with credit and saving methodology, as well as the high rate of active businesses.

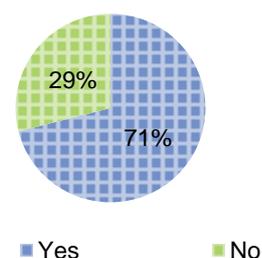
### SAVING AMOUNTS

69% of female VSLA members save less than CFA 60,000 (\$107.23 USD) per week. 67% of VSLA men save a similar amount. Non VSLA women save the least amount of money. It is notable that women in VSLA save both more and more regularly than any other demographic. This is because women are more likely to be responsible for household budgeting and for supporting their children than men. As a result, they are more eager to save money so that they can guarantee funds to pay for future expenses. This means that while women can develop both saving skills and access saving through VSLA, they are still subject to unequal division of labour and often bear the brunt of sole responsibility for providing for their families.

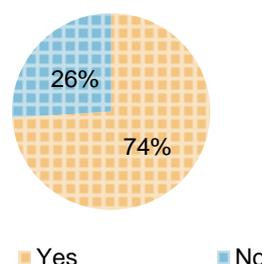
### WHERE DO YOU SAVE?

65% of female and 61% of male VSLA members save their money at home, rather than with a formal institution. This is similar to non members (62% of men and 64% of women). 30% of VSLA women

Do You Save? VSLA Men



Do You Save? VSLA Women



<sup>14</sup> Maturity is defined as the completion of a 12 month saving and loan cycle.

and 34% of VSLA men save through mobile money accounts. VSLA groups are the primary saving institution for members. This means that over 90% of VSLA members can claim only informal financial inclusion. This is a higher rate of financial inclusion than among non members, of whom more than 60% have no access to financial services or platforms, formally or informally. Notably, men outside of VSLA have the highest rates of access to banks and IMFs (19%). This is not surprising: men typically have more access to formal FSPs than women. VSLA members often prefer to conduct banking transactions through their groups because of entrenched fear around formal banks, high costs of transactions, or distance from branches.

### **SAVING THROUGH VSLA**

Members' savings through their VSLA groups form a small proportion of overall weekly savings. 100% of men in VSLA save less than CFA 2,000 (\$3.57) per week in their groups. Women save slightly more: 98% save less than CFA 3,000, and an additional 1% set aside CFA 4,000-5,000. This means that VSLA members are using their money to reinvest in businesses, not to save. Outside of VSLA, 93% of female members save under CFA 6,000 per week. Men are able to save more: 86% of male members save less than CFA 6,000, with 14% saving more than CFA 9,000 per week. Women are able to save larger amounts as well, albeit at lower rate: 5% of female VSLA members save more than 9,000 CFA per week outside of VSLA. This is encouraged through VSLA methodology and is evidence of the profitability of members' IGAs. Group savings are likely used to access loans to drive back into business. Male non members save higher amounts than VSLA members, however, with 26% saving more than CFA 9,000 per week. This could be due to high rates of investment in businesses/activities as opposed to saving among VSLA members. Non members are less active in business and do not reinvest in their enterprises, putting the money instead into savings.

Interestingly, VSLA women record the next highest amounts of saving per week: 7% save in excess of CFA 9,000. This is an important statistic, as it is evidence of the decreasing gender gap in earning and saving capacity. It is particularly noteworthy that women in VSLA have a higher net savings amount than men in VSLA. Women with access to informal services and trainings through VSLA are able to set aside money on a rate that is nearing a par with men.

## **9. LINKAGE**

### **COLLECTIVE LINKAGE**

POWER Africa in Côte d'Ivoire has been linking VSLA groups to partner FSPs since mid 2015. To date, 866 groups have saving accounts with formal FSPs. This equates to 13.5% of groups. CARE advocates "savings first" linkage, requiring all groups to be first linked for several months through a simple savings account before progressing to contract loans. This is so that groups have the opportunity to build formal collateral at a FSP, as well as to allow both VSLA members and banking partners to acclimatise to the relationship. This gives VSLA members time to familiarise themselves with formal banking, ensuring quality of demand-driven linkage.

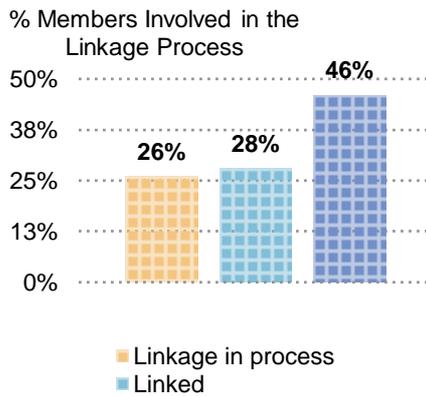
222 (3.5%) of groups linked spontaneously with non partner FSPs<sup>15</sup>. These groups either have not yet received financial literacy for linkage training, or decided to by-pass CARE's and their village agents' FSP recommendations to choose their own financial service provider. This is an indication of the high demand for linkage, as well as groups' growing financial literacy: groups are eager for access to larger amounts of credit and for greater security for their money. Groups that link spontaneously are willing to absorb higher fees for service than offered by CARE's partners<sup>16</sup> to choose a bank or MFI that better meets their needs.

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<sup>15</sup> All data as of March 2017

<sup>16</sup> As negotiated by CARE Côte d'Ivoire with partner FSPs: ADVANS, PAMF, Ecobank

54% of groups in the sample are, in some way, involved in the linkage process. 24% of women and 37% of men in the sample say that their group is currently linked for savings to an FSP. This leaves 46% of groups in the sample have not yet been linked. A substantial 26% of VSLA members say that their group is in the process of linkage. This means that groups are in the middle of financial literacy for linkage training, are meeting with financial service providers, or are in the process of setting up their accounts. These statistics are in line with the POWER Africa national percentages for groups “in the process” of linkage.



Of members who report that their groups have bank accounts, 17% have been linked within the past 6 months. This indicates that linkage is still happening and very rapidly. Very few groups have been linked for more than a year (11%). This corresponds to the project timelines for linkage: the POWER Africa linkage pilot was concluded in December of 2015. This means that the vast majority of linkage took place in the year preceding the rolling baseline study in 2016.

**UNLINKED GROUPS**  
 Of the 44% of groups that remain unlinked 25% said that they do not have confidence in banks and fear that formal financial institutions will steal their money. A further 33% said that their groups are not interested in linkage. These reasons are likely connected. Financial literacy for linkage training is designed to address these concerns and generate demand for formal financial services. CARE does not however, require groups to link and it is not unusual that some groups opt to continue with informal services. 2% of members say that they live too far from bank branches. This is a small proportion of respondents, but raises an important point about accessing financial services. Remote communities are often reliant on mobile money platforms to use services. This can be complicated by coverage issues and high fees associated with transactions.

**UNLINKED GROUPS**

**ACCESSING FORMAL CREDIT**  
 Very few VSLA members in the sample have contracted credits from FSPs. This is to be expected, as CARE Côte d’Ivoire’s credit pilot began in Q4 of 2016. 3% of VSLA women and 2% of VSLA men say their group has taken a loan. This number should increase as linkage for credit becomes more prevalent. Of the small number of members who report accessing loans through their group accounts, the amounts are quite large. Four out of five women took credit of CFA 2,000,000 (\$3,574.18). This is more than the men’s group: CFA 800,000 (\$1,429.67).

**ACCESSING FORMAL CREDIT**

**ACCOUNT USAGE**  
 Of VSLA members that have group bank accounts, the majority of VSLA women report using their accounts multiple times per month (49%). This is a larger proportion than among VSLA men (29%). This is likely because of the lack of security in carrying around large sums of money from group share outs or regular savings. Women are often seen as more vulnerable than men and are more likely to deposit group savings directly after meetings, as a result. Accordingly, 50% of women in VSLA report using their accounts after each VSLA group meeting.

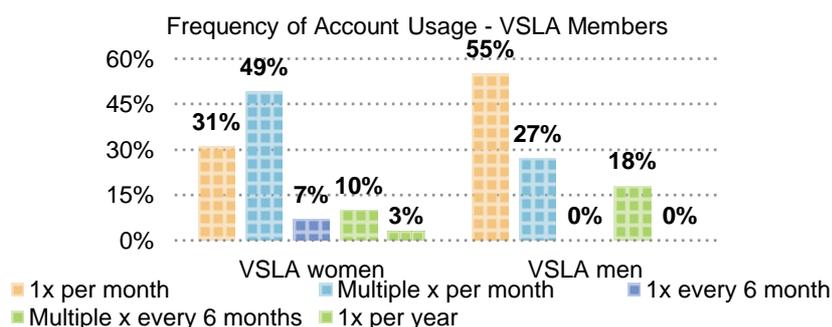
**ACCOUNT USAGE**

12

41% of women say that they deposit into their accounts once per month. This will allow groups to build up sufficient amounts savings to make the fees and hassle associated with make a trip to the bank.

### 10. INDIVIDUAL LINKAGE

VSLA members remain largely excluded from the formal financial sector. Few VSLA members have individual accounts (21% of women, 25% of men). It is surprising that, with 54% of the treatment sample currently linked or involved in the linkage process, more members have not opened individual accounts. Personal accounts are an indicator of broader financial inclusion. After their groups open accounts individual members feel more comfortable with the administrative processes, products and services structures within formal financial service providers. Typically we see an increase in the number of members with individual bank accounts post group linkage. This data indicates a relatively low rate of financial inclusion



among members. Non VSLA men record the highest rates of financial inclusion: 44% of men have an individual bank account. This is an indication of both the broader lack of financial inclusion in POWER Africa target communities, and the gender gaps in access to financial services and providers. Non VSLA women have the lowest rates of access: only 15% report using financial services providers. This means that a large proportion of community members, especially women, are not yet financially included and are reliant on informal savings and credit mechanisms.

82% of women and 78% of men do not personally access formal financial institutions. Interestingly, of members (both men and women) that are accessing formal financial institutions, the majority of members use banks or MFIs (52% of women and 65% of men), not mobile money. Only 35% of men and 48% of women use mobile money to save their funds. This is because VSLA members use mobile money platforms to make transactions, not to save money. E-wallet services offered through MTN and Orange are common, particularly in urban areas, but charge high fees. Saving accounts at banks and MFIs, particularly with CARE partner FSPs, charge less per transaction and offer members the opportunity to earn interest on their savings. 31% of members with formal accounts are accessing services with non-CARE partner FIs. This means that ADVANS and PAMF either do not cover the full range of members' needs or that almost a third of members live outside of partner FIs' catchment zones. This is important information as CARE Côte d'Ivoire considers linkage expansion. It will be necessary to conduct regular needs assessment with VSLA members to better understand their reasons for choosing alternative banks or MFIs<sup>17</sup>.

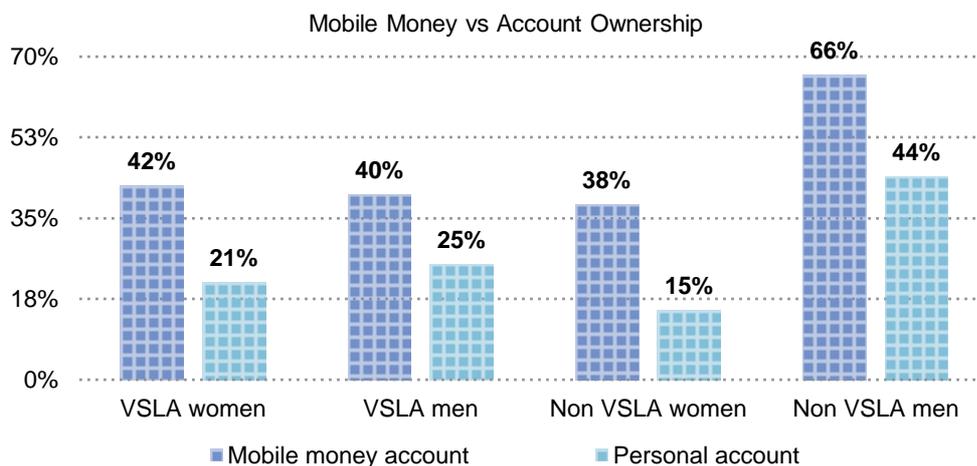
	<b>FSPs linked to VSLA groups</b>			
	<b>Number of groups linked</b>	<b>Total members</b>	<b>Men</b>	<b>Women</b>
<b>ADVANS-MTN</b>	115	2,479	925	1,554

<sup>17</sup> Table data as of quarter 1 of year 4

<b>MTN only</b>	85	1,869	378	1,491
<b>PAMF</b>	222	5,124	348	4,776
<b>Non partner</b>	121	2,636	657	1,979

## MOBILE MONEY ACCOUNTS

42% of women and 40% of men in VSLA have mobile money accounts. Unsurprisingly more members have mobile money accounts than personal bank accounts. Interestingly slightly more women than men have accounts. This shows that mobile money is an easier and more accessible way to save and transfer money for women. Mobile money platforms are less formal than banks<sup>18</sup> and are accessible from anywhere<sup>19</sup>. Women face challenges in using the bank, as their husbands typically control access to the types of collateral and documentation required to use financial services and products. Without exposure or financial literacy, women lack the confidence to travel to the bank branches themselves. Banking forms and legislation complicates this further, as men are often required to sign alongside their wives<sup>20</sup>. Mobile money allows women to be in complete control of their finances, without seeking



permission from their spouses.

Similarly to access to formal bank accounts, non VSLA men record the highest percentage with mobile money accounts (66%). This is further evidence of the existing gender gap in financial inclusion; men are more able to regularly use and manage their funds through mobile money than women.

## HOW DO VSLA MEMBERS MAKE TRANSACTIONS?

VSLA members' transactions reveal the gender dynamics within POWER Africa target communities. 34% of women use mobile money to deposit, withdraw, and send money between accounts. This compares to only 19% of men. This is representative of women's preference and ease of access to mobile money platforms compared to me. Interestingly members (both men and women) use agents significantly more than they use branches: 32%

<sup>18</sup> Common documentation includes identification documents, proof of address, etc

<sup>19</sup> Provided there is network coverage

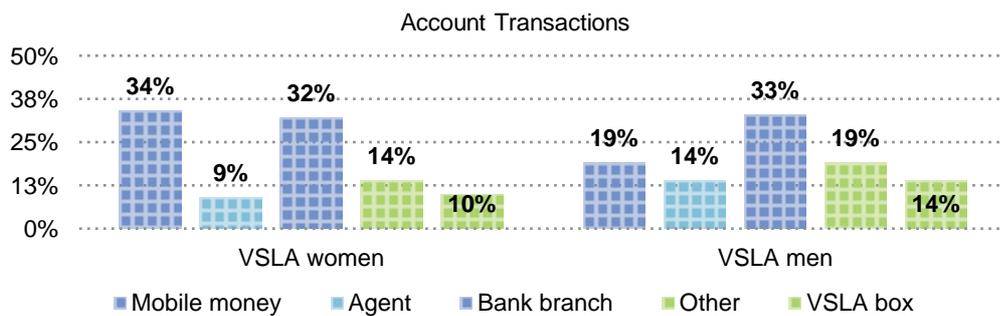
<sup>20</sup> Wives are not required to sign alongside their husbands

of women use agents, compared to 9% who bank at a branch. This trend is consistent among male VSLA members. 33% of men bank through an agent, compared to only 14% who transact at a brick and mortars branch. This is not something that we usually see. This is likely because of fees and technical issues with MTN and Orange e-wallet and mobile banking services, as well as the prevalence of agents in target communities.

### 10. FINANCIAL EMERGENCIES

Less than a third of VSLA members (28% of women and 24% of men) report experiencing a financial emergency in the past 12 months, this compares to 35% of female non-members and 22% of male non-member.

VSLA members do not rely solely on VSLA loans to get through financial emergencies. 15% of women and 14% of men take loans from their friends in times of stress. Men are 6% more likely to access loans from VSLA groups than women. Interestingly, non-members are more likely to rely on their savings during emergencies (35% of women and 33% of men) than members (21% of women and 24% of men). This is in contrast with data from other POWER countries and, in line with above savings data, means that members have less liquid savings. This could be because members invest in livestock, assets, and businesses, as opposed to setting physical money aside.



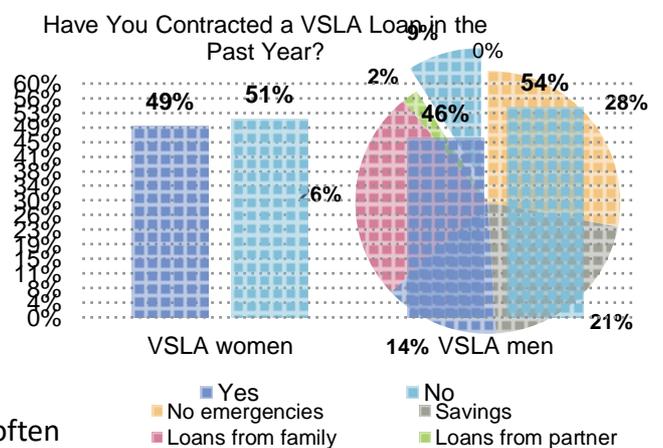
Members also report accessing loans from MFIs (9% of women and 5% of men), even though 0% of non-members report this. This is an important note on access to financial services. VSLA members have a wider range of options available to them. This means that members are not reliant on a single source of money and are likely more resilient to shocks as a result.

### 11. LOANS

#### VSLA LOANS

51% of women and 54% of men have not contracted a loan through VSLA. This means that members are not investing in their businesses through VSLA credits. This is both surprising and concerning, especially for this time of the project, where we would expect to see high loan fund use rates and expanding businesses. Members could be accessing credit from other sources, or this could be a result of the focus on collective businesses and value chain enterprises.

Access to Money in Financial Emergencies



It is important to note that in much of West Africa, including Côte d'Ivoire, collective IGAs are often more common than individual businesses. Members will contract a single loan to invest in a business that everyone is responsible for, splitting the

work and the profit amongst themselves. Typically these businesses are agricultural in nature: renting a plot of land as a group and growing cassava, for example. Collective businesses are discouraged through VSLA methodology because they result in lower profits over a longer period of time<sup>21</sup>. In order to mitigate the lower profitability and increase the client base of businesses, collective IGAs are often linked into wider value chains. This approach has been actively adopted by CARE Côte d'Ivoire throughout the POWER Africa project. A collective business will be linked to wholesale distributors in commercial centres to facilitate the bulk sale of product. These networks could explain the low loan contraction rate.

57% of members who have not taken a VSLA loan in the past year have been members of VSLA groups for less than 18 months. This could mean that members are getting used to contracting credit and acquiring this type of risk. The highest rate of loan contraction is among both older group (31-36 months) **and** younger groups (12-18 months), however. When cross referenced by age, we see that the groups with the highest credit contraction rate through VSLA are members between the ages of 41-50 years old. The majority of members under 20 (63%) have not taken loans<sup>22</sup>.

### **NUMBER OF VSLA LOANS**

49% of male and 38% of female VSLA members report contracting a single loan through VSLA in the past 12 months. 25% of men and 35% of women report not taking any loans in the past year. This is in line with the overall low loan contraction rate. This could be due to the prevalence of collective businesses, but will need to be monitored, as this could indicate a lack of growth in members' businesses.

### **VSLA LOAN AMOUNTS**

Amounts contracted through VSLA are relatively low. 33% of women and 22% of men took loans of less than CFA 10,000 (\$17.87) in the last year. Men tend to take slightly larger loan amounts. This is a trend that we see across our data sets: men are more comfortable taking larger risks with loan size amounts, although women take credit more regularly. 77% of women and 75% of men contracted loans of less than CFA 30,000 through VSLA.

## **12. EXTERNAL LOANS**

### **NUMBER OF EXTERNAL LOANS**

Non VSLA men have the most access to credit outside of VSLA groups<sup>23</sup>: 17% contract more than 2 loans per year. Notably, VSLA women have higher rates of access than VSLA men. 95% of VSLA men and non VSLA women report taking less than 2 loans from external sources. 10% of women in VSLA, by comparison, are taking more than 2 loans per year.

In terms of larger credit amounts, 5% of non VSLA men report taking 6 credits from sources within their communities. 2% have contracted 6 credits outside of their groups in the past year. While this is evidence of the growing access to financial services and products for women

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<sup>21</sup> A shared cassava field as a collective business means that 20 or 25 members will work a field for 9 months and split a small profit. This is a large period of time with no additional income for members beyond what they can grow in their own fields, as opposed to individual businesses with a much higher profit yield.

<sup>22</sup> This is in contrast to learning that we have from Burundi, where youth typically contract credits very quickly and with high frequency.

<sup>23</sup> Formal or informal

in VSLA, it is important to note that this is a very small proportion of the sample, and that access rates remain low for more than 90% of VSLA and non VSLA members.

**EXTERNAL LOAN AMOUNTS**

Patterns in loan amounts are similar to the number of loans contracted: non VSLA men and VSLA women record the highest credit sizes. Non VSLA men reported the largest loan amount contracted outside VSLA: CFA 1,500,000 (\$2,680.64). Women in VSLA contract credits of up to CFA 1,000,000 (\$1,787.09).

Women typically tend to take smaller loan amounts than men. This is due to women’s reticence to take on large amounts of risk. With more financial responsibilities to their families and children, women are wary of losing money through loan defaults, mismanagement, or interest payment. Accordingly, 81% of women in VSLA and 96% of women outside of VSLA contract credits of less than CFA 30,000 (\$53.61) outside of VSLA.

Men record a similar loan contraction rate, with 81% of non-members and 80% of members taking loans of less than CFA 30,000 (\$53.61). At the same time, men report high rates of larger loan amounts: 13% of men in VSLA have taken a loan of more than CFA 100,000 (compared to only 3% of women in VSLA) and 10% of non VSLA men have taken loans of between CFA 60,000-100,000 (\$107.23-\$178.71). This data reinforces existing trends in gender: women are likely to take smaller, regular loans than men.

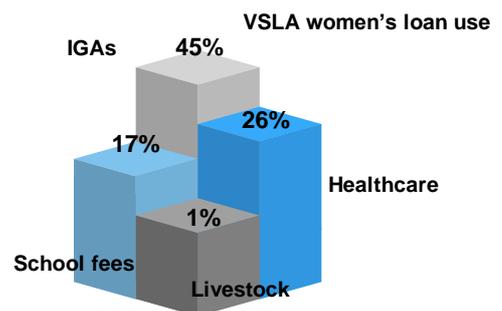
**13. LOAN REPAYMENT**

VSLA members have largely finished repaying their loans (71% of men and 66% of women). An additional 23% of women and 17% of men have started paying off their credits but have not yet completed the process. This leaves 12% of members that have not repaid their loans. This is to be expected, as the VSLA methodology prepares groups for loan repayments. This is an important factor of success.

This is in comparison to 41% of non VSLA women and 12% of non VSLA men who have not repaid their loans. Rates of starting but not yet finishing to repay credits are higher among non-members.

**14. SOURCES OF EXTERNAL CREDIT**

VSLA women report have the highest access to formal FSPs. 28% are taking loans from banks, compared to only 11% of VSLA men, 14% of non VSLA men, and 0% of non VSLA women. This is significant evidence of the decrease in gender gaps through VSLA. Women in VSLA are able to access banks where others are not. This is far from typical within the local context. Because of high illiteracy rates among women and entrenched social norms, women are often excluded from formal economies. This data proves that VSLA is working well to assuaging this inequality.



Despite the relatively high rates of formal credit access, the largest source of loans for both members and non-members is friends and family (63% of men in VSLA, 57% of women in VSLA, 71% of non VSLA men, 88% of non VSLA women). These statistics are relevant for several reasons:

- (1) VSLA women have the lowest rating of informal external credit. This is pretty remarkable because of existing gender gaps. It means they have diverse ranges of credit available to them, or are starting to;

- (2) for women outside of VSLA the standard gender norms are perpetuated. They have very little other access to credit/financial services than informal services, friends/family;
- (3) both men and women in VSLA register higher access to formalized credit services. This supports the thesis that VSLA is a gateway to formalized service providers

### 15. USE OF CREDIT

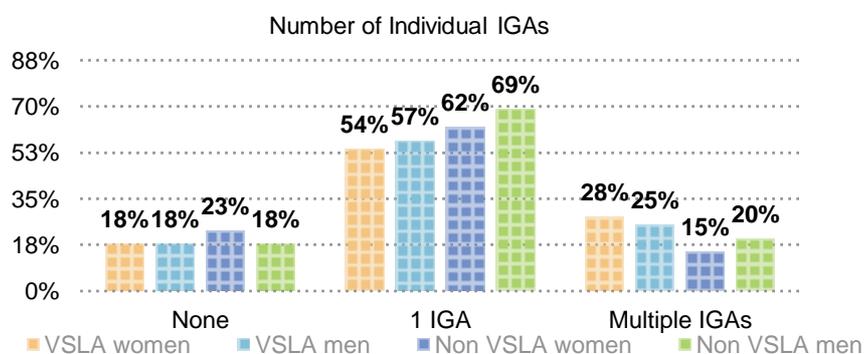
IGAs form the biggest use of credit for VSLA members (31% of men and 45% of women). This does not account for majority of usage, however. School fees makes up 25% of male VSLA members' loan usage and 17% of women's. Men are spending more of their money on school fees than women. This could be evidence of the gender balance shifting as men take on more responsibility for household expenses. This allows women to invest in their businesses over other expenditures.

Healthcare makes up a large proportion of remaining loan uses for both members and non-members, accounting for the single biggest usage among non VSLA women (48%). Interestingly, male non-member are more likely to pay school fees than (33%). For male non-member, health and school fees make up the majority of loan usage.

### 16. IGAs

#### INDIVIDUAL IGAs

82% of both male and female VSLA members are actively engaged in income generating activities. This is a higher rate than among women non-members (77%), but is 7% less than male non-members (89%). While this represents a relatively low business engagement rate for VSLA members in comparison with other POWER Africa countries, 2% more VSLA women and 9% more VSLA men are involved with IGAs than in the second year of the project. This in turn represents an overall increase of entrepreneurship and business engagement across the lifecycle of the project. This is likely due to the focus on business skills development and the

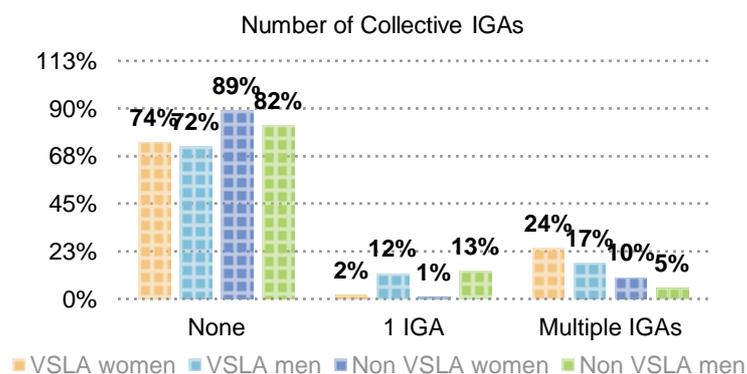


introduction to linkage and access to higher amounts of formal credit. The opportunity to expand existing businesses often serves as an incentive for members to expand or diversify their IGAs, or for members to begin new or additional businesses.

Of VSLA members who report involvement with IGAs, only 28% of women and 25% of men run multiple businesses at once. This is more than among non-members, but not drastically (15% of non VSLA women and 20% of non VSLA men). This is a considerable decrease from year 2, when 59% of women and 54% of men ran multiple businesses. This means that more VSLA members are running single IGAs this year. This could be a choice to focus on a single, more profitable enterprise, or this could be due to the influence and opportunity afforded through VSLA networks and access to value chains. By working through networks, members can sell more of their products to higher paying, commercialised enterprises.

76% of VSLA members' individual businesses were started more than a year ago. This is evidence of the longevity of members' activities and is important because it shows that businesses are profitable in the long-term. This is likely due to members' ability to identify

gaps in the market and develop strong foundational business plans, as a result of focused entrepreneurship training delivered through VSLA groups.



### COLLECTIVE IGAs

Most VSLA members are involved with collective IGAs (74% of women and 72% of men). This is surprising. In 2016, 50.4% of members were involved in a collective business. This is a 28% decrease among VSLA men and a 26% decrease among VSLA women. While this is further evidence of the

success of entrepreneurship training<sup>24</sup>, it is a departure from cultural norms within the region. To determine whether this is a positive or a negative trend, data will need to be collected and analysed over time to assess the impact of a decrease in collective businesses on poverty levels and earning capacity among VSLA members.

### IGA TYPES

The majority of respondents’ businesses are in commerce. This is particularly true for VSLA women (65%). Businesses include food production and sale, petty trading, and the set-up of general shops and boutiques. 44% of members’ businesses are agricultural in nature: growing and selling vegetables.

The vast proportion of collective IGAs are agricultural (farming and harvesting co-owned land) together, or selling food products. VSLA women report several tontines<sup>25</sup> in addition to IGAs. While these are not businesses they do indicate that women are after more avenues for saving. This could be because women, particularly in rural areas, are not able to easily and safely save their money (tontines form an alternative to that). Similarly to individual businesses, the majority of collective IGAs are formed more than a year ago. Again this is evidence that the business is profitable and that members are reluctant to change their course. Women show higher rates of more recent collective businesses, although it’s important to note that this is a small proportion.

There are several distinct gender differences between men and women’s business types: food preparation, running a restaurant, and selling fish are typically reserved for women. Women (particularly VSLA women) are starting to break into businesses that previously would have been dominated by men. Women are reporting work as a builder or contractor, as well as chauffeurs, livestock rearing, and taxi driving. This is notable as it means that women’s confidence and ability to challenge entrenched gender norms and labour divisions is increasing.

## 17. INCOME

<sup>24</sup> Entrepreneurship training for POWER Africa groups in Côte d’Ivoire was modified in 2015 to encourage VSLA members to prioritise individual IGAs. This is CARE policy and is grounded in the understanding that individual IGAs are more profitable than collective IGAs. The training added modules on business planning, marketing, and market assessment skills.

<sup>25</sup> Tontines are community based saving groups common across West Africa. While tontines do sometimes provide loans, they are largely orientated towards saving and operate as a merry-go-round, with a different community member taking home the pooled savings each week or month

The vast majority of respondents report that their IGAs are their primary source of income. This is particularly true of women VSLA members: 16% saying report their IGAs make up more than 90% of their weekly income.

No respondents (VSLA or non VSLA) earn more than 150,000 CFA per month. 26% of VSLA women earn less than 5,000 CFA per month through their businesses. This means that earning rates are still quite low, and points to both structural gender inequities, as well as resolutely high poverty rates. Men both in and out of VSLA report higher earnings than women. This is also not surprising. Notably, however, the gulf is smaller between men and women in VSLA than between men and women outside of VSLA. This marks a decrease in the gender gap when compared with 2016. In year 2 of the project, men in VSLA earned, on average, 164.54% more than women in VSLA. Among non VSLA members, men earned an average of 93% more than women. This is likely attributable to the diversification of income streams and the ongoing sensitization of VSLA groups, members, and their families around the importance of women’s equal access to financial services and business opportunities.

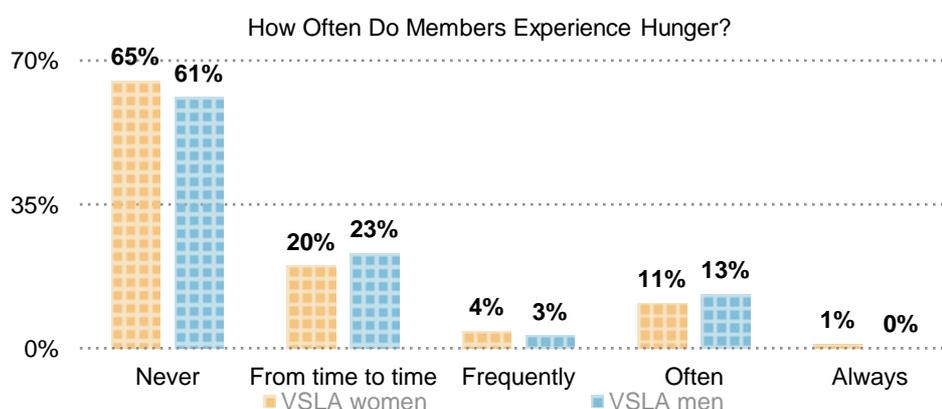
### 18. EXPENSES

The largest expenses across all participant groups are healthcare and school fees. This is a constant across all demographics included in the sample. Clothing constitutes a significant expense for VSLA members and non VSLA women. Women record many more expenses than men. This is indicative of gender inequities, as women are often expected to shoulder the cost and burden of running a household. VSLA members record business as a key expense (at double the rate of non-members). This could be confusion with investment. This is a positive trend, implying that members are reinvesting their incomes into their businesses, increasing their profit margins.

### 19. FOOD SECURITY

73-74% of men, women, members and non-members eat meat more than twice per week. This indicates that there is little difficulty in providing and paying for food. Only 1% of VSLA women and non VSLA women say that they never eat meat.

87% of VSLA women say that they never experience hunger, or only experience it from time to time. Hunger is relatively rare in target communities. This is a testament to the capacity of VSLA members to earn money to increase their resilience to hunger. This is particularly notable among women, who are often reliant on their husbands. This year women in VSLA are 4% less likely to experience hunger than men in VSLA, and 16% less likely than non VSLA men. This is



a notable improvement over year 2 of the programme, where 58% of women in VSLA reported never experiencing hunger. The 7% improvement means that VSLA members, particularly

women are gradually improving their livelihoods through access to financial services and income generating activities.

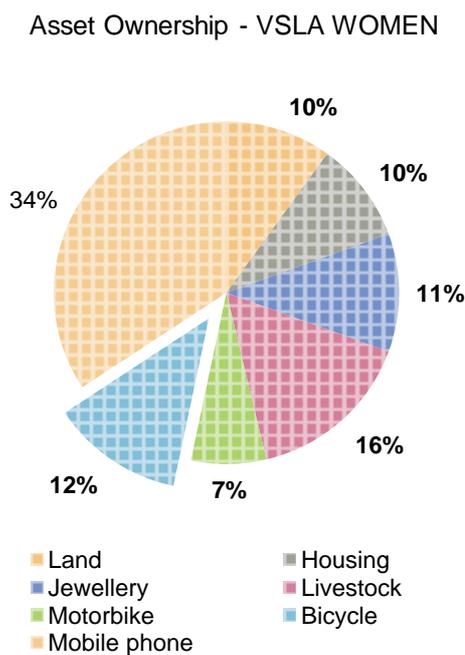
Non VSLA members report slightly higher rates of hunger: 23% of men and 22% of women report that they experience hunger often. Non VSLA women are the most vulnerable to hunger. 19% report needing to contract a loan to cover food costs. This is only slightly lower than non VSLA men, who report 18%. 65% of VSLA women say they never have to use a loan to buy good. This is the strongest statistic, and is evidence of the profitability of women’s businesses, but most of all of women’s use of VSLA. A combination of regular, secure savings and the solidarity fund means that women are able to support themselves.

**20. PERMISSION**

The majority of VSLA women ask their husbands for permission to leave the house or participate in meetings (61%). Only 10% of VSLA women do not ask permission to go out of the house. Even fewer non VSLA women (6%) do not have to inform people of their movements. This is to be expected, as gender norms in target communities mean that women often do not have freedom of movement. This is strongly linked to the gender based division of labour at household level. Women’s responsibilities are tied to the home; their husbands expect them to care for the children and home, prepare meals, and perhaps most importantly in this context, to remain available to respond to their needs. Through qualitative data we know that men initially object to their wives’ participation in VSLA groups because they fear that they will spend too much time out of the house. This data shows that, while women still need to approach their partners for permission to conduct business away from their homes, they are able to negotiate more equitable partnerships.

In addition to husbands, women identify their parents (mother and father), mother in law, and brothers as gate keepers. This is not surprising, as families tend to live together in a compound and women are often expected to defer to their mother in law or eldest brother for permission. For unmarried women their parents are their first and primary authority.

**22. ASSETS: DIRECT OWNERSHIP**



**LAND:**

Many more VSLA women own land compared to non-members (24% vs. 14%). This is a strong marker of the difference between VSLA and non VSLA; an indicator of the improvement of women’s livelihood through VSLA membership. Women are typically barred from land ownership, as local governments do not recognize women’s rights to land. Land is an extremely important asset; it guarantees safety and hereditary rights for women’s children. Beyond this, land serves as formally recognized collateral for large amounts of credit. Owning a plot can serve as an important starting point for contracting a formal loan. The 10% difference between VSLA and non VSLA women is evidence not only of female VSLA members’ earning capacity, but also of their ability to challenge

social norms. This is supported by targeted gender activities, such as local gender committees, sensitization sessions with local leaders, couples’ dialogue groups, and support groups for women. There is only a small difference in land ownership between VSLA women and men:

24% of women, compared to 27% of men. This is an indicator of the narrowing inequality gap between members.

#### **HOUSING:**

Housing trends are similar to land ownership. It is rare for women to own their own homes, or to build it themselves, as this is typically reserved for men according to social custom. To have 23% of female VSLA respondents owning their own house is impressive (compared to 27% of men in VSLA). When compared to non VSLA women or to men, we see that this is strong progress.

#### **JEWELRY:**

Women own more jewelry than men. More VSLA women report owning jewelry than any other respondents (27%). This is indicative of disposable income and wealth generated by businesses and savings through VSLA.

#### **LIVESTOCK:**

Very few respondents own large livestock. This could be because of lack of sufficient capital, or because livestock is not used in businesses. This is typically a sign of wealth, and capital accrual. Interestingly VSLA women have the largest proportion of small livestock (30%). This is more than both VSLA and non VSLA men, and certainly more than non VSLA women. This is significant and means that women, through VSLA, are able to invest in valuable assets both for business and for wealth accumulation. Because of the limited access of women to financial services and products, buying livestock (small or large) can be a form of saving money. This is likely also the case here to a certain extent. The lack of large livestock also underlines the importance of this point. It is not a situation where men can buy cows, but women can only buy chicken. Men have limited capacity to buy livestock but, through VSLA, women are surpassing this trend.

#### **MOTORBIKES AND BICYCLES:**

31% of non VSLA men own motorbikes. This is to be expected, as men use motorbikes to assist in business (motorbike taxis, transport services), as well as to improve their mobility to and from commercial centres and their fields. Significantly, VSLA women make up the next largest proportion of respondents owning motorbikes: 17% (compared to 13% of VSLA men and 10% of non VSLA women). This is evidence firstly, that women are able to purchase assets typically reserved for men, but also that VSLA women are able to earn enough money to invest in these types of assets.

41% of VSLA women own bicycles. This is by far the highest proportion of respondent groups (compared to 31% of non VSLA men, 30% of VSLA men, and 12% of non VSLA women). Bicycles are a common asset investment, increasing women's mobility and giving them independence and freedom of movement.

#### **MOBILE PHONES:**

Unsurprisingly, the majority of VSLA women (83%) have mobile phones. This is considerably more than non VSLA women (74%), again an indicator of livelihood improvement. The difference between men in VSLA and non VSLA men is nominal: 88% compared to 83%.

### **23. ASSETS: HOUSEHOLD OWNERSHIP**

**LAND:**

Household ownership of land is much higher than individual ownership across all demographics. This is unsurprising, as it is more common that land is owned by family, particularly by male family members. There is a strong indicator of the remaining gender gap, however, as women's "ownership" of land through their household doubles for VSLA members and increases even more among non-members. This implies that women's husbands or fathers are the primary owners of land, not women themselves.

**HOUSING:**

Interestingly, household ownership of a home decreases sharply when compared with individual ownership (among VSLA women this rate reduces by 38%, for VSLA men by 28%, for non VSLA women by 42%). Among non VSLA men only does the rate of home ownership increase.

**JEWELRY:**

This is similar to the personal ownership and follows the same trends. Although the rate of HH ownership drops compared to individual ownership. This is likely because ornaments tend to be owned at individual level, rather than as a possession of the whole family.

**LIVESTOCK:**

Households in the sample (both VSLA and non VSLA) do not own large animals. The reasons are likely the same as with individual ownership. Similarly, VSLA women's households own the most livestock.

**Y2 vs Y3**

There are several key indicators of VSLA members' livelihoods that can facilitate comparison between the second and third year of the POWER Africa programme.

**PPI** - this is a direct measurement of respondents' likelihood to live below the poverty line. Comparing year 2 and year 3 PPI data will give an accurate snapshot of changes in poverty and livelihoods

**Average saving rates**; shows members' comprehension of financial education and saving, as well as their capacity to save money on a regular basis.

**Average sum of credits and credit use** - shows members' access to loans and understanding of credit and credit reimbursement. The frequency and amount of credits contracted through VSLA is an indicator of members' business development and sustainability. The more a member accesses loans, the more businesses they can start, diversify, or expand.

**IGAs** - shows absorption of IGA SPM and entrepreneurship training. The number, type, and growth of businesses are directly linked to members' capacity to improve their livelihoods and secure their families against shocks.

**Linkage** - as a key element of financial inclusion, linkage to FSPs represents the transition from informal to formal inclusion. Comparing the number of groups that there are linked to

FSPs is an indicator of the access to financial services and products created by the project. The proportion of individual members who have opened personal bank and mobile money accounts is further evidence of formal inclusion and is linked to business growth and higher saving rates.

**Food security** - this is a concrete and specific measurement of members’ livelihoods and shock resilience. VSLA members’ ability to consistently purchase food in addition to crops that they grow themselves and the frequency of hunger in their daily experience is a key indicator of financial sustainability.

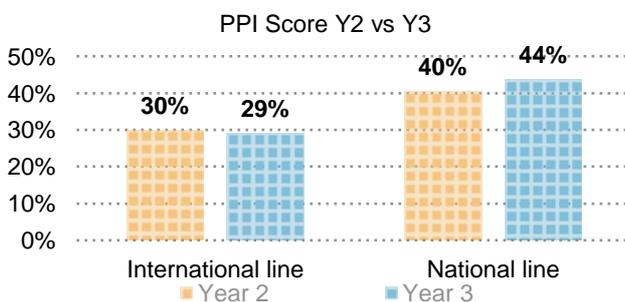
**PPI**

When the 2016 and 2015 datasets are compared, VSLA members’ poverty rates have increased. In 2015, 40.4% of VSLA members were likely to be below the national poverty line, with 30.5% likely to be below the international line. In 2016, VSLA members have a 43.6% likelihood of falling below the national poverty line and a 29% likelihood of living below the international line. This represents an overall decrease in livelihood between years two and year 3 (3.2% for national poverty line). While there is a slight increase according to the international poverty line (1%), this is largely due to the differences in methodology between the two tools and does not impact the increase in poverty likelihood. This could be because of drought during the past year, but this is unlikely as this was not experienced across the whole country. This will need structured follow up to determine why VSLA members have experienced an overall decline in wellbeing over the space of 2015 and 2016.

**SAVINGS**

Saving rates have decreased slightly between 2015 and 2016. In year 2 of the project 77% of member reported saving regularly. In year 3 this number fell to 72%. Despite the low overall saving rates, saving amounts between the two years: average total savings both inside and outside of VSLA were CFA 6,907 (\$12.43) for women in VSLA, and CFA 9,883 (\$17.78) for men in VSLA. In 2016 61% of VSLA women saved between CFA 5,000 (\$9.00) and CFA 60,000 (\$107.96) each week, with an additional 26% saving more than CFA 60,000 (\$107.96). VSLA men record similar saving amounts: 60% save between CFA 5,000 and CFA 60,000; 31% save more than CFA 60,000 in a week. This means that although the proportion of members saving regularly has decreased, members who do manage to save are setting aside

considerably more than VSLA members have in previous years.



**CREDIT**

Loan use has risen substantially between years two and three of POWER Africa. In 2015 only 32% of VSLA members contracted a VSLA credit. In 2016 this percentage increased to 48%. Women continue to take more VSLA loans than men. This represents This is driven by increased business investment among members, likely as a

result of continued entrepreneurship trainings. This intervention was designed to reinforce the market assessment, business development and management skills of members in response to the low loan fund utilization rate across POWER groups in the first two years of the programme.

Access to loans outside of VSLA groups has decreased: 36% of VSLA members took loans from external sources in 2016. This represents a decrease of 28% from year two of the

project. The source and type of non VSLA loans provides clarity: in 2016 34% of VSLA women and 37% of VSLA men contract loans from formalized sources of credits. This is an increase of 32% among VSLA women and 25% among VSLA men. This indicates that in year three of POWER Africa, VSLA members' access to formal sources of credit has increased substantially through linkage and financial literacy training.

In 2015 members contracted loans overwhelmingly from friends and families.

### IGAs

Participation in collective businesses has decreased between years two and three of the project. In 2015 50% of members participated in collective IGAs. In 2016 this decreased to 26% of members. This is likely because of the

redoubled efforts to encourage VSLA members to concentrate on individual businesses through entrepreneurship and business management training. Accordingly, 82% of women in VSLA are engaged in individual IGAs, with 28% running multiple businesses at once.



While participation in group businesses has fallen, Individual business management has not changed substantially between years two and three. 82% of women in both 2015 and 2016 are involved in IGAs. The proportion of men with individual businesses has increased by 5%. This means that entrepreneurship trainings and experience with business identification and management have drawn VSLA members away from group businesses, but has not driven a growth in individual business development. This does not imply that VSLA businesses are not growing or expanding, but speaks to the lower rate of diversification in local markets in implementation areas.

### FOOD SECURITY

VSLA members' food security from 2015 to 2016. The proportion of members who report that they never experience hunger has increased by 29%. This is an important change, indicating that VSLA members are increasingly able to sustainably provide for their families. This is linked to saving and business growth rates, as members invest their money in business, ensuring that they have access to consistent income flows.

### LINKAGE

As linkage activities continue through the POWER Africa project, VSLA members' access to formal banking services and products have increased. In 2015 only 2.4% of VSLA groups reported linkage. This coincides with the end of the linkage pilot in Côte d'Ivoire. In 2016 this number has jumped to 20%. A further 26% of groups in year three are in the process of linkage, and are either completing financial linkage for literacy training, or are confirming documentation to open their accounts. Together this brings the total proportion of groups involved with linkage to 46%. This change is to be expected, as VSLA groups grow more familiar with formal financial services and products and choose to deposit their money.

Group linkage is a preparatory step for personal linkage. Low levels of group linkage in 2015 corresponded to minimal personal account ownership: only 6.2% of female and 14% of male members had their own bank accounts. In 2016 this changed substantially. 21% of women and 25% of men have opened bank accounts, with a further 42% of women and 40% of men using personal mobile money accounts. This is evidence of widespread increase in access to and knowledge of financial, providers, services and products.

## CONCLUSION

The 2016 Côte d'Ivoire rolling baseline data and analysis yields insights into the progress, successes, and challenges of POWER Africa programming. Three key trends include:

**1. Access to formal services for VSLA groups increases access for individuals.** Groups that open saving accounts with formal financial service providers have correspondingly high rates of individual account ownership. Women face challenges in using the bank, as their husbands typically control access to the types of collateral and documentation required to use financial services and products. Without exposure or financial literacy, women lack the confidence to travel to the bank branches themselves. Banking forms and legislation complicates this further, as men are often required to sign alongside their wives. Group linkage through VSLA provides both the training to familiarize members with banks' services and products, but also with the practical experience of visiting a bank branch and using mobile money. This can be key in building the confidence for members, particularly women, to overcome entrenched fears and to begin actively using their accounts. Group linkage builds demand for individual linkage. Credit is a strong motivating factor for both groups and individuals to open accounts. Through the experience of group linkage and the credit application process, individual members understand the benefit of money security and the possibility of applying for individual loans<sup>26</sup>.

**2. Saving rates and poverty statistics have increased in the past year.** This will need further monitoring and additional analysis to understand why the poverty rate among VSLA members seems to be increasing. This could be due to environmental factors (drought, for example). Despite this, VSLA members are more food secure than non-members. This is conflicting data, but suggests that even with increasing global poverty, members are able to consistently provide for their basic daily needs.

**3. Women are investing more in productive assets and are becoming land and livestock owners.** Income generation capacity is increasing through the growth and diversification of businesses. The data set provides evidence that women are actively controlling and making their own decisions about their resources. As a result ownership levels of value assets among VSLA members in general, and women in particular, have increased. Women are now freely investing in valuable livestock (chicken, goats, etc). More notably, land ownership among female VSLA members has surpassed male land ownership. Traditionally women do not own or rent lands, as this is reserved for men in the community. With growing income generation streams and ongoing gender sensitization (through additional POWER activities<sup>27</sup>) women are redefining their own sense of decision making and control over their resources, as well as pushing for equality in access to valuable assets.

**4. Gender gaps between male and female VSLA members are closing.** Statistics such as women's increased income generation, access to formal financial services, and credit contraction prove that VSLA and its associated trainings is an equalizing mechanism for women and men. Through involving men, women, and community leaders in additional sensitization and trainings, women are moving towards equality in access to FSPs and asset ownership. This is particularly notable when comparing between non-members and members. Women who are not participating in a VSLA group face significant challenges and rarely earn income or own productive assets on a par with men. While there are still gaps remaining (men have the highest consistent saving and earning amounts), this evidence of progress is encouraging.

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<sup>26</sup> Data supported by focus group discussions

<sup>27</sup> Gender committees, fora for discussion, and involvement of community and religious leadership