Savings Groups & Women’s Empowerment
• Gender Committee – Zainabu Asiimwe, Women for Women International
• Evidence & Learning Grant – Katherine Hughes, Nathan Inc.

Inclusion in Savings Groups
• State of Practice – Ben Allen, CRS

Risk Assessment of Savings Groups
• Preliminary Findings – Ashley Wheaton, SEEP SLWG
GENDER COMMITTEE
of the Savings-Led Working Group

Zainab Asiimwe, WfWI
Members were representatives from five SEEP partner institutions

- Sarah Gammage, ICRW
- Naomi Reich, World Education
- Zainab Asiimwe, Women for Women International
- Emily Hillenbrand, CARE
- Sophie Romana, OXFAM
Working Assumptions

- Assumed impact: access to financial services empowers women
- Discussion on women’s empowerment within the financial services sector often limited to economic terms
- Limited, mixed evidence exists to support the impact of Savings Groups on women’s empowerment
- Despite the lack of evidence, Savings Groups are increasingly being incorporated into gender-transformative programming
• Members shared and discussed knowledge on Savings Groups and women’s empowerment

• A Knowledge Consolidation Framework was developed and guided the process of literature review

• Four dimensions of empowerment were selected based on their prominence in the empowerment literature

• Cross cutting elements of interest were highlighted for consideration when reviewing the literature
Knowledge Consolidation Framework

<table>
<thead>
<tr>
<th>ECONOMIC EMPOWERMENT</th>
<th>SOCIAL EMPOWERMENT</th>
<th>POLITICAL EMPOWERMENT</th>
<th>REPRODUCTIVE EMPOWERMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>SG Model: stand alone vs. layered</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Level of impact: Micro, Meso, Macro</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Types of impact: positive, negative, unintended</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Context: factors affecting empowerment impacts (e.g. conflict)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Definitions of empowerment: how is it understood &amp; measured</td>
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</tbody>
</table>
### Key Findings

<table>
<thead>
<tr>
<th>ECONOMIC EMPOWERMENT</th>
<th>SOCIAL EMPOWERMENT</th>
<th>POLITICAL EMPOWERMENT</th>
<th>REPRODUCTIVE EMPOWERMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>• SGs tend to suit needs of women</td>
<td>• Depends on program objectives &amp; design</td>
<td>• No evidence of intentional initiatives</td>
<td>• Limited examples or research on SGs &amp; RE</td>
</tr>
<tr>
<td>• Financial inclusion leads to greater control of HH financial resources</td>
<td>• Impacts more likely in layered initiatives</td>
<td>• Little indication of unintended impact</td>
<td>• Focus on SGs and access to services</td>
</tr>
<tr>
<td>• Insufficient research on unintended and negative impacts</td>
<td>• Possible to transform gender dynamics</td>
<td>• Need for definition/scoping (e.g. micro political acts?)</td>
<td>• Failure to address reproductive decision-making</td>
</tr>
<tr>
<td></td>
<td>• Consider unintended consequences</td>
<td>• Urban/apex focus to most clear examples</td>
<td>• No indication of unintended impact of standalone SGs</td>
</tr>
<tr>
<td></td>
<td>• Self selection bias?</td>
<td></td>
<td>• Possible pathways between other dimensions</td>
</tr>
<tr>
<td></td>
<td>• Little evidence of broader social transformation</td>
<td></td>
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</tbody>
</table>
Key Emerging Gaps & Questions

• Empowerment pathways?
• Negative impacts of Savings Groups on women’s empowerment?
• Male engagement?
• Social and political change?
Evidence & Learning Grant

- RFP developed based on the findings of the Gender Committee.
- Objective: to address a specific knowledge gap through activities that consolidate, expand and transfer knowledge on the relationship between Savings Groups and women’s empowerment.
- Excellent response - 24 proposals received from a wide range of organizations.
- Grant awarded to Nathan Inc for the development of a monitoring and evaluation tool.
Nathan Associates: Key Areas of Expertise

- Financial Sector Development
- Private Sector Development
- Trade
- Women's Empowerment

Integrated Analytic and Economic Expertise

- Litigation & Expert Services
- Economic & Regulatory Consulting
- Advisory Services
- Project Development, Energy & Infrastructure
Project rationale + Objectives

SEEP RFP:
A lack of evidence on the pathways between Savings Groups and dimensions of women’s empowerment.

Deepen Understanding
Provide an independent analysis to build understanding as to if - and how - Savings Groups contribute to women’s empowerment

Develop Tools
Develop Practical tools to more systematically measure how their programmes are, or are not, supporting women’s empowerment.

Widen Evidence Base
Contribute to the wider evidence base of women’s empowerment in savings groups
**Project Outputs**

**Learning brief**
- Sharing pathways of empowerment
- Examples of application in different programmes
- Giving tools to build a business case

**Monitoring tool**
- Consolidating indicators for measurement based on best practice
- Guidance for M&E of empowerment

**Core audience**
- Savings groups practitioners
- Women’s economic empowerment practitioners
- Investors in community finance
Project activities and timeline

- **May-June**: Literature Review
  - Understanding interventions
  - Approach to measurement
  - Gaps in data

- **Jul - Aug**: Secondary Data Analysis
  - Identifying pathways
  - Identifying gaps

- **Primary Research Prep**: Qualitative questionnaire design
  - Sampling methodology
  - Contextual considerations

- **Primary Research**: Tanzania
  - Ethiopia
  - National Stakeholder Workshops

- **Sept-Jan**: Output Development
  - Learning Brief
  - M&E Tool

- **Feb-Mar**: Engagement

Consultations with Advisory Panel and key stakeholders
How to get involved

Tell us your experiences
Share best practice tools
Engage in consultations
Express your requirements for the outputs
Give feedback

Katherine Hughes
khughes@nathaninc.com
THANK YOU
State of practice: Savings Groups and the Dynamics of Inclusion

Ben Allen, CRS
Savings Groups

1. Help members meet household needs, invest in IGAs

2. Low-cost, member-driven, requiring little up-front and long-term investment from implementing organizations.

Thought to reach poorest and most vulnerable community members, BUT

1. Evidence of regressive outreach – ‘middle class of poor’

2. Outreach to other vulnerable populations incompletely understood
Scope of SoP: Parameters of exclusion

1. Poverty level
2. Age
3. Disability
4. Men and women
5. Health
6. Smallholder farmers
7. Forcibly displaced populations
1. Self-exclusion

2. Explicit or implicit exclusion by SG promoters and/or community
1. Targeting and outreach
   a. Geographical
   b. Group
   c. Individual

2. Project design
   a. Cash or asset transfers (e.g. Graduation programs)
   b. Mentoring, add-ons
   c. Private Service Providers

3. Savings Group policies
   a. Set savings/share purchase targets (not minima)
   b. Reduce or eliminate non-attendance and late loan repayment penalties
1. SGs can and do reach the poor and ultra-poor

2. Inclusive saturation can reach poorest community members over time

3. There is no trade-off between using fee-for-service agents for long-term sustainability, and poverty outreach

4. Consumption support and supplemental skills training provide incentives and means for ultra-poor to participate

5. Flexible SG policies can increase ultra-poor members’ willingness to join and commit to SGs
<table>
<thead>
<tr>
<th>Contributors</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASPIRES/FHI 360</td>
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<tr>
<td>Plan International</td>
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<tr>
<td>Humanity &amp; Inclusion</td>
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<tr>
<td>CBM</td>
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<tr>
<td>World Relief</td>
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<td>World Vision</td>
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<td>Seed Effect</td>
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<tr>
<td>CARE</td>
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<tr>
<td>BOMA Project</td>
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<tr>
<td>Aga Khan Foundation</td>
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<tr>
<td>Mercy Corps</td>
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<tr>
<td>CRS</td>
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<tr>
<td>SEEP Network</td>
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</tbody>
</table>
Thank you!

Ben Allen, Ph.D.
Technical Advisor, Microfinance Research
Catholic Relief Services
Email: benjamin.allen@crs.org
A Risk Assessment of Savings Groups
Preliminary Findings

Ashley Wheaton, SEEP SLWG
Why do a Risk Assessment?

• Landscape for Savings Groups has evolved and become more complex
• Consumer protection identified as a key focus area within the SLWG learning agenda
• Lack of evidence on risks faced by Savings Groups
• Absence of agreement on the components of consumer protection for Savings Groups
Research Objectives

• Identify key risks faced by Savings Groups
• Estimate the frequency of their occurrence
• Assess their severity
• Identify existing risk prevention and mitigation strategies
• Establish an evidence base on which to build consumer protection responses
Research Partners

- All SLWG member organizations were invited to participate in the Risk Assessment
- SEEP established partnerships with three organisations:
  - Aga Khan Foundation
  - Catholic Relief Services
  - World Relief
Research Design

Research Locations

• Research conducted in four Sub-Saharan African countries
  • Burkina Faso
  • Madagascar
  • Rwanda
  • Tanzania
• Within each country, one rural and one (peri)urban research site was selected
• Research sites targeted poorer performing areas in order to uncover the greatest amount of information possible on risk
Research Sample

• Through consultations with risk experts, established a sample size of at least 500 Savings Groups
• Included a minimum of 10 inactive (dissolved) groups in each of the eight sites
• Also surveyed 24 Trainers and 24 Community Stakeholders
Research Tools

• Surveys were designed to gather information on anticipated risks and uncover other risks.
• Surveys were administered to multiple group members (4-6) to ensure answers were representative.
• Individual questions were also administered privately to two individuals in order to capture concerns that may not have been openly shared.
• Shorter surveys were administered individually to trainers and community stakeholders in order to triangulate findings and capture diverse perspectives.

Categories of Anticipated Risk

- Group Collapse
- Group Dependency
- Loan Non-Repayment
- Erosion of Methodology
- Theft & Embezzlement
- External Savings & Debt
- Impact of Additional Activities or Group Investments
- Trainer Exploitation
- Elite Capture
- Gender Dynamics
Research Timeline

• Partner engagement: Oct – Dec 2017
• Methodology & Tool development: Nov 2017 – Jan 2018
• Preparation for Data collection: Feb 2018
  • Field Testing
• Data collection & entry: Mar-Apr 2018
Next Steps

• Detailed data analysis
• Report development & publication
• **Case Studies** on specific risks, current and potential risk mitigation strategies
  • *An opportunity for SLWG members to engage!*
Questions to consider

• Do these findings surprise you? Or do they align with your experience?
• Are any stakeholders doing anything to address any of these risks?
• Should stakeholders be doing something to address these risks? If so, what?
Member Turnover

- **34%** of respondents were not members when their group was formed
- On average, **3.5 members** left group since the last cycle
- Most significant factors:
  - Members moving
  - Members being unable to save
- Evidence suggests that group membership overall is stable, indicating a significant level of member turnover

<table>
<thead>
<tr>
<th>Country</th>
<th>Avg. drop-out, per group, since last cycle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burkina Faso</td>
<td>2.36</td>
</tr>
<tr>
<td>Madagascar</td>
<td>3.92</td>
</tr>
<tr>
<td>Rwanda</td>
<td>2.65</td>
</tr>
<tr>
<td>Tanzania</td>
<td>5.07</td>
</tr>
<tr>
<td><strong>AVERAGE</strong></td>
<td><strong>3.50</strong></td>
</tr>
</tbody>
</table>
Group Self-Sufficiency

- 88% of groups report receiving visits from NGO staff or trainer AFTER graduation
- Over 50% of these groups report visits at least monthly
- Of those groups who received visits, it was reported that the person who visited:
  - Managed the group share-out (55% of groups)
  - Managed the group meeting (26% of groups)
  - Managed group records (19% of groups)
- 52% of groups reported requiring assistance at least once after their first share-out

### Countries and Visits

<table>
<thead>
<tr>
<th>Country</th>
<th>Groups that received visits after graduation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burkina Faso</td>
<td>93%</td>
</tr>
<tr>
<td>Madagascar</td>
<td>95%</td>
</tr>
<tr>
<td>Rwanda</td>
<td>73%</td>
</tr>
<tr>
<td>Tanzania</td>
<td>90%</td>
</tr>
<tr>
<td><strong>AVERAGE</strong></td>
<td><strong>88%</strong></td>
</tr>
</tbody>
</table>
Multi-Group Membership

- On average, **3.43 members per group** are members of another Savings Group
- Multiple membership reported among **53%** of active groups
  - Of these groups, **21%** reported that members borrow from one group to pay another
  - Of these groups, **30%** reported that this practice has had a negative impact on their group
- Among all active groups, **5%** indicated that membership in multiple Savings Groups has caused a problem at some point

<table>
<thead>
<tr>
<th>Country</th>
<th>Avg. number of members in multiple groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burkina Faso</td>
<td>0.52</td>
</tr>
<tr>
<td>Madagascar</td>
<td>3.26</td>
</tr>
<tr>
<td>Rwanda</td>
<td>6.20</td>
</tr>
<tr>
<td>Tanzania</td>
<td>3.75</td>
</tr>
<tr>
<td><strong>AVERAGE</strong></td>
<td><strong>3.43</strong></td>
</tr>
</tbody>
</table>
Return on Savings

• The average value of the last share-out was **USD 3,004**

• The average return on savings was **29%**

• **7%** of groups have experienced a negative return at some point
  - 5% of active groups, 15% of inactive groups

<table>
<thead>
<tr>
<th>Country</th>
<th>Avg. amount of last share-out</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burkina Faso</td>
<td>USD 1,136</td>
</tr>
<tr>
<td>Madagascar</td>
<td>USD  945</td>
</tr>
<tr>
<td>Rwanda</td>
<td>USD 1,633</td>
</tr>
<tr>
<td>Tanzania</td>
<td>USD 8,300</td>
</tr>
<tr>
<td><strong>AVERAGE</strong></td>
<td><strong>USD 3,004</strong></td>
</tr>
</tbody>
</table>
Theft

- Among all groups, 6% report having money or a cash box stolen
- Frequency: **25 thefts per thousand group years**
- Average loss per theft: **USD 317**

<table>
<thead>
<tr>
<th>Country</th>
<th>Avg. loss per theft</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burkina Faso</td>
<td>USD 120</td>
</tr>
<tr>
<td>Madagascar</td>
<td>USD 662</td>
</tr>
<tr>
<td>Rwanda</td>
<td>USD 85</td>
</tr>
<tr>
<td>Tanzania</td>
<td>USD 399</td>
</tr>
<tr>
<td><strong>AVERAGE</strong></td>
<td><strong>USD 317</strong></td>
</tr>
</tbody>
</table>
Formal Financial Services

- **22%** of groups have a savings account with a financial service provider

- **1%** of groups having taken a group loan from a financial service provider

<table>
<thead>
<tr>
<th>Country</th>
<th>Groups with a Savings Account at an FSP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burkina Faso</td>
<td>2%</td>
</tr>
<tr>
<td>Madagascar</td>
<td>8%</td>
</tr>
<tr>
<td>Rwanda</td>
<td>60%</td>
</tr>
<tr>
<td>Tanzania</td>
<td>16%</td>
</tr>
<tr>
<td><strong>AVERAGE</strong></td>
<td><strong>22%</strong></td>
</tr>
</tbody>
</table>
At your table

• Refer to the sheet on your table for assigned discussion topic/questions

• Please raise any other questions or comments that you have about these findings

• Please take notes to share with the whole group
Upcoming Case Studies

• SEEP will be producing **3 case studies** on Savings Groups and consumer protection over the next 10 months, to examine specific risks and risk mitigation strategies

• The selection of cases will be informed by findings of the Risk Assessment (forthcoming), focusing on the risks of greatest severity

• The SLWG will soon launch a call for expressions of interest for contributors

• Contact Ashley slwg@seepnetwork.org with any proposed case studies
Stay in touch with the SLWG

• Read the SLWG Newsletter!
• Visit the Mango Tree! mangotree.org
• Write to us! slwg@seepnetwork.org

Thank you for joining us!