

THE BANKING ON CHANGE YOUTH SAVINGS GROUP MODEL



From saving and learning to banking and earning





“ It is now common to walk in the villages and find youths managing small ventures. This situation is the opposite of what used to happen.

Field Officer, Banking on Change Zambia

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Definitions & Abbreviations

Youth, young people: Banking on Change has adopted the UN definition of youth as people between the ages of 15-24, but accepts definitions used in countries where governments have established a higher age limit (usually up to age 29, but sometimes up to age 35). Within Banking on Change, youth savings groups targeted members up to age 35 but focused in particular on those under 25.

Savings groups/Village Savings and Loans Associations

(VSLAs): Savings groups are a strategy employed by several international NGOs and a growing number of local development organisations to enhance economic security and resilience and achieve economic and social empowerment for members and their households. They have also been recognised as an effective tool for economic development by some governments in sub-Saharan Africa. They are simple in set-up and management: groups of people come together to pool their savings in a joint savings box. Group members save small amounts of money together regularly, often weekly, and this money not only builds their own savings (giving a safety net in times of need) but is used to make loans to other group members. These loans are typically for income-generating purposes, or paying for health and education costs. Interest or a 'service charge' is paid on the loans at rates determined by the group itself. At the end of the savings cycle (which typically lasts 12 months) the members receive a 'share-out' of their savings, including dividends from interest paid on loans. Most VSLAs also have a 'social fund' which acts as a small insurance fund; members make small weekly contributions into the fund and the group can vote to give an emergency grant to any of its members from the fund. Plan International UK and CARE International UK use the VSLA methodology as set out in the VSLA Programme Guide, but have adapted the methodology for youth savings groups, as detailed further below.

In this paper, we use the abbreviation **VSLA** to refer to traditional Savings Groups with no deliberate age targeting, and **YSG** to refer to **Youth Savings Groups**, i.e. Savings Groups deliberately targeting young people.

Village Agent, Youth Village Agent (VA, YVA): Many NGOs recruit 'Village Agents' ('VAs') from within their target communities. These VAs are trained by the NGO to form and oversee new savings groups. They are typically unpaid but may receive a small stipend from the NGO, along with benefits including training, a bicycle and cell phone to use in the course of their work. Some VAs receive a payment from the savings groups themselves (the 'fee for service' model). YVAs are simply Village Agents who are young people themselves. Some countries refer to Community Volunteer or Youth Community Volunteers instead of VAs or YVAs, whilst other names for similar roles include Community Based Trainers or Savings Group Promoters.

Financial inclusion: Access for all to a wide range of financial services – savings, credit, insurance, and payments – provided responsibly and sustainably by a range of providers in a well-regulated environment (United Nations Capital Development Fund (UNCDF) definition). Financial inclusion efforts seek to ensure that all households and businesses, regardless of income level, have access to and can effectively use the appropriate financial services they need to improve their lives. The global financial inclusion agenda recognises the importance of financial literacy, building consumer financial capabilities, and consumer protection regimes that take into account the conditions and constraints of poor families in the informal economy (Consultative Group to Assist the Poor (CGAP)).¹

FGD: Focus Group Discussions

Carryover Groups: Savings Groups formed in Phase 1 of Banking on Change which were 'carried over' to Phase 2 of Banking on Change and received additional trainings and linkage support. These 'Carryover Groups' comprised mostly adults as there was no deliberate age targeting in Phase 1, and so they are sometimes referred to as 'Adult groups' or 'traditional VSLAs.'

Enterprise Your Life (EYL): Enterprise Your Life; a specialist youth enterprise skills training curriculum and approach developed by Making Cents International in partnership with Plan International and Banking on Change.

IGA: Income Generating Activity or Activities

HH: Households

1. INTRODUCTION

Banking on Change is currently one of the largest programmes working with youth savings groups (YSGs). In Phase 1 of the programme, from 2009 to 2012, the focus was on savings groups more broadly; in Phase 2 we have focused on YSGs in Egypt, Ghana, India, Kenya, Tanzania, Uganda and Zambia. Between June 2013 and December 2015 the programme established 11,725 YSGs with over 245,000 members, of whom 132,000 are under 25 and two-thirds are women. The core objectives of the programme are to provide young people with the financial skills to manage their money better; and to train a subset of young people in entrepreneurship and employability skills, to help them start and grow small businesses. Banking on Change also aims to link mature informal village savings groups to formal banking products and services. This linkage is always savings-led, encouraging disadvantaged people, and particularly young people, to begin their journey to financial inclusion by saving collectively.

1.1 Young people need financial services

There are more young people in the world than ever before – 3.1 billion under the age of 25, making up 43 per cent of the global population. Nine out of ten young people live in developing countries;² in sub-Saharan Africa, 63 per cent of the population is under 25, compared to only 28 per cent in developed countries.

This presents an unparalleled opportunity for social and economic transformation, as more than one billion children transition through adolescence into adulthood. But it also creates challenges as young people seek economic security for themselves through education and work.

A key challenge is their lack of access to basic financial services, along with the skills to use them well. These services have the potential to transform the lives of poor communities,³ yet two billion people are still unable to open bank accounts or obtain affordable loans, and a significant proportion of them are under 25; in sub-Saharan Africa only 20 per cent of young people have bank accounts.⁴

Unemployment is a major issue for young people. The ILO (International Labour Organisation) reports that: “Youth, especially young women, continue to be disproportionately affected by unemployment. The youth unemployment rate is practically three times higher than is the case for their adult counterparts.”⁵

The Solutions for Youth Employment Coalition (S4YE) estimates that the global economy will need to find five million new jobs every month simply to keep pace with the one billion young people who will enter the job market over the next decade.⁶ In this context, running a small business or being self-employed is an important way for young people to support themselves and their households – and yet most young people don’t have a safe place to save money, they can’t get a loan to start up a small enterprise and they don’t have the financial skills to run a small business or even manage their own money.⁷

YSGs are an effective, scalable way to give young people access to the financial services and skills they need to support themselves. This in turn is key to realising Goal 8 of the Sustainable Development Goals (SDGs): ‘Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.’

1.2 Savings groups for young people

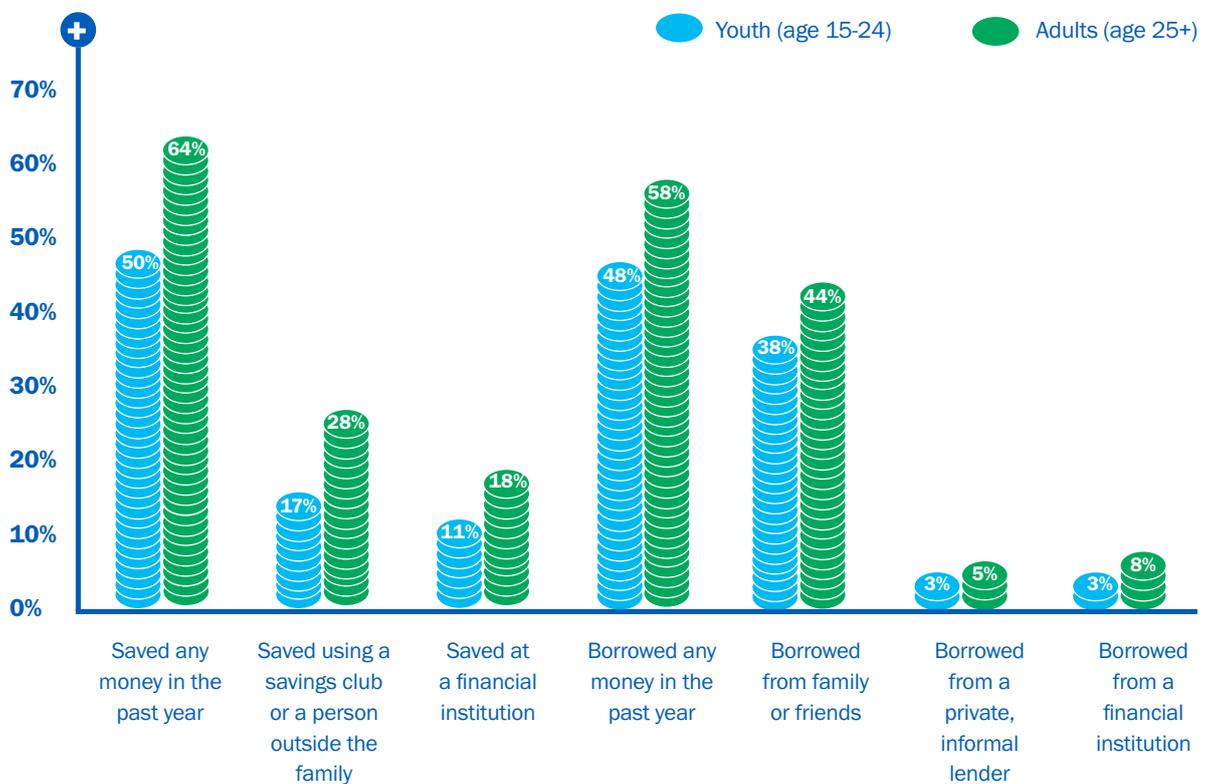
Young people want to save and borrow money. As Figure 1 (below) shows, half of all young people in sub-Saharan Africa had saved and 48 per cent had borrowed money in the past 12 months, but mostly neither through informal financial services such as traditional savings groups nor through formal financial institutions.

“Youth, especially young women, continue to be disproportionately affected by unemployment. The youth unemployment rate is practically three times higher than is the case for their adult counterparts.”

Savings groups are a tried and tested way of enabling millions of people in the developing world to save, access loans and set up small businesses: by August 2015, there were almost 12 million active savings group members in 73 countries, primarily women, and mostly in sub-Saharan Africa.⁸

But traditional savings groups have struggled to attract young people. A survey by the SEEP Network⁹ in 2013 found that of 103 organisations that promote savings groups in 43 countries, only 22 per cent include youth- or child-focused groups, while just 38 per cent report young people's participation in mainstream groups.¹⁰ A random sample of savings groups programmes in India, Ghana, Uganda, Malawi and Zanzibar showed that the mean age of members was between 32 and 40.¹¹

Figure 1 shows the percentage of young people and adults in sub-Saharan Africa who are excluded from formal and informal financial services, and compares the vehicles they use. There is clearly scope to increase the uptake of informal and formal financial services by young people.



A stepping stone

YSGs not only promote safe and effective saving and borrowing, they also offer a wide range of other benefits. They can act as a bridge to formal financial services, because the savings which members accumulate (often for the first time) and the increased financial literacy they gain through regular saving, borrowing and record-keeping, means that individuals often go on to open their own bank accounts.

Savings groups also provide solidarity through belonging to a group; encouragement and advice on how to invest savings; access to networks that can help savings group members to start and grow a business; and access to training provided by NGOs as part of their savings group programming, or by a third party (often another local NGO).

1.3 The Banking on Change YSG model

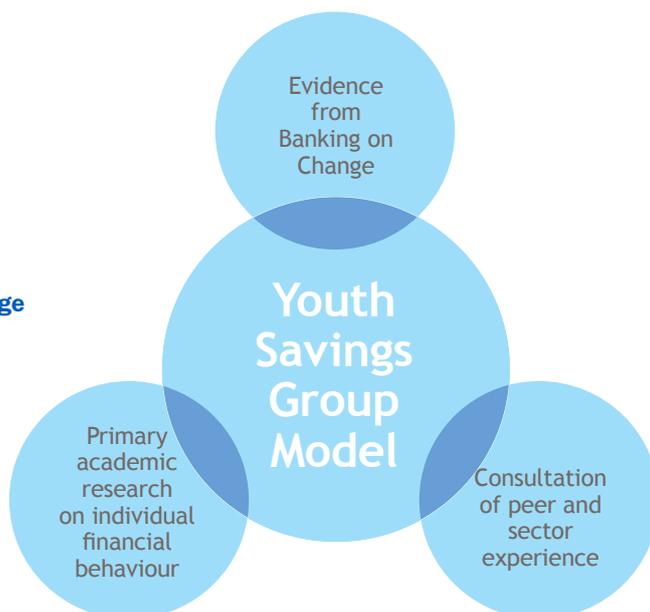
As part of the Banking on Change programme, Plan International UK, CARE International UK and Barclays have developed a YSG model to increase young people's access to financial services and to improve their financial and business skills. The model outlines good programming principles for YSGs and, moving beyond simple financial inclusion, provides insight into their role in improving young people's income, empowerment and standard of living. Our hypothesis is that YSGs can help boost young people's economic status by introducing them to informal financial services, providing a stepping stone to formal financial inclusion, and equipping young people with the skills they need to support themselves. Though the scale of

this challenge requires a concerted global effort, we believe that YSGs have a key role to play. The aim of the model is to encourage others – international NGOs, local NGOs, funders and policymakers – to integrate YSGs in their work.

The YSG model has been developed over a three-year period through the programme experience of Banking on Change in Egypt, Ghana, India, Kenya, Tanzania, Uganda and Zambia, as well as through consultation with peer NGOs and with young people, and through independent primary research commissioned by Banking on Change. This research was conducted by the Institute of Development Studies (IDS) in 2015.¹² It sought to identify and explore different patterns of engagement with the programme's YSGs, and how those patterns relate to members' socio-economic characteristics, Income Generating Activities (IGAs), and the training they had received.

As well as extensive data collected throughout Banking on Change and by IDS, the model incorporates evidence from practitioners and other specialists from Plan International, CARE International, Freedom from Hunger, The MasterCard Foundation, Save the Children USA, Village Enterprise and Global Communities, World Vision, 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).

Figure 2: How the Banking on Change YSG model was developed



2. YSG MODEL: KEY FINDINGS AND PRINCIPLES

2.1 The Banking on Change YSG Principles

The principles fall into three sections: forming YSGs; supporting YSGs; and scaling up and sustaining YSGs.

FORMING YSGS

PRINCIPLE 1 Reach young people through young people and in their own spaces – and expect it to take longer

PROGRAMMING IMPLICATION Plan to invest more time and resources in youth-friendly, peer-based and gender-sensitive outreach. To identify and attract young people to a YSG programme, involve young people themselves in the targeting; youth village agents (YVAs) should be recruited from existing successful YSGs where possible (and a certification process¹³ may help ensure quality). Community and parental engagement are also vital. YSG facilitators should consider setting targets which allow for slower progress in the first year.

PRINCIPLE 2 Consider forming homogenous groups with similar needs

PROGRAMMING IMPLICATION The core VSLA principle that groups should be self-selecting should not be compromised, but facilitators should consider that young people have very different needs, reflecting their backgrounds and life stages. The formation, management and quality of the group can be strengthened by focusing on a more homogenous membership (similar age, life stage, goals). Care should be taken not to exclude particularly marginalised and vulnerable young people.

PRINCIPLE 3 The VSLA methodology works for YSGs – but make some adaptations

PROGRAMMING IMPLICATION Conduct a scoping exercise or initial needs analysis, followed up by further consultation at regular intervals as young people gain more experience as YSG members and are able to identify their (evolving) preferences and needs more clearly with time – then adjust the VSLA methodology accordingly.

PRINCIPLE 4 Engage with families

PROGRAMMING IMPLICATION Some young people save using money from parents/caregivers, and may pass on loans to adults too. Ensure the group constitution allows for this if the group wishes it. Facilitators should be vigilant to avoid the risk of parents/caregivers defaulting or appropriating the young person's funds through coercion (see also Principle 5 below). Parents/caregivers should be familiarised with YSGs principles and perhaps included in training.

PRINCIPLE 5 Protect young people from the outset

PROGRAMMING IMPLICATION Saving and borrowing both involve risk; protect YSG members, particularly the most vulnerable, by identifying and managing risk – including child protection issues – at every stage of the programme. YSG facilitators should note the SEEP 'Do No Harm' principles which can be found at www.seepnetwork.org

PRINCIPLE 6 Build needs-based training into the programme

PROGRAMMING IMPLICATION YSGs can provide a strong platform for tailored training and support to help build young people's skills. Provide training in managing finances, as well as enterprise, vocational and life skills training, to help young people develop sustainable livelihoods. Ensure it is youth-friendly, interactive, effectively delivered and supported by regular refresher training. Consider including mentoring and coaching too.

PRINCIPLE 7 Use a social fund to help foster resilience

PROGRAMMING IMPLICATION YSGs should be encouraged to set aside a social fund (e.g. for school fees, health emergencies, funeral expenses) to provide an additional buffer for the group and a safety net for individual members.

PRINCIPLE 8 Link responsibly to formal financial institutions

PROGRAMMING IMPLICATION Linking to a formal financial institution can be a logical and attractive next step for YSGs. Where there is demand from young people and YSGs, programmes should engage with formal financial institutions to ensure that products and services are appropriate and that YSGs have adequate bank literacy training and support to protect their needs and rights. Linkage should be carried out in accordance with the Linking for Change Savings Charter principles.¹⁴

PRINCIPLE 9 Foster youth leadership and advocacy

PROGRAMMING IMPLICATION Ensure young people take on a participatory or lead role in designing YSG programmes, as well as implementing and managing them. Where possible, connect mature savings groups to wider youth-governed networks and bodies at district, regional and national levels, to enable young people's voices and interests to be heard. Young people can influence public stakeholders in favour of YSGs and help to ensure that they are included in national and local policy and programme initiatives.

PRINCIPLE 10 Commit to continuous, participatory monitoring, evaluation and learning

PROGRAMMING IMPLICATION Embed rigorous monitoring and evaluation tools into all elements of the programme, and ensure that the data collected can be disaggregated by age, gender and disability, at a minimum. To increase ownership and sustainability of YSGs, include young people in the development and delivery of monitoring and evaluation systems; and build in regular reviews to take in their feedback and adapt programming accordingly.

In addition to these specific YSG principles, Banking on Changes encourages all savings group facilitators to apply the SEEP Network's Program Quality Guidelines (see Figure 3). For the complete guidelines and accompanying tools, more information, please visit: <http://www.seeplearning.org/sg-guidelines.html>

PROGRAM QUALITY GUIDELINES FOR SAVINGS GROUPS

| PRINCIPLE | | KEY ELEMENTS | | | | | |
|---|---|--|---|--|---|---|--|
| DESIGN | <p>① Design the program with clear outreach and quality objectives that are responsive to member interests and that align all stakeholders with the desired outcomes.</p> | Common understanding of program objectives | Realistic benchmarks for both quality and scale | National level coordination | | | |
| | IMPLEMENTATION | <p>② Know the populations you intend to serve, including the most vulnerable, and take deliberate actions to reach them.</p> | Identification and measurement of intended participants | Program processes that reach the intended population | Messages that are inclusive of vulnerable populations | Group procedures that reflect the needs of vulnerable populations | Alignment of trainer incentives with the objective of inclusion |
| <p>③ Select, train, manage, and monitor trainers in a manner that recognizes their essential contribution to the program.</p> | | Careful selection of trainers | Tested and effective training methods | Streamlined training structures | Appropriate incentives for trainer performance | Clear trainer monitoring criteria and responsive feedback | |
| <p>④ Promote a tested Savings Group model and instill in members an understanding and respect for that model's procedures.</p> | | Commitment to the group constitution | Caution with tempting shortcuts | Attention to the security of group funds | Respect for both borrowers and savers | | |
| <p>⑤ If choosing to combine a Savings Group with other activities, plan carefully and respect the autonomy of the group.</p> | | Transparent communication of expectations | Respect for the procedures and structure of the SG | Demand-driven quality products and services | Safety of additional services and activities | Caution with the allocation of group funds for any purpose outside of savings and lending | Caution with anyone who views the SG principally as a market for products and services |
| <p>⑥ If choosing to promote a relationship with a financial service provider, empower SG members to make good choices based on their interests and demands.</p> | | Education of all parties involved in the financial relationship | Careful assessment of the financial service provider | Care for the interests of the group | Understanding of the implications of mobile banking | | |
| MONITORING | <p>⑦ Consistently monitor and evaluate program performance using responsible data collection, management, and dissemination practices.</p> | Varied methods for assessment | Respect for data ownership and security | Monitoring of post-project outcomes | | | |
| EXIT | <p>⑧ Put in place a clear exit strategy that leaves behind post-program structures for sustainability, expansion of services, and ongoing support.</p> | Clearly planned and communicated exit strategies | Culturally appropriate post-project contracts | Carefully designed oversight structures | Responsive redress mechanisms | | |



Explore the Program Quality Guidelines at:
seeplearning.org/sg-guidelines.html



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2.2. Targeting young people and forming YSGs

PRINCIPLE 1

Reach young people through young people and in their own spaces - and expect it to take longer

A different approach

As discussed in the introduction, young people are less likely than adults to join a traditional savings group. We believe this is because conventional VSLA outreach methods are not effective for reaching young people.

Under the second phase of Banking on Change – which specifically targets YSGs – group formation was slow in the first six months, with 44,293 new members between July and December 2013. Local field officers realised that reaching young people needed a different approach and began to target them through existing youth groups, sports centres, churches and mosques, youth social spaces, youth-oriented media including local radio, and house-to-house. They worked around school hours and arranged meetings at evenings and weekends. Membership doubled in the following six months, with 89,937 new recruits between January and June 2014, and a further 70,671 between July and December 2014.

“Working with the youth has a lot of dynamics and reaching them was quite challenging at first. We redesigned/ adapted manuals and changed our approach of mobilising/training the youth; we began using existing structures like youth centres, sports centres, youth associations, religious places, theatre centres and health support groups, among others.”

(Kenya End of Partnership Report, December 2015)

“They [the young people] all required constant external motivation, guidance and support.... The adaptations the programme has made include the development of a 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 mobilising them, which is completely different to the practices followed for adult SHG [self-help group] members.”

(India End of Partnership Report, December 2015)

Peer influence

Because young people also responded better to their peers, Youth Village Agents (YVAs) were recruited in the field and staff arranged for more sceptical young people to visit already-established, successful groups.

“It’s imperative to use experiences and success stories from youth to encourage other youth to join YSGs. It is also important for youth to be directly involved in youth outreach activities as examples of the successes of the program. When youth see other youth benefiting from the project, they in turn request to join; when it is youth speaking to youth, it increases receptiveness to the information. The Peer-to-Peer Approach is a good tool because it encourages youth to express their opinions while simultaneously leading group discussions. Where working with youth, more responsibility should be given to them in managing the programme at the local level.”

(Egypt End of Partnership Report, December 2015)

One peer NGO reported that their YVAs, who were all volunteers, outperformed their paid field staff. Banking on Change Ghana introduced a **youth community volunteer** (YCV) or YVA policy to ensure their effective role in the programme, noting that using YCVs who already lived in the target community was one of the

best ways to engage local young people, and that the certification process helped develop self-confidence and commitment amongst the YCVs.

“There has been a need for constant follow up and motivation of the targeted youth. Thus, youth needed regular visits and support supervision, requiring that the trainers have a minimal number of groups to support.”

(Uganda End of Partnership Report, December 2015)

Parents and community leaders

Engaging with parents and community leaders may be necessary to allow young people, and especially young women, to join groups:

“We do training with parents and teachers first. We had to do a lot of sensitisation with parents.”

“At first we were concerned parents would not allow the girls to come to meetings. But when we did awareness-raising for mothers, it was very popular.”

“Getting buy-in from household members and elders first was important.”

(Peer NGO consultation)

Involving young women

Female role models and mentors, such as female village agents and trainers can help encourage more young women to take part, as can adjusting meeting times to fit around household responsibilities and providing some form of child care for young mothers.

PROGRAMMING IMPLICATION

Plan to invest more time and resources in youth-friendly, peer-based and gender-sensitive outreach. To identify and attract young people to a YSG programme, involve young people themselves in the targeting; youth village agents (YVAs) should be recruited from existing successful YSGs where possible (and a certification process may help ensure quality). Community and parental engagement are also vital. YSG facilitators should consider setting targets which allow for slower progress in the first year.

Young people need more time

Our evidence shows clear demand for YSGs but also suggests that young people take time to be convinced, often being unwilling to commit until they have seen the benefits first-hand. This is exacerbated where young people have previously received cash hand-outs from other NGO or government programmes for attending meetings; changing young people's attitudes and expectations on this front can also take time.

For example, one Flynn and Sumberg 2015 interviewee (an 18-year-old male) noted he did not join the group in its first cycle because he did not see the advantages. He joined during the second cycle when he heard about the benefits from family members, particularly after their share-outs.

One girl's saving rate increased from 35 per cent [of the maximum possible shares purchased] in the first cycle to 71 per cent in the second (she was the highest saver in the second cycle). This is partly because she now saves more of her money in the group; in the first cycle she didn't have complete confidence in the group. Her mother and grandmother also now provide her with an extra Ghanaian cedi (approximately 17p) on the day of the meeting to contribute directly to her savings. She said she “became convinced of the system” after seeing the share-out (Flynn and Sumberg 2015 report).

In line with this increased enthusiasm in the second cycle, the Flynn and Sumberg 2015 research also shows that savings levels increase in the second cycle; in Cycle 1, the median amount saved by YSG members was 70p every week, while by Cycle 2 this had increased to 92p every week – a significant increase (31 per cent). Moreover, Flynn and Sumberg 2015 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 per cent of the average minimum wage, and approximately 16 per cent in Cycle 2. These are very impressive savings in low-income households and clearly show that young people can save. Borrowing levels also increased over the three years of the programme; our Endline data showed that the amount young people borrowed increased by 66 per cent compared with the Baseline; as their savings grew, they grew in confidence and had had some training on how to invest their loans.

The increased time it takes for young people to become convinced by YSGs can extend the outreach phase, which in turn may have an impact on programme duration and costs.

PRINCIPLE 2

Consider forming homogenous groups with similar needs

A crucial principle within the traditional VSLA methodology is that groups should be self-selecting, to make sure there is sufficient social capital and trust among members for groups to function properly. This is equally important for YSGs, but given the fact that young people's needs will differ, reflecting their different life stages, both Banking on Change and peer NGOs found it was sometimes worth segmenting or clustering groups by shared characteristics such as gender, age or life stage.

“We began our YSG programme with groups open to members aged 5 to 20 but we soon realised it would be better to segment groups by age brackets; 5 to 11 years old, 12 to 18 years old and over 18 years old. Those aged 5 to 11 were savings-only groups; those aged 12 to 18 wanted occasional access to credit but most were still in school, whilst those over 18 wanted more training on income-generating activities (IGAs) and more access to credit.”

(Peer NGO consultation)

Common goals

In Ghana, Banking on Change found that there were significant differences between groups whose members were mostly younger and likely to be in school, and those with mostly older members who had left school. In-school young people were often encouraged to join a YSG by their families, schools or YVAs so that they could improve their financial skills and, in several cases, save money for their education. They could often only save small weekly amounts and many relied on their families and wider households for savings.

Out-of-school young people, in contrast, already had some sources of income and wanted to save and borrow more. Focus group discussions underlined this: “The topmost individual financial goal for youth below 25 years is to further their education; while the few out-of-school discussants want to

invest in their own business”

(Banking on Change FGDs)

Where groups are too mixed and there are large disparities in savings potential, goals and life stages, it can prompt members who are not able to save very much to skip meetings or even drop out.

Flynn and Sumberg 2015 observed similarly:

“A 26-year-old married woman is in another (adult) group which focuses on women. She said she prefers her current YSG, because she feels she has more in common with members in the younger group - the members share more common challenges and goals.”

(Flynn and Sumberg 2015)

Interviews conducted by Genesis Analytics found similar evidence: two members of an adult group reported they were not part of group decision-making because they were regarded as being too young.¹⁵ They subsequently left the adult group and joined a Banking on Change YSG.

Appropriate training

Segmenting YSGs by life stage can also make it easier to deliver age- and life-stage-appropriate training. For example, in-school young people may prefer to focus on saving and managing money (in part to support their education), whereas out-of-school young people may need more emphasis on borrowing, investment and building business skills. The Flynn and Sumberg 2015 note report notes,

“The same sorts of training [may not] be equally relevant to both a 14-year old student and a 33-year old mother of four [...] [They] are in very different positions in terms of dependency, the ability to act autonomously and the responsibilities they carry.”

(Flynn and Sumberg 2015 p.54)

Getting the timing right

A more homogenous approach to group formation also helped the Banking on Change programme to address issues of time constraints, for example with in-school young people typically needing to meet after school hours or at weekends, in contrast with out-of-school young people who often had to arrange meetings around their business activities.

Mutual support

One NGO deliberately formed its YSGs in schools so that all members were part of the same class, enabling them to meet regularly in a structured environment with the teacher's support and supervision. Another NGO working with vulnerable and at-risk young people (pregnant girls and young mothers who had often been forced to leave school and had been ostracised by their communities) found the young women appreciated the solidarity of working with others in a similar position.

Benefits of older mentors

However, some YSGs in Banking on Change preferred to have a small number of older members in the group to act as mentors and role models, to encourage younger members to save regularly, and to share their experiences in IGAs. One team reflected that having a mix of members in a group could help with the uptake of skills:

“Those trainees who were already existing entrepreneurs had a better appreciation of the contents, particularly those relating to quality, costing and customer orientation. Those trainees who were potential new entrepreneurs could not understand well some of the concepts despite the trainers' efforts to provide as many live examples as possible. The presence of such a mix of participants helped to some extent, where the existing entrepreneurs were able to supplement the discussions with their own real experiences. They not only helped others to learn better, but also remained as a source of inspiration for many of their fellow members.”

(India End of Partnership Report, December 2015)

Risk of exclusion

Encouraging homogeneity in a YSG could mean that the most marginalised young people remain excluded:

if most group members are from a particular socio-economic or ethnic group, they may be less willing to accept members from a different background.

Three NGOs expressed a concern that targeting young women exclusively risked ostracising young men, so two had adapted their programmes to allow young men to join YSGs. Banking on Change similarly found that some young men had to overcome social stigma to join: “My colleague laughed at me when I said I joined the savings group with the reason that it is only for women. I had a hard time educating them.”

(Male FGD participant in Tanzania)

Though this principle needs to be applied with care, to avoid deepening existing inequalities or excluding the most marginalised young people, our experience aligns with the recommendation of Flynn and Sumberg 2015: “Instead of an age-based classification system (i.e. defining youth as including everyone between x and y years old), there is a strong rationale for taking account of factors such as the level of responsibility carried by an individual (e.g. full-time students versus unmarried working mothers).”

(Flynn & Sumberg 2015)

PROGRAMMING IMPLICATION

The core VSLA principle that groups should be self-selecting should not be compromised, but facilitators should consider that young people have very different needs, reflecting their backgrounds and life stages. The formation, management and quality of the group can be strengthened by focusing on a more homogenous membership (similar age, life stage, goals). Care should be taken not to exclude particularly marginalised and vulnerable young people.

YOUTH CASE STUDY 1

Nefertiti, Egypt

“My dream is to open a supermarket”

Twenty-four-year-old Nefertiti lives with her extended family, including four children. She has already been through one savings group cycle, and has borrowed 400LE, paying back 50LE a week.

“I sell general groceries, primarily confectionary, at the side of the road. I've had my business for a year. I started it using a loan from my youth savings group. I chose this business because I saw that there weren't any other groceries in the village. After a year, the business is thriving.

I was initially worried it would fail but found what I had learned from the financial literacy training was helped me to do a feasibility study, a budget and manage my expenses. I would like more help though in business budgeting. My youth savings group has ten girls. I also took part in another project through the group, 'Arab women speak out', which is trying to get girls' and women's voices heard in Egypt. In the group we also talk about other issues which affect us.

The group rules are that there should be no

delay in repaying loans, it should be participatory, and shares are valued at 11LE each. Some of the other girls do things like making and selling bread, and buying and selling electronic goods. Most of them joined to take out loans, though they did eventually see the benefit of saving. Two people in the group wanted large loans, but collectively we decided just 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 savings group, but I do now. I use the profits from the group and my business to help my family with expenses and to buy electronic goods for myself. I am also getting married, and I'm 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.”



Plan Egypt / Banking on Change

PRINCIPLE 3

The VSLA methodology works for YSGs - but make some adaptations

Young people can save

A key finding from Banking on Change, as well as from projects included in the YSG model consultation (as detailed in the Introduction), is that young people are highly capable of saving regularly and borrowing responsibly. Average savings per member and loan size per member has been gradually increasing over the course of Banking on Change, just as it does with adult groups. This will not surprise many who have worked with YSGs, but there is still a general perception that young people can't or won't save, that they are too 'flighty,' impatient or prone to migration to make YSGs viable.

Banking on Change compared key SEEP performance ratios on attendance, retention, loan fund utilisation, average annualised savings per member, return on savings, etc. for VSLAs (adults) and YSGs and found that they perform similarly; attendance rates, drop-out rates and write-off rates are almost identical. Adult groups have higher average annualised savings per member and consequently a slightly higher return on savings, probably because they have more income to save and make slightly more use of the loan fund; young people typically save and borrow slightly less, but their performance is still very strong when compared with adult groups (some of which had been part of Banking on Change since 2009) (see Table 2).

Factors affecting savings

Banking on Change commissioned the Institute of Development Studies to explore the relationship between socio-economic factors (gender; in/out of school; with/without children, etc.) and savings rates. Flynn and Sumberg 2015 stratified the sample and analysed savings data to determine which categories of respondent were more likely to be low, high, increasing or decreasing savers. It is interesting to note that single mothers do not appear in the low or decreasing saver categories – it seems that they save either at consistently high or increasing rates, even though we might assume that single mothers have the least disposable income. Students were more likely to be increasing savers, perhaps because of their tendency to be more committed in the second cycle (as described in Principle 2), while members who were working and had children and a partner were most likely to be decreasing savers.

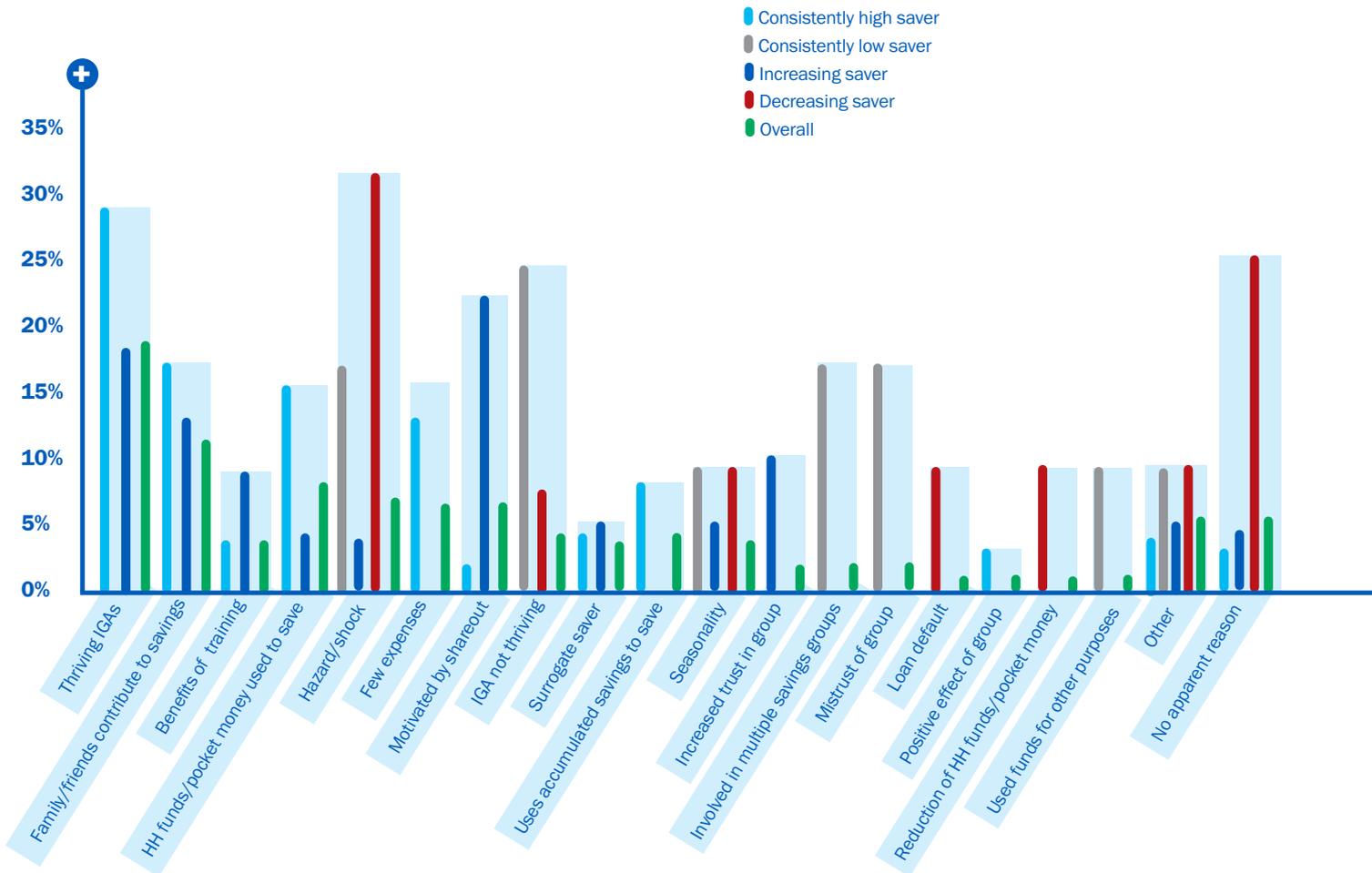
However, when Flynn and Sumberg 2015 analysed the reasons for increasing/decreasing savings rates, socio-economic factors were not predominant; as Figure 4 shows, the most common reasons for high or increasing savings rates were thriving IGAs, family/friends/households contributing to members' savings, members having few expenses or being motivated by the share-out. The most common reasons for low or

Table 2: Banking on Change global comparison of the performance of YSGs and adult (Carryover) groups (Egypt, Ghana, Kenya, Tanzania, Uganda, Zambia)

| SEEP Ratio | Banking on Change Global Adult Groups | Banking on Change Global Youth Groups |
|-------------------------------------|---------------------------------------|---------------------------------------|
| Attendance | 89% | 89% |
| Drop-out rate | 2% | 1% |
| Av. annualised savings per member | \$84 | \$69 |
| Av. social fund balance per group | \$49 | \$37 |
| Weighted loan fund utilisation rate | 88% | 77% |
| Write-off rate | 0% | 0% |
| Return on savings | 19% | 16% |

Source: Produced by Banking on Change team from data on <http://mis.thesavix.org/>, with support from Hugh Allen of www.vsla.net. Data from 30 June 2015.

Figure 4: Reasons given for increasing/decreasing savings (Flynn and Sumberg 2015 p.32)



decreasing savings rates were unexpected shocks (e.g. funeral expenses, sickness), SGs not thriving, belonging to multiple SGs or lack of confidence in the group.

Factors affecting loans and share-outs

As well as analysing savings rates, the Flynn and Sumberg 2015 research collected data on the different ways in which YSG members invested their loans and share-outs, to see whether this was affected by socio-economic factors. They found that 64 per cent of all loans were invested in IGAs, farming or livestock, indicating that YSG members across all categories are applying the financial literacy and enterprise skills training. Share-outs are used for a broader range of purposes but here too IGAs, education, intra-family transfer, household expenses, farming or home improvements are easily the most popular, with students being more likely to spend share-outs on education and single mothers on home improvements and household expenses.

Adapt creatively

Despite the interesting nuances uncovered by Flynn and Sumberg 2015, the evidence both from the Flynn and Sumberg 2015 research and wider Banking on Change data shows overwhelmingly that the core VSLA methodology works for a range of different types of young people, enabling them to save reasonably consistently and invest prudently. However, Banking on Change also found that some adaptation was usually necessary, in addition to modifying outreach methods (see Principle 1). For example, some YSGs wanted shorter cycles (e.g. six rather than 12 months) so that the share-out came sooner; some (e.g. in-school groups) chose to focus on savings only; many met after school hours and chose to have blocks of training in the school holidays when they had more time, rather than at weekly meetings. In Egypt and India in particular, women-only YSGs chose to meet in their own homes or in safe communal spaces, so that more young women were able to join.

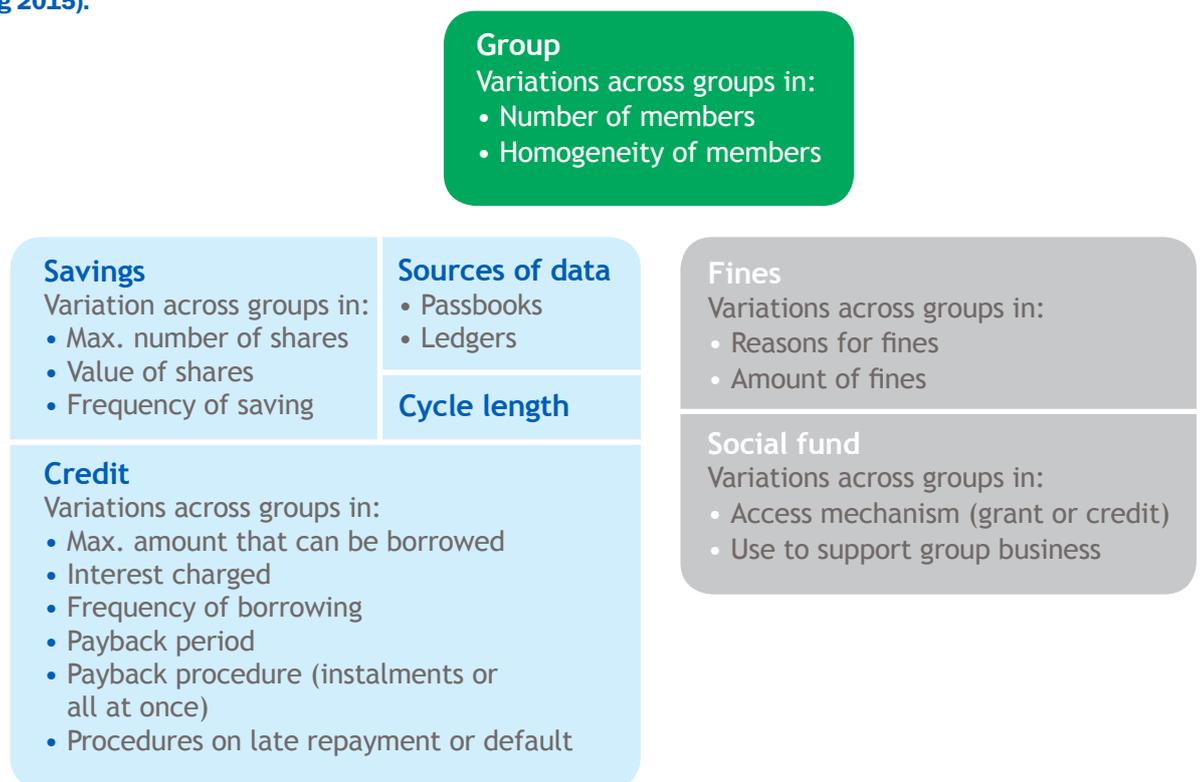
Young people are more likely than adults to move away for work, education or marriage, making it difficult for some YSGs to survive. But many YSGs adapted creatively to this too:

“I am currently attending university but I have appointed one of my siblings to attend the YSG on my behalf.”

(Banking on Change YSG member)

“Young women are more likely to migrate to their husband’s village when they marry and this can cause them to leave their YSG. But we have some evidence of new YSGs forming spontaneously in the villages these women have married into.”

Figure 5: Observed variations in the savings group model.
(Flynn and Sumberg 2015).



PROGRAMMING IMPLICATION

Conduct a scoping exercise or initial needs analysis, followed up by further consultation at regular intervals as young people gain more experience as YSG members and are able to identify their (evolving) preferences and needs more clearly with time – then adjust the VSLA methodology accordingly.

PRINCIPLE 4

Engage with families

Membership is a family affair

For many members, belonging to a YSG became a family affair rather than something they did on their own. The picture painted by the Flynn and Sumberg 2015 suggests that YSG membership is one part of a larger, more complex picture of saving, borrowing, income generation and other financial flows between household members.

“One of the most important findings of the IDS research is that for a significant number of members, engagement with a savings group both depends on and feeds broader networks of family and social relations. In other words, members do not engage with savings groups as individuals or isolated economic actors.

The interviews provided many examples of sharing, joint action and cooperation - funds given to buy shares; the transfer of shareouts and loans; and co- investment - involving spouses, partners, parents, caregivers and friends.

The considerable help that is given to students by parents and caregivers so that they can save [...] provides an intriguing hint at the role that savings groups may play in inter-generational transfers, and particularly in respect to educational expenses.”

(Flynn and Sumberg 2015, p. 55)

Figure 6: Reported flows of funds from/to family members and others [Flynn and Sumberg 2015, p. 48]

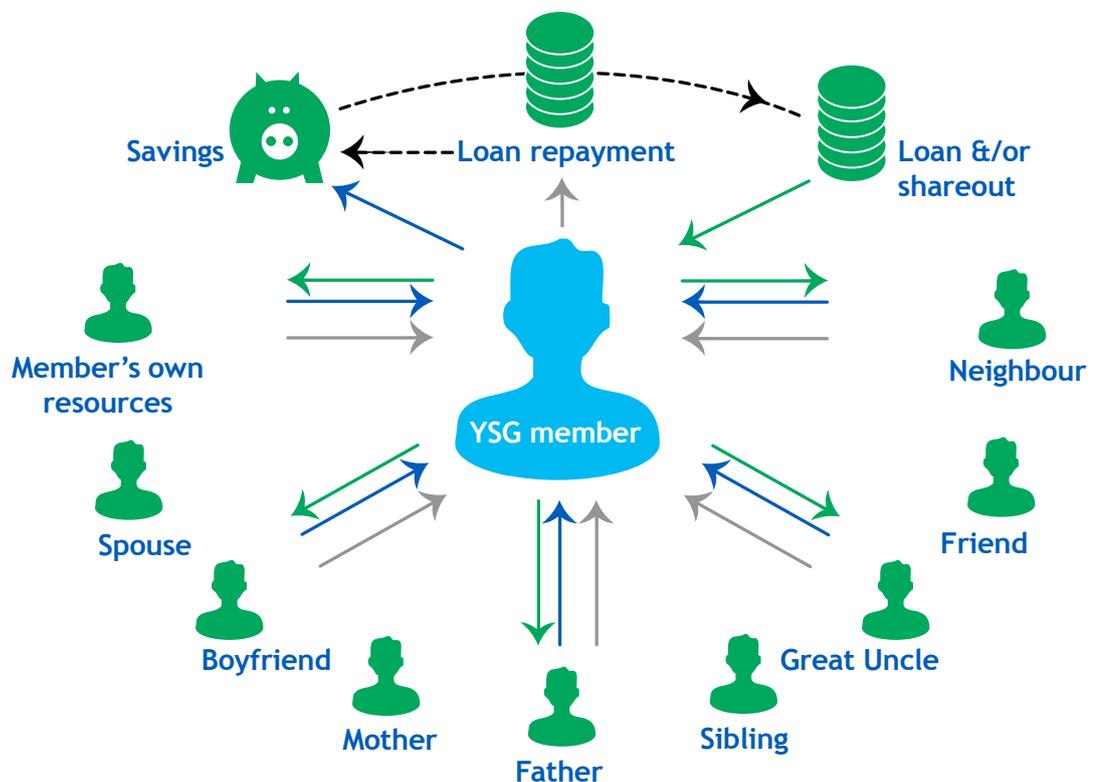


Figure 7 “presents a view of members’ engagement with the savings group; from this perspective the savings group member essentially acts as a door to a wider network of family and social relations, through which financial and other resources flow. A narrow focus on the member potentially gives a weaker view of the dynamics and impacts of the group.” (Flynn and Sumberg 2015, p.49)

Further, it is not unusual for a member who leaves the group to be replaced by one or more members of his or her family.

It seems that young people see themselves as part of the household economic unit and want to contribute; FGD participants in India and Egypt mentioned their savings goals included improving the household and family members’ living standards, while participants in Ghana cited caring for parents in old age as a reason to save. There is also evidence of young people helping out with their parents’ IGAs or on their family farms outside school hours.

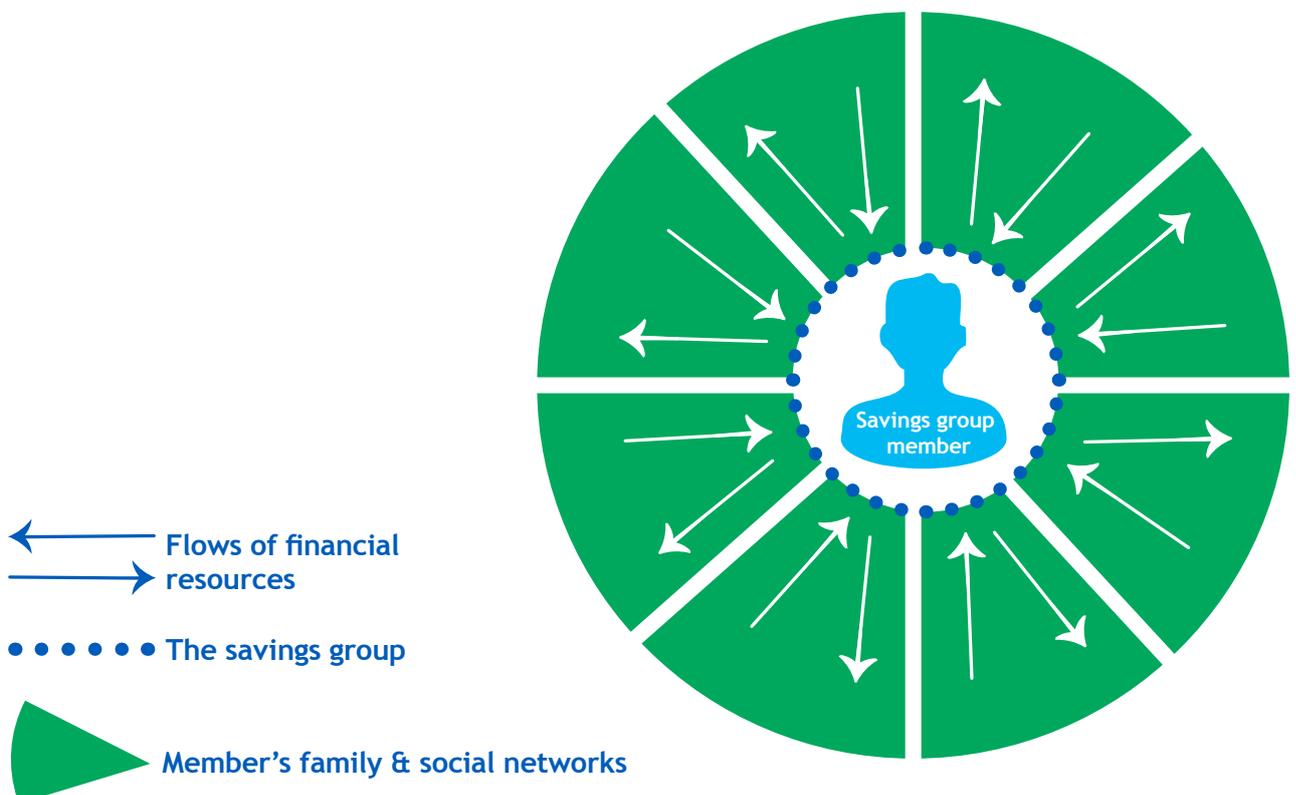
Gateway to poor households

The many networks and relationships within the household economic unit are a reminder of the complexity of intra-household affairs, particularly those on the poverty line [cf Portfolios of the Poor¹⁶]. YSGs can be a gateway to reaching the whole household, but facilitators need to understand this dynamic in order to make sure, for example, that YSG constitutions can be adapted as appropriate, that training meets the needs of the group and that young people are not exploited by older family members. Flynn and Sumberg 2015 note that “no examples were encountered of unilateral appropriation or coercion in relation to shareouts or borrowing” by older family members, but YSG facilitators should be alert to the risk (see also Principle 5).

Family learning

Sometimes there is more than just a financial benefit for the family: Banking on Change found that some parents began to look to their children for advice on financial planning once the young people have been trained, particularly where the parents themselves were not literate.

Figure 7: YSG membership in context: it’s about much more than the member (Flynn and Sumberg 2015, p. 51)



“A 13-year-old male student said he’d gained a lot of respect from his family members since joining the YSG. His family was happy that he was able to mobilise and spend money on his own. They also recognised his increased ‘knowledge on money matters’ since joining the YSG, such that he said he ‘got a mouthpiece’ within his family, meaning that he had a say in financial affairs of the family. He gave the example that he was now called upon to negotiate the sale of livestock on the family’s behalf (he had recently sold a family goat). He said the trainings were responsible for his increased financial knowledge.”

(Flynn & Sumberg, 2015, p.109)

Similarly, setting savings goals and assessing profits can also be a family affair:

“When I fry the cakes I sit down with my mother to calculate the money realised and all the expenses that I incurred and see whether there was a profit or a loss.”

“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.”

(Banking on Change FGDs)

PROGRAMMING IMPLICATION

Some young people save using money from parents/caregivers, and may pass on loans to adults too. Ensure the group constitution allows for this if the group wishes it. Facilitators should be vigilant to avoid the risk of parents/caregivers defaulting or appropriating the young person’s funds through coercion (see also Principle 5 below). Parents/caregivers should be familiarised with YSGs principles and perhaps included in training.

PRINCIPLE 5

Protect young people from the outset

In any savings group programme, there are risks associated with the presence of money, the opportunity for credit, and the potential for poor governance or ‘capture’ of the group by some members. These risks are exacerbated when the members are young. To manage these risks and ensure that young people are protected, most NGOs with YSG programmes whose members are minors have ensured there is always an adult present at YSG meetings.

Protecting against poor governance

One NGO segmented its YSGs into different age brackets as described in Principle 2 above because they found that young children could not express themselves with the same fluency or confidence as older children, and so risked not being able to take part in group discussions and decisions.

Flynn and Sumberg 2015 found that YSGs could protect young people against inappropriate pressure in ways that adult groups could not; they interviewed: “... a 22-year old married woman who was previously in an adult group. She said the members in that group used their authority as her elders to put pressure on her to borrow, including on their behalf when they had also taken out a loan of their own. She said she thus preferred participating in the YSG since her younger group members did not put such pressure on her.”

(Flynn and Sumberg 2015, p.114)

Financial inexperience

Another risk arises from young people’s relative lack of experience in managing finances. In the early stages of Banking on Change, some YSG members took loans before receiving the full complement of financial education and business skills training, and were unable to repay the loan. To counter this risk, one country restructured its financial education training manual to make sure modules on borrowing (for example) were taught at the right stage of the group cycle.¹⁷

Pressure from families

As seen in Principle 4 above, Banking on Change has had some experience of YSG members taking loans on behalf of family members. In itself, this need not be negative; the IDS research suggests that a family member who contributes to the savings each week and/or takes a loan from the YSG is doing so to benefit the whole household (e.g. purchase of household assets) or the YSG member him/herself (e.g. to cover school fees). However, programmes will need to ensure that YSG members do not come under undue peer or family pressure to take loans, particularly for any purposes which do not benefit the member or household, or where there is a risk of non-repayment.

“One member took a loan that her parents then used to improve their house so they could generate some rental income; a 19-year-old single man used a loan he took to help his family buy windows for their house - they did not help with the repayment.”

(Flynn and Sumberg 2015, p.104)

“In rural areas especially, parents can ask you to help buy something for the house. The parents say they are just borrowing but then can’t pay back. And you can’t harass your parents.”

(Country officer in Ghana, Banking on Change FGDs)

That said, it is worth noting Banking on Change had no cases in YSGs of coercion or appropriation of a young person’s funds; indeed, as noted above, some Flynn and Sumberg 2015 interviewees joined a YSG because they had felt pressured by adults to borrow more when they belonged to adult groups. This endorses Principle 2 above on targeting more homogenous groups.

Women at risk

Finally, young women and girls need particular protection. In Banking on Change, particularly in countries where single-sex groups were more appropriate, meeting places were chosen with a view

to the safety of young women and girls. In another dynamic, one NGO told us:

“Girls may be at risk of sexual exploitation because sex is their only way to get money. We did fear that girls might engage in sex to get money to participate in saving in YSGs, so we monitored for this, but did not find it. This does not of course mean it did not happen, although other studies have found that girls are less likely to engage in risky behaviour once they belong to a savings group.”

(Peer NGO consultation)

Some YSGs (and VSLAs) in India have reported incidences of gender-based violence, as women’s increased empowerment meant they expressed their opinions more freely at home. To mitigate this risk, programme staff were trained to counsel survivors of gender-based violence, referrals were made to Family Counselling Centres where necessary and some groups introduced a ‘ring the bell’ (a campaign to tackle domestic violence) strategy. However, there were also several reports of women being much freer and more respected at home after joining a YSG or VSLA programme, and a reduction in gender-based violence.

In Egypt, women’s double burden of paid work and responsibilities for home and children sometimes prevented them from starting an IGA or even made it difficult to attend weekly meetings. Some Banking on Change groups mitigated this challenge by holding the weekly meetings in their own homes, so that women could bring their young children with them.

In Ghana, the FGDs revealed a further potential risk of increasing the burden on women:

“The men are realising that women are increasing their income so they are giving more responsibilities to women. Men are no longer the main/sole earner so they no longer want to be the main breadwinner. In the FGDs, it was identified that there needs to be a proper discussion between men and women so they share responsibilities, not a total shift of the burdens/responsibilities from man to woman.”

(Country officer, Banking on Change FGDs)

A further risk is that husbands might try to stop young women joining YSGs. However, Banking on Change evidence suggests that initial opposition recedes once husbands begin to see the benefits. In Tanzania, India and Egypt, some women encountered resistance from their husbands when first setting up IGAs, but as four FGDs in Egypt revealed:

“after they [husbands] witnessed the profit and [socio-economic] improvement of their families, they changed their minds.”

(Banking on Change FGDs, Egypt)

Child Protection

The Banking on Change partners Plan, CARE and Barclays, are committed to protecting children from harm and ensuring their right to protection. Where YSGs include members under the age of 18, facilitating NGOs should ensure that robust child protection policies are implemented.

PROGRAMMING IMPLICATION

Saving and borrowing both involve risk; protect YSG members, particularly the most vulnerable, by identifying and managing risk – including child protection issues – at every stage of the programme. YSG facilitators should note the SEEP ‘Do No Harm’ principles which can be found at: http://www.seepnetwork.org/filebin/pdf/savings_led_working_group/Do_No_Harm.pdf

YOUTH CASE STUDY 2

Latifa Kaka, 16, Ghana

Saving for school

Sixteen-year-old Latifa Kaka is happy, studying enthusiastically for her final exams at junior high school. But going to school has not always been easy.

“I was often excluded from school for not being able to pay my fees on time, which affected my studies. I was usually full of worry whenever school reopened. Sometimes, I dropped out because I didn’t want the shame of being excluded from class during lessons. I preferred to stay home until my parents got together the money to pay my fees, but by the time they were able to do that, I would have already missed a lot of classes.”

Latifa lives in South Tongu in the Volta region of Ghana with her parents, two grandmothers, three aunts and two younger siblings. Like most girls in her community, Latifa’s ambition to complete junior and senior high school has been continually frustrated by a lack of money. Her family’s meagre income from its cassava, pepper and okro farms made it impossible to raise enough money for school fees at the beginning of each term. In this situation girls often drop out of school altogether.

This all changed when the Youth Village Savings and Loans Associations began a YSG in her community.

“VSLA was not new to me, it had been in my village for four years; but it was mostly for the adults. So I was very happy when the FYSSO [Local Implementing Partner] Field Officer informed the young people in my community that the project was now focusing on setting up youth groups to empower us financially. I told my parents and they promised to help me with my weekly savings. It was much easier for them to give me a little bit of money each week for me to save, rather than paying a lump sum for my school fees.”

Latifa joined a YSG and took out a GHD270 loan which she used to pay for school fees, a uniform, books and a school bag. “I am very grateful to Plan Ghana, CARE Ghana and Barclays for introducing this project. I will keep encouraging all the young people, especially the girls, to become members of the VSLA, to help them save for their education and avoid being school dropouts and becoming pregnant.”

Because of the YSG, Latifa is confident she will continue her studies and one day become a doctor, as she has always dreamed. She’s a great local advocate for YSGs, and several girls in the community have also joined to save up and borrow money for their education.



Plan Ghana/ Banking on Change

PRINCIPLE 6

Build needs-based training into the programme

YSGs can provide a strong platform for training that helps to build young people's skills. Building on experience from Banking on Change Phase 1 (2009–2012) and on initial scoping exercises, Banking on Change Phase 2 trained young people extensively in financial literacy, enterprise and employability skills. Training was tailored specifically to young people, using games and illustrated handbooks, as well as a dedicated manual for enterprise skills training, developed in partnership with Making Cents International, featuring games, pictures, interactive learning and coaching. These methods were popular even in YSGs with higher literacy levels.

Monitoring and evaluation of this training to date show both an increase in knowledge and in its application. Young people improved their financial literacy scores by 15 per cent after receiving training, and recognised its value:

“I have been in many savings associations before, but the Youth Savings 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.”

“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”

“The add-on training has empowered us, especially we ladies, to do businesses. The training nurtured us to be enterprising and generate more money to save at each meeting. I can now afford basic health service and see the difference between my family's good health and those of my neighbours who aren't in the savings groups. I see other children chased from school for owing a book or school fees. I feel relieved this is not my children anymore.”

(Banking on Change FGDs)

Members interviewed by Genesis Analytics also felt they had benefitted from training, noting that previously, they had not known how to save and in fact didn't realise that they were capable of saving given their small income. In FGDs conducted by Genesis Analytics, members said they had been taught how to use their loans and how to save money for emergencies. They now know how to save money and how to plan and budget

Savings goals

The Flynn and Sumberg 2015 research report, alongside youth webinars held by Banking on Change, found strong evidence that having a savings goal (as advocated by the financial literacy training) was a great motivator for young people and helped them to increase their savings; for example:

- A 30-year-old married woman said she'd learned to plan for long-term expenses rather than only for short-term ones. She also learned to save money for emergencies – she attributed these to the financial literacy training.
- A 20-year-old single man said that through training, he'd learned the importance of saving, and the need for patience when saving and planning for one's investments, such that he'd learned to manage his money better.

- A 28-year-old married man said he increased his savings after financial literacy training, which he said had helped him plan the use of his money better.
- Several young people said they were able to reduce their expenses or to budget more effectively.
- A 25-year-old single man said the training had helped to provide him with an aim; indeed he stated that “the aim of saving is to change your life”, perhaps suggesting that if you don’t have that aim, you will not be able to save adequately.

A webinar with young people held by Banking on Change in partnership with CYFI corroborated this; one CYFI member said:

“What makes people not save, the big barrier, is because they don’t have the education of saving. If people lack saving education, it won’t be very easy for them to save as they don’t know the meaning of saving. As youth we need to have financial goals and know what we are saving for. Then it would be easier for us and youth to start saving the money for future youth.”

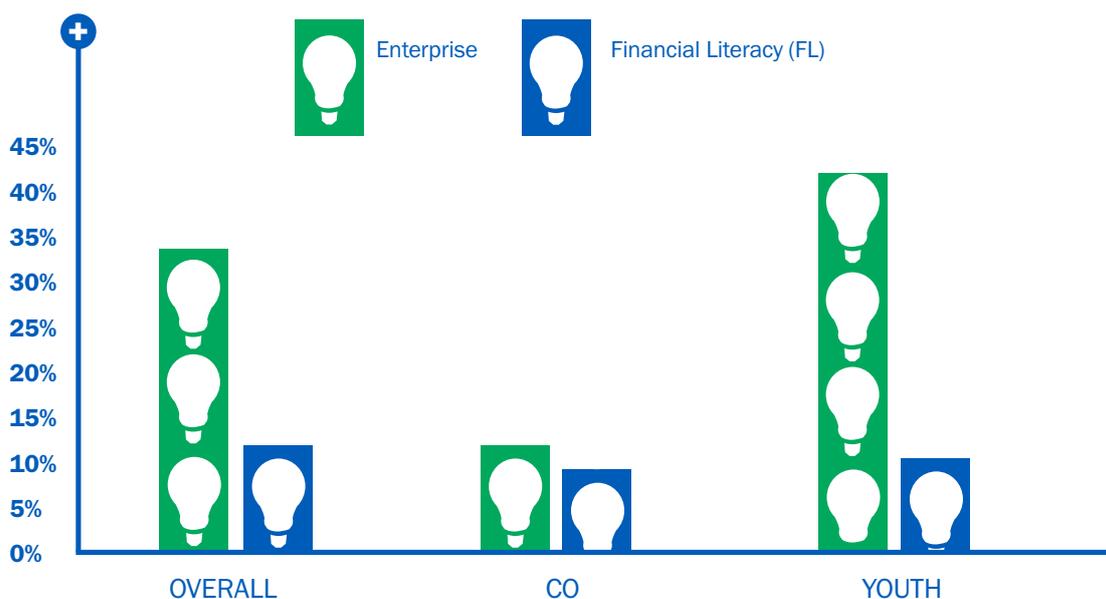
(CYFI Consultation, 24 July 2015)

Some Banking on Change programme Country offices have found that it is better to deliver financial literacy training before saving and loaning takes place at each weekly meeting, rather than at the end of the meeting, to ensure better attendance. Others have delivered it in two or three day ‘chunks’ (in the school holidays, for example) but have found that refresher training may be needed in this case. There is also some evidence from Ghana that integrating different modules of financial literacy training at an appropriate time in the group cycle is more effective; for example, offering training on credit once the group is ready to begin taking loans.

Enterprise Your Life

Alongside financial literacy training, the Banking on Change ‘Enterprise Your Life’ (EYL) youth enterprise skills training was very successful in increasing young people’s pre/post training test scores by an average of 43 per cent (see Figure 8, which shows the percentage increase in knowledge after financial literacy and enterprise skills training, based on a sample of 9,306 pre/post test results carried out during Banking on Change).

Figure 8: Percentage increase in knowledge after financial literacy and enterprise skills training



YOUTH: young people who received Financial Literacy and Enterprise Your Life training
 CO: adult groups who received traditional enterprise skills training

We believe that EYL showed the most impressive results of all Banking on Change training because the base level of enterprise skills was lowest among YSG members, and because the curriculum was developed specifically for young people, incorporating youth-friendly, fun activities and a coaching style which seemed to be particularly effective and engaging. The use of games, role play and real life scenarios was popular.

“The youth found it more interesting learning through training that had so many games and fun. Enterprise Your Life trainings attracted most of the youth and was seen to be very effective. In most of the youth groups it helped to improve attendance, and was easy to manage and conduct. It is now common to walk in the villages and find youths managing small ventures. This situation is the opposite of what used to happen where youths were afraid to run their business ventures in the past. They would start businesses which were not lasting for a long period due to inadequate skills.”

(Zambia End of Partnership Report, December 2015)

“After receiving the EYL training youth are aware of identifying markets, capital and risk associated with IGA before establishing IGAs. The EYL has changed their behaviour on how to communicate with customers, how to make decisions and add value to their products.”

(Tanzania End of Partnership Report, December 2015)

Genesis Analytics similarly noted from their field interviews that:

“When YSG members think of starting a small business, they know that they have to think about how to plan for their business, how to market their products, how to find quality products and to find the market for their products. In addition, they also learned how to diversify their businesses in order to

offer seasonal products which they have applied to their businesses.”

(Banking on Change Final Evaluation interviews, Genesis Analytics, October-November 2015)

Several countries observed that some young people wanted “quick win money-making schemes” and were prone to rush into IGAs; EYL training helped to ensure their IGAs were sound and sustainable.

“Before, I had no plan for my business. I did not think about the risk and opportunities ahead. Now after receiving the training I have good business planning and budgeting [skills].”

(Banking on Change FGD participant, after receiving EYL training)

“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.”

(FGD, Tanzania End of Partnership Report, 2015)

Banking on Change learnt that tailoring the training to young people’s contexts and needs (as expressed by the young people themselves) is key.

“Youth groups training is need-based and should be done on identified gaps in their day to day activities. They don’t like to be trained on the skills that they already have.”

(Kenya End of Partnership Report, December 2015)

Training builds confidence

Business training for young members not only increased their knowledge and boosted meeting attendance in some YSGs, it also improved their self-esteem, with young people reporting that they felt more confident about launching or expanding their own IGAs. Participants in Kenya and Uganda said that training helped them to identify new business opportunities while avoiding competition, although more training on market scanning was requested by some FGD participants. YSG members in Banking on Change have set up 59,434 IGAs during the course of the programme.

Mentoring

There was some demand for more mentoring for young people starting IGAs; young people in Kenya suggested: “if they [the young people] had received more coaching and mentorship at the start of their IGAs, they would have stronger IGAs”

(Kenya End of Partnership Report, December 2015)

“A 33-year-old woman felt that project staff should provide more support by visiting members in their businesses.”

(Flynn and Sumberg 2015, p.115)

Vocational skills

The opportunity to access finance, essential business management training and coaching through YSGs can help remove the main barriers to establishing entrepreneurial livelihoods.¹⁸ Perhaps with a view to improving their livelihood options, young people requested vocational skills training during Banking on Change and although this was not part of the programme design, it merits strong consideration for future programmes. The Flynn and Sumberg 2015 research report (p.117) noted:

- A 25-year-old member and group money counter thought the groups could use more training, particularly vocational training for group members who use more practical skills in their profession.
- A 21-year-old woman felt vocational training would be useful, particularly in catering.
- A 23-year old woman said receiving training on pastry-making would be useful.
- An 18-year-old female student said she would like vocational training on making liquid or powdered soap (her mother had a business making soaps, among other things, which she helped out with sometimes).

The demand for training from YSG members has implications on both the cost and the timescale of programmes; as the India End of Partnership Report reflected:

“If [this programme] were to commence again, we would like to place more emphasis on training youth on vocational skills and on follow-up support after the training till such time that the objectives of employment generation or

entrepreneurship promotion is fulfilled. Therefore, the duration of the project may be little longer.”

(India End of Partnership Report, December 2015)

It may be worth considering entering into strategic partnerships with other NGO providers who can deliver dedicated training as part of YSG programmes. In Kenya and India, for example, Banking on Change teams partnered with other NGOs to provide specialist training on value chains and market linkage.

Life skills

Finally, Banking on Change also provided life skills and soft skills training alongside technical expertise. For example, in Egypt, India and Zambia, Banking on Change has seen YSGs used as a platform for young people to discuss and share information on sexual and reproductive health and rights, HIV/AIDS, gender-based violence including domestic abuse and child marriage, and alcohol and drug abuse. In Kenya, there was a reported decrease in substance abuse among young people in urban areas, while leadership and governance training helped resolve conflicts in groups and develop young people's leadership skills. Some young women in the programme said that the YSG brought them together and created a safe space where they could discuss these issues – something which they did not have anywhere else.

Refresher training for the trainers

Banking on Change and other programmes we consulted have found that because YSGs can be such a good platform for the delivery of additional training, there is also a risk of over-burdening YVAs (not to mention the YSG members themselves) with heavy workloads of training delivery. Banking on Change introduced regular Training of Trainers refresher courses for YVAs as well as quality assurance processes to check the training delivered. In some countries, training was handled by field staff rather than YVAs. In others, experienced ‘Super VAs’ were teamed up with YVAs, providing mentoring, support and supervision.

Refresher training for young people

Refresher Training also proved important for YSG members, particularly given the potentially higher turnover of young people in savings groups, and the fact they may be less likely to engage fully in the first cycle.

“An 18-year old male student showed the potential importance of refresher trainings. He said the group should receive more trainings, namely as he’d never attended any. However, this was revealed not to be true; indeed when asked about receiving EYL training, he remembered actually receiving it, but he said that at the time he ‘didn’t really know and didn’t really get much’, namely due to a lack of concentration. However, becoming more committed to the savings group (after the shareout), he said he was now ‘ready anytime to listen’. This shows the importance of refresher trainings as members may not fully benefit from trainings the first time around, especially if they are not yet fully committed or motivated to save.”

(Flynn and Sumberg 2015, p. 117)

“Most of the youth requires constant follow up on the areas they have been trained on so as to enhance practice and growth.”

(Kenya End of Partnership Report, December 2015)

“There is value for regular refresher trainings, both for the trainers and for the youth savings groups members themselves.”

(Tanzania End of Partnership Report, December 2015)

To reduce the costs of refresher training, and to tap into young people’s familiarity with mobile apps, some countries are experimenting with ‘e-kits’ (training in video format which can be viewed on a mobile phone) as developed recently by the Financial Sector Deepening Trust Kenya.

The Flynn and Sumberg 2015 research report sums up the value of training:

“Most of those interviewed spoke highly of the training they had received; some spontaneously repeated key messages from the training; and a few cited specific examples of how they had

made use of the training in their income generating activities. Again, many said that the trainings increased their motivation to save, and expressed a desire for more training, both refresher and skills or vocational training. To the degree that more broadly conceived vocational and skills training can support the much needed upgrading of members’ income generating activities, training along these lines should become a much more central aspect of the youth savings group model.”

(Flynn and Sumberg 2015, p. 55)

In conclusion, while the provision of specialist youth-friendly training will add costs to a programme, Banking on Change strongly recommends that it is incorporated into YSG programmes.

PROGRAMMING IMPLICATION

YSGs can provide a strong platform for tailored training and support to help build young people’s skills. Provide training in managing finances, as well as enterprise, vocational and life skills training, to help young people develop sustainable livelihoods. Ensure training is youth-friendly, interactive, effectively delivered and supported by regular refresher training. Consider including mentoring and coaching too.

PRINCIPLE 7

Use a social fund to help foster resilience

Social benefits of YSGs

Banking on Change has strong evidence that YSG membership improves young people's welfare and resilience to unexpected shocks. Interviews with peer NGOs, Banking on Change case studies, FGDs and endline data, as well as the Flynn and Sumberg 2015 report, show that YSG members regularly use funds they have saved and borrowed to invest in their education, healthcare and meeting daily household needs, and sometimes to respond to emergencies.

“Young members and parents of members said they were better able to care for their children's needs (not just schooling) since their child joined the group, as they were able to use the loans/share-outs to invest in their businesses and to cater for the children's and the household's expenses.”

“Members said their ability to save came from the training they received which helped them to develop and reach savings goals, but also simply from joining the group and observing others.”
(Flynn and Sumberg 2015 : interviews)

Banking on Change endline data confirms this; 60 per cent of young people interviewed said their income had improved and over half said their access to healthcare and education and the quality of their meals had improved since the baseline study. Around two-thirds of those who said these indicators had *significantly* improved attributed it to their YSG membership.

Benefits of a social fund

Banking on Change also has some evidence of YSGs using the traditional VSLA social fund to further the social impact of the programme. Some YSGs, for example, renamed their social fund an 'education fund' and used it for school fees, while IMAs (Intermediary Associations or clusters of savings groups) in Tanzania used their social fund for maternal health programmes, to care for orphans and vulnerable

children, and to help people access national social security funds (healthcare and pensions).

“All of the groups that were interviewed have established social funds which they contribute to from their savings. One group in Zambia and one group in Tanzania used some of the money from their social fund to purchase school supplies for orphans in the community. [...] Members said 'when a group member dies, we want to be able to help their family in some way - either by giving them money or by helping out at the funeral'. Another group in Zambia [...] also assists in the community by paying caregivers to take care of the children in the community when the community is unable to pay them. Some of the other groups have mentioned that they would like to start assisting the elderly and orphans in the community in future.”

(Banking on Change Final Evaluation, Genesis Analytics)

“A 21-year-old woman received [around \$23] from the social fund when her daughter fell sick.”

(Flynn and Sumberg 2015 : interviews)

“Improved social capital was one of the biggest impact areas of the programme. The programme increased trust among saving group members, who demonstrated their desire and helped each other through providing loans to members for establishing IGAs. Saving group members created and made available a social fund for support of

their peers in specific family situations (death of a family member, marriage, etc.), as well as were among the first buyers/clients through purchasing IGA products of group members. They also supported tripped members [members who have encountered obstacles or difficulties] in the repayment of the loan.”

(Egypt End of Partnership Report, December 2015)

Banking on Change was initially uncertain whether to retain the social fund in YSGs as young people might have fewer resources and perhaps (for those still living with parents at least) less responsibility for emergency needs. However, the social fund was well used by Banking on Change YSGs for a range of social purposes, with the average balance of \$37 per YSG in the social fund comparing well with the average balance of \$49 for adult groups which had belonged to Banking on Change for up to six years. We therefore recommend that other YSG programmes retain the social fund as part of the methodology, but allow young people themselves to determine how to use it.

PROGRAMMING IMPLICATION

YSGs should be encouraged to set aside a social fund (e.g. for school fees, health emergencies, funeral expenses) to provide an additional buffer for the group and a safety net for individual members.

PRINCIPLE 8

Link responsibly to formal financial institutions

Keeping money safe and accessing additional services

The Banking on Change programme and other peer NGOs have sometimes seen YSGs develop an interest in linking to formal financial services, particularly in urban areas and towards the end of the cycle, when group funds have accumulated significant amounts of cash and members may become concerned about its safety.

“Initially the girls had savings boxes with padlocks like a VSLA. But there was one case of fraud and it was not always easy to keep the box safely in the school.”

(Peer NGO consultation)

“We have been finding we do need to do linkage [to formal financial institutions). There can be a risk to security if the money is lying idle in the savings box. We want to encourage the government to allow group accounts, for the security of their funds.”

(Peer NGO consultation)

Beyond the security of funds, linkage to formal financial institutions can also help overcome some of the constraints which savings groups, including YSGs, can face as they mature; limitations on the amounts which can be saved and borrowed and few of the wider financial services which banks can offer, including long-term savings deposits, microenterprise credit, microinsurance, remittances, mobile banking, electronic payments and improved credit history.

Of the 57 Flynn and Sumberg 2015 interviewees, three already had individual bank accounts (two from the urban group), eight used mobile money (seven of these were from Tanzania), 11 did not feel the need to link

right now, but 18 looked forward to opening a bank account in the future once they had more funds to save, needed more security or wanted to access credit. For example:

- A 22-year-old single man reported he would be interested in having a bank account in the future, particularly if his income increased, but he mentioned that distance from a bank was a problem.
- A 22-year-old woman and a 25-year-old single man would be interested in a bank account if their business continued to expand.
- A 13-year-old male student said that participating in the group and practising saving encouraged him to use a bank in the future because it would be safer than saving at home.
- A 13-year-old male student said he wanted to open a bank account to protect his savings against theft. He thought someone outside the group could potentially steal the cashbox.

Genesis Analytics interviewed a YSG in Tanzania who had linked to Barclays in order to keep their money safe. They found the account-opening process easy and were happy that their money was now safe, and that they were not charged to withdraw funds from the group account. They also noted that now members could deposit savings whenever they wanted to, rather than wait for the YSG meeting to save money in the lock box. Similarly, interviewees in Uganda noted that their money is now secure and earning interest, and said they would continue using their account because they had seen the benefits.

Genesis Analytics interviewed a group that was not yet linked:

“When our savings were small, there was a benefit to keeping the money in the box; whenever we met it was easy to get a loan from the group. Also the cost of having a bank account (including

travel costs [to the bank]) was much higher than the amounts we were saving. But our group has started to grow now. We are now starting to see the need for a bank account and have started the process.”

(Genesis Analytics, Final Evaluation interviews, October – November 2015)

Wider benefits of linkage

Other benefits of linkage were also observed in Kenya:

“For a group to have an account they must have registered with the Ministry of Gender and Social Department, therefore linkage has given the youths a platform to have their groups gain legal status by registering them. Linkage will help minimize conflicts related to group money such as some of the groups used to keep money at the treasurers’ houses and these would result in the money being lost, stolen or used by these treasurers, hence potential conflicts. Groups have legal status, and members’ confidence in increasing their savings also rises. There is a feeling that linked groups can easily access other available opportunities from other organizations and the government.”

(Kenya End of Partnership Report, December 2015)

Preparing for linkage – bank literacy training for YSGs

Bank literacy training for YSG members has been particularly important in helping members make good choices about linkage:

“There is value in equipping youth with bank literacy skills - how to ask the right questions of the bank and how to protect their PIN etc. If youth are migratory, we should equip them as individuals, not just as groups. It’s a very teachable moment for youth as they begin to need to interact with banks more.”

(Peer NGO consultation)

A YSG preparing to link demonstrated the effect of bank literacy; Genesis Analytics found that when preparing to open a bank account:

“They will look for a product where they can earn interest on their savings and where there is no service charge. In addition, they will look for a good bank which is performing well. They will also consider how long it will take them to get served when they visit the branch.”

(Genesis Analytics, Final Evaluation interviews, October – November 2015)

The learning process has been mutual; bank representatives from Tanzania surveyed in the End of Partnership Stakeholder Reflection Exercise noted:

“We have learnt a lot about working with youth and coming up with products that suit the youth such as the mobile phone apps.”

(Bank stakeholder, End of Partnership Report, Tanzania, December 2015)

Banking on Change has also observed the wider benefits of bank literacy training for young women, who had felt intimidated by banks, but now said they had the confidence not only to go into banks but also to transact with them. Increasingly prevalent mobile money and digital solutions were popular where they were trialled in Banking on Change and are likely to be particularly relevant for young people seeking linkage with formal financial institutions.

Linking responsibly

Not all YSG programmes choose to promote linkage, but where linkage is requested by groups, precautions should be taken to make sure it happens responsibly and in the best interests of members. Banking on Change emphasised that linkage should begin with savings, even though some YSGs were eager to access credit. Banking on Change has developed a series of linkage tools including a linkage readiness assessment tool; a due diligence questionnaire; a template memorandum of understanding and guidelines for programmes to use when engaging with new formal financial institutions; training materials for programmes to help educate bank staff on the nature of savings groups and their needs; a product comparison table to help savings groups determine which products are right for them; and a monitoring

tool to enable field officers to evaluate the success of linkages in the programme.

The good practices around linkage which have emerged from Banking on Change have been synthesised in the Linking for Change Savings Charter, which comprises six principles that enable organisations to effectively and responsibly link informal groups of savers to formal banking products and services.

PROGRAMMING IMPLICATION

Linking to a formal financial institution can be a logical and attractive next step for YSGs. Where there is demand from young people and YSGs, programmes should engage with formal financial institutions to ensure that products and services are appropriate and that YSGs have adequate bank literacy training and support to protect their needs and rights. Linkage should be carried out in accordance with the Linking for Change Savings Charter principles.¹³

YOUTH CASE STUDY 3

Zainabu, Tanzania

“Mistress of her own destiny”

Twenty-two-year-old Zainabu Rashid lives in a poor community on the outskirts of Dar Es Salaam. She owns a hair salon in the village and is 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 dreamt of becoming a hairdresser, 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 sceptical 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 in 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.”



Plan Tanzania / Banking on Change

PRINCIPLE 9

Foster youth leadership and advocacy

The positive impact that participating in and ‘owning’ YSGs has on young people reflects a core part of the savings group methodology, which may be even more beneficial for young people who have had fewer opportunities than adults to gain leadership skills, confidence and participate in group activities.

Banking on Change has strong evidence of the impact of YSG membership on young people’s confidence and ambitions.

“I am saving and will surely achieve my goal of completing university in the next five years.”

“My aspiration now is to open an internet café to serve [...] particularly the youth in this community and its environs since we do not have one in this community. I know that I will be able to achieve this aim because being a member of this group will enable me to access a loan and also be able to save towards this goal.”

(Banking on Change case studies)

The programme has also had a positive impact on members’ self-image, their sense of being respected and their role in decision-making; as Figure 9 shows, over half of all YSG members said they felt respected at the end of the programme.

Flynn and Sumberg 2015 interviews corroborated this: “A number of members said they felt community members gave them more respect since joining the group, due to their accomplishments (e.g. acquisition of assets such as livestock.”

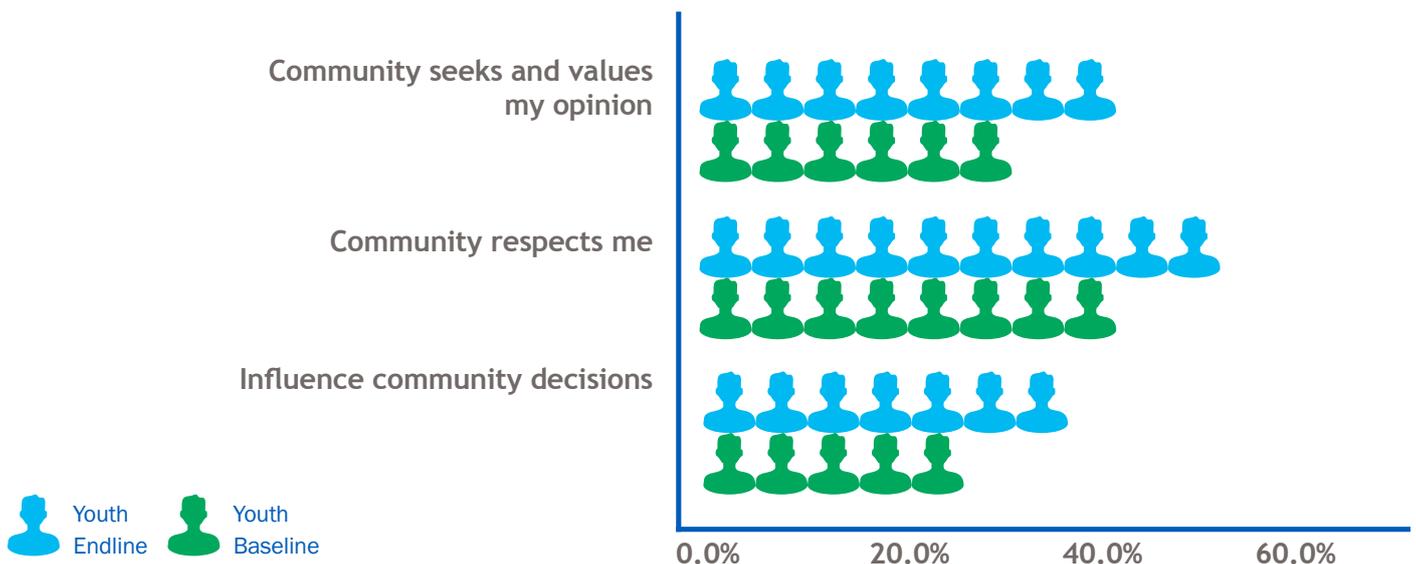
(Flynn and Sumberg 2015 : interviews)

Benefits to women

An increase in respect was particularly evident for women, as noted in the Flynn and Sumberg 2015 research report (p. 109):

- A 22-year-old single mother (the highest saver in Cycle 2) said she felt highly respected within her community because her fellow members now asked her for financial advice, as well as for loans.
- A 16-year-old single woman said she felt more confident since joining the group. She attributed this mainly to her experience with IGAs, which

Figure 9: Improvement in young people’s sense of their social position



she'd started with loans and share-outs from the group. She had also increased her income, knew more about business, and was able to negotiate with vendors in the market (she used to rely on her mother for this).

- A 20-year-old married woman said she felt more confident because her knowledge of business had grown through training, and because of the better access to capital to invest in her IGAs. Realising that she could fulfil her dream of acquiring land made her feel empowered. She reported having gained respect because community members asked her for loans, and because she was able to contribute to her extended family's expenses (with whom she was currently living). She also felt she had more respect from her husband and a greater say in family decisions, particularly relating to expenditure, since she now contributed to the family budget, and her husband recognised her increased ability to manage money.

Genesis Analytics and Banking on Change FGDs found similar positive impacts for women:

“Now that they have their own savings and own a business, [women] can contribute to deciding on how the money is spent. Previously, their husbands were the breadwinners in the household and used to tell them how to spend the money without consulting them first.”

(Genesis Analytics, Final Evaluation interviews, October – November 2015)

“When I got married my husband and I did not sit down to plan even though my husband gave me Ghanaian 20 cedi [c. £3.50] to start a pito brewing business. We only started planning together after receiving this training. Now we do sit together every month to assess our income and expenditure and advise ourselves on our spending against our income.”

(Banking on Change FGD)

“Improved confidence and self-esteem in women and young people helped them to address issues regarding awareness on female genital mutilation, early

marriage, illiteracy, right to inheritance and pensions. Society started seeing the woman as a productive, integral part of the community that must participate socially and economically. 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 got married early, aged 17. When I first set up my business, people said a woman can't manage it. In the first 4 to 5 months, custom was slow and I was not able to pay the rent. I lost confidence but I persevered - and now as you can see my customers are queuing all morning. I serve everybody, no matter how small their transaction. We now earn enough to send our children to school as soon as they are old enough. My husband is very supportive - he has given up his job to help me here so now we are both paid through this business. My life has really changed. I still cover my face in public but not here - this is my place where I do my business and I do not need to cover here. These may seem little little things but they make a big difference to me. Now I am very confident and happy.”

(Banking on Change member interviewed in India, May 2015)

“Not only did women engage in entrepreneurial activities but also there was a boost in the entrepreneurial qualities such as confidence, innovation, energetic, risk taking, financial independence and active participation during group meetings.”

(Tanzania End of Partnership Report, December 2015)

Young advocates

Banking on Change has also found that YSGs can be an effective vehicle to promote youth-led governance and advocacy. For example, Banking on Change Ghana has a Youth Governance Framework which provides for district, regional and national youth networks, where representatives from youth groups participate in programme review and planning meetings, facilitate exchange visits between savings groups and advocate for the value of YSGs, as well as voicing concerns on behalf of other young people in their community. These District Youth Networks are likely to continue even after the end of Banking on Change, creating a permanent forum for young people to advocate on issues that affect them.

In Zambia, young people have formed committees in which they share feedback on the Banking on Change programme and also advocate on wider issues, such as accessing youth opportunities from government and other providers, and participating in political or civil society committees. Banking on Change Tanzania has successfully advocated for the government to recognise savings groups within its National Microfinance Policy and now plans to facilitate participation by group leaders in ward and district development meetings, noting that:

“The government recognises that the VSLAs and IMAs [Intermediary Associations - ‘clusters’ of savings groups] 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.”

(Tanzania End of Partnership Report, December 2015)

Ghana has advocated with district assemblies, resulting in local staff being invited to participate in district assembly planning meetings, and some district assemblies include YSGs in their own development plans. Similarly, in Kenya, young people participate in ‘youth parliaments,’ through which they can influence local government to pay attention to the needs of young people and involve them in planning meetings.

Final evaluation interviews by Genesis Analytics found similar evidence of wider impact. For example, one member interviewed had joined a youth forum, in which:

“I received training on how to manage the group. The purpose of the forum is to look at issues that affect the youth in the community e.g. sexual health, child protection. I have learnt a lot about decision-making.”

(Genesis Final Evaluation interviews, October – November 2015)

The Banking on Change End of Partnership Reports had similar findings: Kenya noted that the biggest legacy of the programme was the young people who had become “ambassadors to champion their own cause for financial access and business development.” Similarly, stakeholders in Egypt noted:

“Youth are now more able to ask for their rights [and] benefited from the idea of effective participation through group work. [...] [They] increased their self-confidence and ability to accept others’ views and opinions. In one FGD, women asked for training targeting males in order to change their stereotypes regarding females’ roles in the economic and social improvement of their families.”

(Field officer, Community Development Association and staff representatives, Egypt Stakeholder Reflection Exercise, End of Partnership Report, December 2015)

PROGRAMMING IMPLICATION

Ensure young people take on a participatory or lead role in designing YSG programmes, as well as implementing and managing them. Where possible, connect mature savings groups to wider youth-governed networks and bodies at district, regional and national levels, to enable young people’s voices and interests to be heard. Young people can influence public stakeholders in favour of YSGs and help to ensure that they are included in national and local policy and programme initiatives.

PRINCIPLE 10

Commit to continuous, participatory monitoring, evaluation and learning

Continuous and participatory monitoring, evaluation and learning can improve the quality of YSGs and help to make them more sustainable.

Banking on Change has implemented a rigorous monitoring and evaluation framework, combining quantitative and qualitative baselines and endlines, quarterly management information system (MIS) reports, six-monthly narrative reports, pre/post assessments and focus group discussions for training, linkage monitoring tools, longitudinal case studies, an IGA tracker, group health check tools, independent research by Flynn and Sumberg 2015 and an independent final evaluation by Genesis Analytics. Each country office has also explored its own learning theme during the course of Banking on Change, and Banking on Change has held learning calls and events bringing together all country programme teams to share experiences. Each country office has also held annual participatory programme reviews for all stakeholders (including beneficiaries) seeking to adapt programming according to the results.

Even so, it has not always been possible to pilot all training manuals before their wider roll-out. When working at scale, it will be particularly important for programmes to build in time for youth scoping and piloting at the beginning of the programme, with regular periods for participatory monitoring and evaluation, reflection and adaptation.

Involving young people

“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 [so that they could then participate more confidently in the more technical training.]”

(Egypt End of Partnership Report, December 2015)

Programmes should also ensure that young people are effectively involved throughout the monitoring and evaluation processes. As the introduction to Plan Canada’s ‘Youth Microfinance Project: Most Significant Change Stories’ says:

“As the project aims to empower youth, it is important they see themselves as part of the monitoring and evaluation process, to identify with and take ownership of the results that are being documented.”

(Youth Microfinance Project: Most Significant Change Stories: Voices of Youth)¹⁹

Digital data collection (e-recording, ledger link, Savix and other apps) should be able to help participatory monitoring and evaluation as they evolve.

Sustainability and ongoing support

One potential challenge to the sustainability of YSGs is that the lower income level of young people makes the ‘fee for service’ model²⁰ more challenging, even though ongoing oversight by a Village Agent or facilitator is arguably even more important for YSGs than for adult groups.

This challenge only emerged towards the end of Banking on Change as YSGs began to realise that they would no longer receive regular training and visits from project-paid field staff once the programme ended. While some groups did adapt to the fee for service model and have said they will be willing to keep paying for training even after the programme ends, in other places a voluntary contribution rather than a fixed fee was introduced, as a more manageable option for the young people. Other models also began to emerge; in Tanzania, Intermediary Associations (IMAs - clusters of savings groups) can have oversight of less mature VSLAs and YSGs; while India and Zambia also have supervisory structures built into the programme design; and Egypt is piloting something similar. In Kenya, a franchisee model was piloted alongside using faith-based and community-based organisations as delivery partners. In its End of Partnership Report, the Kenya team commented that “the FBOs

(Faith Based Organisations) and CBOs (Community Based Organisations) are emerging as favourites since they are more grounded in community based development work and this makes them more reliable in sustaining interventions beyond the program life.” Similarly, Zambia is incorporating oversight of Banking on Change YSGs into the regular duties of other permanent community-based staff to help ensure their sustainability.

It is too soon to know for sure whether Banking on Change YSGs will prove as sustainable over time as adult savings groups but experience suggests that it is worth embedding strong governance structures and introducing the concept of fees/contributions or alternative sustainability measures from the start.

PROGRAMMING IMPLICATION

Embed rigorous monitoring and evaluation tools into all elements of the programme, and ensure that the data collected can be disaggregated by age, gender and disability, at a minimum. To increase ownership and sustainability of YSGs, include young people in the development and delivery of monitoring and evaluation systems; and build in regular reviews to take in their feedback and adapt programming accordingly.

3. CONCLUSION

The Banking on Change partnership shows that young people can save as regularly and consistently as adults and can be just as creditworthy. Moreover, the partnership shows that YSGs are a strong platform for delivering financial literacy, enterprise and employability skills, and can foster effective youth participation and governance. Banking on Change therefore believes that YSGs have an important role to play in meeting Sustainable Development Goal (SDG) 8 and helping young people to achieve economic and social empowerment.

Specifically, YSGs should be seen as a vehicle to give young people access to the financial services and skills needed to achieve SDG targets:

- 8.3 (“Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services”);
- 8.6 (“By 2020, substantially reduce the proportion of young people not in employment, education or training”); and
- 8.10 (“Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all”).

Significant barriers prevent young people from achieving economic independence and playing a full part in society. Banking on Change believes that a hugely increased global response is needed to tackle young people’s exclusion from formal and informal financial services, growing youth unemployment and the lack of suitable training and support. The aim of the YSG model is therefore to encourage and support other bodies – international NGOs, local NGOs, funders and policymakers – to integrate YSGs into their work.

“ The Banking on Change partnership shows that young people can save as regularly and consistently as adults and can be just as creditworthy.”

APPENDIX

COMPENDIUM OF BIOGRAPHICAL DETAILS OF INTERVIEWEES

Flynn and Sumberg 2015 fieldwork took place between April 2015 and August 2015 in Tanzania, Uganda, Zambia and Ghana. In total the research team engaged with two savings groups in each country. Information was gathered through group discussions, 57 detailed interviews with individual savings group members, and analysis of individuals' savings and borrowing activities as recorded in ledger books and passbooks. This compendium details the personal profiles of the 57 savings group members who were interviewed. The interviewees each illustrate a number of the Principles of the Youth Savings Group Model and their short biographies are given here for readers' interest.

Group 1, Tanzania

This all-women's group, located in a poorer area of Dar Es Salaam, is the only urban group in the study. The group began saving in February 2014, and at the time of the interviews was in its second cycle. Of the 30 members, 28 had continued from the first cycle. The share value increased from TZS 1,000 (~£0.30) in the first cycle to TZS 2,000 (~£0.61) in the second. Members had received financial literacy training in their first cycle, and at the time of the interviews had had one session of EYL training

Unique ID 2 is a 22-year-old single woman and a member of Group 1. She completed Form 4 and works in a men's salon where she cuts hair and gives massages and manicures. She also has an M-PESA business (run by someone else) and has dabbled in selling handbags. She would eventually like to set up a business selling food. Her sister, who is also in the group, encouraged her to join. Her savings rate is 100 per cent and she has taken out three loans to a total value of TZS 500,000 (~£153). She uses mobile money and has a bank account.

Unique ID 3, a 21-year-old married woman with an eighteen-month-old child, is a member of Group 1. She completed Form 4. She buys soap powder in bulk, and repackages and sells it. She is also planning to start a keff (small snack bar), as well as a decorating business. Her husband is an electrician. She joined the group to be able to save money, because "at home, it's difficult to save; it's easier to save with the group". Her savings rate is 88 per cent and she has taken out one loan of TZS 50,000 (~£15) to start the soap business. She seemed happy with the savings group but she did remark that her own business was slowing down as similar ones had started up in the neighbourhood.

Group 2, Tanzania

This rural group is in a remote community about one and half hours west (65km) of Dar es Salaam, and about 10 minutes (4km) by car from the nearest market town (Mlandizi). Some members, especially those who were or had been married, are farmers, and nearly all are involved in another IGA. The group is composed mostly of young people, but also includes a few in their 30s. The group began saving in April 2014 and is currently in its second cycle. At the time of the interviews there were 18 members, 12 of whom had continued from the first cycle. The share value has remained at TZS 1,000 (~£0.30) for both cycles. Members had both financial literacy and EYL training in the first cycle, and employability skills training in the second cycle.

Unique ID 8 is a 22-year-old married woman with two children. She is a member of Group 2 and its secretary. She completed Standard 7 and was selected to go to high school, but at 15 became pregnant with her first child. As farmers and casual labourers, she and her husband are on a low income; he also cuts wood for charcoal. Before joining the group she went to a share-out meeting for another group, and saw the lump sums being paid out. Her primary motivations to join were to save money and access loans in case of emergencies, and to meet family needs. She is a 30 per cent saver and has taken out two loans of a total value of TZS 160,000 (~£48). She used her share-out and one of the loans to buy food and meet other family needs. The other loan was used for farming.

Unique ID 10 is a 20-year-old single man and a member of Group 2. He completed Standard 7. He lives with his mother and three younger brothers, all of whom are in school. The father is a mechanic in Dar es Salaam. He runs a house-painting business, having previously worked as a painter's apprentice.



He employs two workers. During the rainy season when the painting business is slow he works for other tradesmen in town to improve his skills. His savings rate is 83 per cent and he has taken out two loans of a total value of TZS 500,000 (~£150) – the first to buy land and the second to invest in materials and equipment for his painting business. He bought bricks for a house with his first share-out. He has a bank account.

Group 3, Uganda

This rural group is located approximately 15–20 minutes (8km) from the town of Busia near the Kenyan border. This group has a mix of ages, with some members in their teens and others in their 40s and 50s. Many members take advantage of their proximity to the border, trading in border markets where goods tend to be cheaper. This group started saving in October 2013 and is in its second cycle. It was composed of 30 members originally (13F, 17M), with 20 continuing members (8F, 12M); the ten members who dropped out after the first cycle have thus been replaced. The share value has remained at UGX 1,000 (~£0.18). Members received financial literacy and EYL training at the beginning of the second cycle.

Unique ID 17 is a 35-year-old married woman and a member of Group 3. She completed Primary 3. She has eight living children, the oldest of whom is 20. He was the original group member but his mother stepped in when he moved elsewhere. [The interview is with the mother.] He completed Primary 5 and is single. His mother farms, does casual labour and sometimes collects and sells firewood. Her husband is a farmer and casual labourer. The son worked as an agricultural labourer. Her savings rate is 30 per cent and together the mother and son have taken out four loans to a total value of UGX 182,000 (~£33).

Unique ID 18 is a 22-year-old married women and a member of Group 3. She completed Primary 6. The eldest of her three children is seven. She joined the group because she wanted to further herself through saving and borrowing – she even said “you can’t save when you’re alone”. She farms a 1.25 acre family plot and also rents another 1.5 acres. She also sells charcoal (although she was out of stock at the time of the interview). Her husband does maintenance on a house in Kampala, and because of this they don’t live together. Her savings rate is 73 per cent and she has taken out three loans of a total value of UGX 148,000 (~£27).

Group 4, Uganda

This rural group is located near the town of Bwera, approximately 2km from the DRC border. All members are between 15 and 25 years old; none of them are at school. Although most farm to some extent, often on family or rented land, members also trade, with a number of them trading goods acquired at the border where they can be cheaper. This group started saving in November 2013 and is in its second cycle. There are currently 26 members (21F, 5M), including the 20 original members (15F, 5M). The share value has remained at UGX 500 (~£0.09). Members received both financial literacy and EYL training in the second cycle.

Unique ID 22 is a 16-year-old single girl and a member of Group 4. She completed Primary 6, and lives with her mother and two older brothers. She previously helped her parents with farming and worked as a casual labourer, but for the last year and a half she has sold palm oil and tomatoes from home. She also grows beans on a rented plot. She rents the land with her own money, and keeps the profits since she has “the full mandate” over the operation. She owns a goat and wants to invest in more. She was motivated to join the group as she expected her savings to grow by the time of the share-out and also because she felt it was a more secure place to save. Her savings rate is 89 per cent and she has taken out six loans of a total value of UGX 843,000 (~£155). Her mother contributes some of the savings. The loans were used to purchase palm oil and to finance farming.

Unique ID 23 is a 22-year-old woman and a member of Group 4. She completed Primary 6. She has two children, the oldest aged eight. She is no longer in contact with the children’s father, who is in the army. She previously had a charcoal and cassava business, but it failed through robbery. She currently works as an agricultural labour and sells fish which she brings from the DRC border. Her savings rate in the first cycle was only 35 per cent, but improved to 100 per cent in the second cycle with an overall rate of 74 per cent. She says the improvement is because she was unhappy with the small size of the first cycle share-out, and because the fish business is doing well. She has taken out five loans of a total value of UGX 73,000 (~£13). She invested the first in the failed charcoal and cassava business, and the others in the fish business.



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Group 5, Zambia

This rural group is located north of Lusaka, approximately 40km from Kabwe, the nearest major town, and about a 10-minute drive (5km) from the nearest main road and market. This is an agricultural community, where members typically farm (mainly maize) and grow vegetables on smaller irrigated plots (tomatoes are popular). Many members also do casual labour or have other IGAs (making and selling fritters, selling garments or fish). Most members are in their teens and 20s, with a few in their 40s. Most of the teenagers are still at school. The group started saving in May 2013 and is in its third cycle. The share value increased from ZMW 10 (~£0.56) to ZMW 20 (~£1.11) after the first cycle. Members received financial literacy training in the first cycle, and EYL and Employability Skills training in the second. The group took a three-month break from share meetings shortly after the third cycle started. This was because the secretary and treasurer, who according to the secretary herself, were largely responsible for “spearheading” the meetings, were attending a funeral outside the village, but also, because this was during the lean period, and members therefore decided to reconvene after the harvest (in March).

Unique ID 28 is a 28-year-old woman and is a member and the secretary of Group 5. She completed Grade 8. She lives with her two children – the oldest is seven – on a plot with her elder and younger brothers and their wives. The father of the children “has never been seen in two years”. She also looks after her late sister’s two young children, one of whom is at primary school. She makes money growing eggplants and through casual labour. She previously tried to buy and sell garments and fish. She has a savings rate of 43 per cent and has taken out five loans worth ZMW 710 (~£44).

Unique ID 30 is a 20-year-old man and is a member of Group 5. He completed Grade 9 in 2014. He is not married and does not have children. He lives with his parents and five siblings, of whom he is the eldest. He makes money gardening on part of his family’s land, usually growing two crops of tomatoes and squash a year during the rainy seasons. He sells about 75 per cent of what he harvests. He also helps on the family farm in the rainy seasons, and works twice a week as a casual farm labourer during the rest of the year. When he finished Grade 9 he moved to another rural area 24km from home to look for “a more permanent job” as a casual farm labourer. However, two months ago he returned to home after a nine-month stint because

he couldn’t find more lucrative work. He was therefore away from the group during the most recent savings cycle (third cycle), but planned to return to it in the fourth. In the first two cycles, he had a savings rate of 37 per cent and took out one loan worth ZMW 160 (~£10).

Group 6, Zambia

Group 6 is about 70km from Lusaka, 45km from Kabwe, and a 15-minute drive (5km) from the nearest main road and market. Members are aged between 14 and 27; those in their teens are still at school. People in this area primarily farm (including casual farm labour) and grow vegetables. Many members are involved in other IGAs such as selling blankets and charcoal, local beer-making, selling chickens and chicken products, and running small grocery stores. Ten members left after the second cycle when the group was dissolved because of poor governance and missing loan repayments. Only four of the original members reformed the group, along with seven new members (now totalling 11). This is the only group to officially allow members to buy ten shares per meeting. Members received financial literacy training in the first and third cycles, EYL training in the third cycle, and employability skills training in the fourth.

Unique ID 34 is a 27-year-old single woman and is both a member and the treasurer of Group 6. She completed Grade 8. She lives with her two children aged 8 and 4, as well as her parents, two brothers and eight sisters. She is the eldest of her siblings. She helps support her family through farming, growing vegetables and selling watermelons, which are year-round activities, as well as making sweet beer (monkoyo) and cutting and selling grass for thatching, which is seasonal. Since joining the group she has started to rear goats. She joined the group in the third cycle, and has a savings rate of 26 per cent. She took out eight loans worth ZMW 1,717 (~£98), and has invested them all in her various IGAs. She was a vocal member of the group during the share meeting, and also an active participant in the group discussion. She is confident and proud of her achievements since joining the group – she’d used her first share-out and was particularly proud to be the only one of her neighbours to build a house with an iron roof.

Unique ID 35 is a 26-year-old married woman and a member of Group 6. She completed Grade 9. She lives with her husband, a farmer, and three children, the oldest of whom is 7 and is in Grade 1. She helps support her family through farming, selling chicken offal and eggs, and running a small grocery shop. She and her husband grow maize, watermelon and other crops, depending on the availability of water. They eat most of the maize they produce but sell the rest of their crops. When she is not farming she focuses mostly on her chicken products business; indeed she invested most of her loans in this business. Although she started a small shop in April 2014, she stopped running it in April 2015 to focus on farming and the chicken products business. She aims to restart the shop, and even intends to expand it with her next share-out. She is one of the few remaining original members of the group who joined when it was formed in 2012. She'd stayed until now because "if I stopped [being a member of the group], I would go back to the way I was before, where life was harder". She has a savings rate of 20 per cent, though she has been saving more since the third cycle, when she said her capacity to borrow increased, as did her revenue. She has taken out 16 loans over the five cycles worth ZMW 2,429 (~£152) in total.

Group 7, Ghana

Group 7 is in a small town in Brong Ahafo, about 25 minutes (15 km) from Techiman by car. Most members are under the age of 16 and all but one are in school. The group meets weekly at a school. Most members live in and around the town's main roads and markets. The group started saving in November 2013 and is in its second cycle. It began with 22 members (13F, 9M), although seven left after the first cycle and were replaced (the current membership is 14F, 8M). In the second cycle the share value increased from GHS 0.2 (~£0.03) to GHS 0.4 (~£0.07). The group received financial literacy training in the first cycle. They began their EYL training at the end of the first cycle and finished it in the second. Employability skills training was starting at the time of the interviews.

Unique ID 45 is a 19-year-old single woman who is a member and secretary of Group 7. She completed Grade 9 a year ago and is currently not in school because of family financial problems. Her goal is to continue her education. She does not have children and lives in her father's house. She started a small vegetable-selling business a month before the interviews to fund her education. Her father used to give her GHS 2-3 (~£0.34-£0.51) pocket money about

four times a week, but since starting the business she gets less. She joined in the second cycle and does not mind being in a group with mostly younger people. She has a savings level of 48 per cent. She has taken out one loan worth GHS 100 (~£17) to start her business. She feels "100 cedis is not much" and therefore is not worried about repaying the loan. She intends to save her share-out in a bank and use it for school. She was enthusiastic, cooperative and vocal, both during the group discussion and the interview. She seems to be one of the leaders of the group. She herself felt this was because of her "age and knowledge".

Unique ID 47 is a 15-year-old male and a member and chairperson of Group 7. He has recently completed Primary 6 and intends to attend JHS locally. He is the fifth of seven children, and lives with his mother, father and three of his six siblings. He packs yams and does weeding, especially during the holidays. Although he can make some money from these jobs (e.g. up to GHS 40 (~£7) from weeding), most of his savings come from his pocket money and his parents' direct contributions. They increased their contributions in the second cycle when the share value was increased. His parents farm and "have a lot of produce"; they also raise livestock. He has a savings level of 65 per cent. He plans to open a grocery shop in JHS to save for his senior high school, though he has not yet taken out any loans. He invested his share-out in his education, but plans to buy chickens with his next share-out.

Group 8, Ghana

Group 8 is in a small town in the Volta region, about 15 minutes by car (7-8km) from Dabala and two hours from Accra (125km). Most of the younger members are students, while the older ones (in their 20s) typically made a living buying and selling goods. Some in-school members are saving on behalf of adults. Caregivers also mostly make a living in this way, though some also farm. The group meets weekly, but members can only borrow once a month, on the day of the loan repayment meeting. The group started saving in January 2014 and is in its third cycle. There were originally 30 members (11F, 6M, 13 unknown), but 13 left and have been replaced (the current membership is 19F, 11M). The share price recently increased from GHS 2 (~£0.35) to GHS 3 (~£0.52). The members received financial literacy training in the first cycle, EYL in the second cycle, and have recently started employability skills training.



Unique ID 50 is a 25-year-old woman, a member and money counter for Group 8. She completed JHS 1 but has since stopped. She has a six-year-old boy but is no longer in a relationship with the child's father. She lives with her mother and her four younger sibling; her father lives nearby. Her mother has been in an adult VSLA for six years. She makes a living mat-weaving and running a small food stall, she hopes to turn her food stall into a kiosk in the future. From time to time she gets money from her mother to save. She is a 100 per cent saver and has taken out seven loans worth GHS 2,560 (~£437). She invested two in her businesses and the others were used to support the household or by her mother or her neighbours.

Unique ID 52 is a 20-year-old woman and a member of Group 8. She completed JHS 3 in 2012. She lives with her parents and three sisters. One of her sisters is in the same group, and her mother is in the fifth cycle of an adult VSLA. When she left school she sold clothes and shoes in her village but business slowed down in October 2014 and she stopped trading shortly afterwards. She currently has a tailoring apprenticeship, and at the moment mostly earns money from the interest she collects on loans to local businesswomen. She has a savings level of 80 per cent, which drops to 57 per cent after taking account of her share cancellations and 36 per cent overall if a loan default in the second cycle is factored in. She took out six loans worth GHS 1,360 (~£213), most were used by her mother or family. She defaulted on her last loan (GHS 400, ~£68) when a family friend was not able to repay it. She intends to repay the remaining balance in the current (third) cycle.

Unique ID 57 is a 16-year-old male and a member of Group 8. He has completed JHS 2, going into JHS 3. He lives with his mother and two sisters; his father passed away five years ago. He is in fact a "surrogate saver" for his mother, who is in her 40s and who is also in another adult VSLA. As well as being a student, he occasionally delivers firewood to local people. His mother makes a living in several ways, the most important is distilling alcohol. She also weaves mats, does casual labour, and cleans oysters. The member's savings level is 84 per cent (79 per cent after share cancellations) and he took out ten loans worth GHS 2,260 (~£394), which were all invested in his mother's distilling business. At least some of the shares were cancelled because his mother failed to cover service charges on the loans. His mother said she was better able to provide for the household and for her children's education with funds from the son's group. The member himself was saving on his own, but expressed interest in joining a group where the share value is set at GHS 0.50 (~£0.08).

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- 6 S4YE is a global coalition of stakeholders working on youth employment. The coalition aims to ensure we are able to link actors together and learn lessons from youth employment interventions implemented in all countries around the world. Solutions for Youth Employment, Strategic Plan 2015–2020. https://www.s4ye.org/sites/default/files/S4YE_StrategicPlan_FINAL.pdf.
- 7 Plan International, Markel, E. and Panetta, D. (2014) *Youth Savings Groups, Entrepreneurship and Employment*. <http://www.plan-uk.org/resources/documents/how-youth-savings-groups-can-foster-entrepreneurship-and-employment.pdf>. Reviewing the constraints affecting youth employability and entrepreneurship, Markel and Panetta identify the following: limited asset base; limited access to finance; household underinvestment in essential services: education and health; unfavourable cultural and social norms; limited social networks; lack of employability and entrepreneurship skills; and non-conducive regulatory frameworks.
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- 9 The SEEP Network is a global network of international practitioner organisations dedicated to combating poverty through promoting inclusive markets and financial systems. <http://www.seepnetwork.org/>
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- 12 (IDS) 2015: This research, by Justin Flynn and James Sumberg of the Institute of Development Studies, Brighton (IDS), is in the process of being published and will be available on the websites of IDS, Plan International UK and CARE International UK during 2016. References to the IDS Research in this paper are to the final Report dated 16 December 2015 submitted to the Banking on Change partnership by IDS, cited here as Flynn and Sumberg 2015.
- 13 Some Banking on Change teams introduced a certification process through which Village Agents and Youth Village Agents were assessed after one year to ensure they met certain performance and training criteria.
- 14 Banking on Change has created the Linking for Change Savings Charter which sets out international principles for effectively and responsibly linking informal groups of savers to formal banking products and services. See <http://www.careinternational.org.uk/linking-for-change/> for more details.
- 15 Genesis Analytics were commissioned by the Banking on Change partnership to conduct a final evaluation of the Banking on Change programme. This evaluation included visits to Banking on Change programmes in Uganda, Tanzania and Zambia between October and November 2015, where Genesis conducted interviews and focus group discussions with savings group members. References here are taken from the draft final evaluation report submitted by Genesis in January 2016.
- 16 <http://www.portfoliosofthepoor.com/>
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- 18 Schoof (2006) *Stimulating Youth Entrepreneurship: Barriers and Incentives to Enterprise Start-ups by Young People*, Geneva: ILO, p. 55.
- 19 Plan Canada and The MasterCard Foundation (2014) *Youth Microfinance Project. Most Significant Change Stories: Voices of Youth*. http://plancanada.ca/downloads/mcf/VoicesofYouth_PlanCanada2014.pdf
- 20 In the 'fee for service' model, savings groups pay a fee (or in some models, make a contribution towards) covering the costs of their Village Agent or Trainer. This model aims to make savings groups more sustainable so that groups continue to receive oversight and training even after an NGO project has ended and project-paid staff are no longer available.

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“ I can now afford basic health service and see the difference between my family’s good health and those of my neighbours how aren’t in savings groups.”

Female YSG member, Banking on Change Ghana



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“ The content behind the Principles is strong and aligns with our programmatic experience. ”

Tim Nourse, President, Making Cents International

“ We have tried working with the youth in the past without much success. This project has shown us a suitable approach to get the youth to participate in development activities and we will definitely continue working with the groups. ”

Grace Mssam, a Community Development Officer at Kibaha District Council, Tanzania

“ The youth savings group model has strengths on several fronts. Youth voices and participation are elevated, and it promotes a demand-driven approach. Essentially it puts young people in the financial inclusion map and provides very clear principles to guide the establishment and management of successful youth savings groups. ”

Corrinne Ngurukie, Save the Children, US, Project Director, ASPIRES SA

“ We are using creative ways to enhance the inclusion of youth in our ongoing financial inclusion programmes - we are very interested in learning lessons from the Banking on Change youth savings group model. ”

Edward Fox, Chief Executive Officer, Opportunity International UK

“ As a natural outcome of its holistic development approach to improve the well-being of vulnerable children, World Vision works to deliberately include children, adolescents and youth in age-appropriate savings groups. The YSG Model captures and reflects what WVI has found to be best practices. ”

Kyhl Amosson, Director, Economic Development, World Vision International