



*Nyakweng'rere Women's Group
Nyamira, Kenya*

ADVANCING WOMEN'S ECONOMIC EMPOWERMENT THROUGH FORMAL FINANCIAL SERVICES FOR SAVINGS GROUPS

AN EVALUATION OF THE LINK UP PROGRAM
JUNE 2017



Jane Mokuu, Elsip Kerukor and Gertrude Nyang'ate are building confidence in formal financial services for members of the Nyakweng'rere Women's Group in Nyamira, Kenya.

Nyakweng'rere Women's Group opened a group account with Equity Bank six months ago, through the LINK Up program with CARE. The group meets and deposits money weekly to ensure that savings are safe from theft or misappropriation. Upon opening the group account, the women decided that every member should also have an individual account in order to make deposits, receive loans and distribute share-out proceeds without using cash. For many of these women, this is their first bank account. Nevertheless, this group continues to travel to the branch to use the ATM instead of completing transactions at mobile money agents. The likely reasoning for this is the group's proximity to a branch and the group's members not having used mobile money prior to the LINK Up Program. As the group's leaders, Jane, Elsip and Gertrude see the opportunity for group members to become comfortable with banking while building financial skills and confidence.

"When a woman in our group is approved for a loan, we accompany her to the bank and transfer the money directly to her account. We then guide her through the withdrawal process to show her how she can benefit from having the bank account.

One of our members was afraid of going to the bank, and wanted us to go on her behalf, but we supported her to have the courage to come with us. She was visibly scared when we approached the guards at the bank, but we assured her and explained that the guard was there to keep everyone safe.

After we had transferred the money to her account, we went together to the ATM to show her how to withdraw the money. Once again, she was apprehensive to use the machine but we guided her through the steps and reminded her to keep her PIN safe and secret. When she saw the money coming out she was very excited and surprised to count the money and find it was the exact amount she had requested.

Upon return to our community, she shared her experience with anyone who would listen, saying that she saw a wall give her money, that all she had to do was feed in a card, and money came out. She became an advocate for using the bank to keep money safe and encouraged other women to try using their ATM cards. "

Nyakweng'rere Women's group is just one of over 10,000 groups who have opened bank accounts through LINK Up; building confidence in banking, women's control over resources, and increasing safety and security of group funds and their members.



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ABBREVIATIONS AND ACRONYMS

FFS - Formal Financial Services

FSP - Financial Service Provider

KYC - Know Your Customer

MNO - Mobile Network Operator

USSD - Unstructured Supplementary Service Data

VSLA - Village Saving and Loan Association

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EXECUTIVE SUMMARY

LINK Up, funded by the Bill and Melinda Gates Foundation, aimed to link 10,000 Village Savings and Loan Associations (VSLAs) to formal financial institutions; building financial inclusion in Kenya and Tanzania, assessing the impacts of access to formal financial services on VSLAs and their members and determining whether serving such groups presented a viable business case for financial service providers (FSPs).

The project was based on the hypothesis that informal savings groups, such as VSLA, not only provide valuable financial services to the ultra-poor, but can also provide an opportunity for formal financial inclusion. VSLAs build the financial skills and assets of participating members by providing access to community-level and convenient places to save as well as access to small loans. LINK Up worked primarily with existing VSLAs formed through other CARE programming to link them to formal financial institutions. Over the course of this program, LINK Up partners have opened 13,165 group savings accounts and have served approximately 322,000 members, 81% of which were women.

To implement LINK Up, CARE partnered with four financial service providers; co-designing and co-promoting group products and alternative channel solutions tailored to the needs of savings groups and their members. The collaborations resulted in the creation of four new group-focused products and a host of innovations in the mobile and agent banking solutions deployed to deliver those products.

From the outset, CARE staff and external consultants at Datassist designed a robust measurement system combining qualitative and quantitative data collection at all levels of the initiative – VSLA member, VSLA group and FSP. Drawing on that system, **this evaluation focuses specifically on the impact of access to formal financial services on group financial performance, cohesion and satisfaction as well as the impact on group members' financial behavior, livelihood resilience and women's economic empowerment.** CARE has published a separate analysis on the business case for FSPs to serve savings groups like VSLAs which draws on the LINK Up experience.

This evaluation used a mixed-methods approach by combining a statistically representative quantitative survey with in-depth qualitative research which helped to understand the program's achievement against its indicators and some of the underlying social, economic and behavioral changes and challenges that influenced the program.

The evaluation identifies **seven key** insights including **three on the impact of linkages on VSLAs** and **four on the impacts among female members of linked VSLAs:**

1. Bank accounts clearly meet the primary goal VSLA members aim to achieve by opening accounts, namely, increased safety and security for group funds. Over 75% of respondents stated that they now feel their money is safer stored in the account, with the majority of groups satisfied with increased confidence in the security of their savings.

2. VSLAs that open bank accounts consistently deliver greater financial returns than groups that do not open accounts. On average, a CARE group that opens a bank account realizes a 12 percent point higher return on savings than a group without a bank account.
3. Group cohesion improves when a VSLA opens a formal bank account. Increased trust between members facilitated reconciliation of transactions and enhanced transparency of group operations resulting in an overall perceived increase in group cohesion within linked VSLAs.
4. Women in VSLAs open individual accounts at rates that far exceed those in the broader population; representing an effective strategy for closing gender gaps in access to finance..
5. Women in linked VSLAs report improved control over resources and increased ability to achieve their financial goals. These women reported an increased ability to make decisions over their personal savings and expenditures. This was particularly high for women with individual accounts.
6. VSLA members in linked groups report gaining increased influence in household decision-making. There was a noted shift away from male-centric decision making within households towards increased involvement of women. Women reported that having group accounts empowered them to financially participate in household decision making.
7. The promotion of group accounts improves member confidence and trust in formal financial services. Evidence showed that LINK Up exposed a lot of participants to banking services for the first time; helping change the perception that bank accounts were reserved for the employed. This program also allowed most, particularly women, members to grow comfortable with banking through regular transactions on behalf of the group.

Building on these positive results, the evaluation also identified **three prominent opportunities to deepen and broaden the impacts** of access to formal financial services on VSLAs and their members. These are:

1. Groups and members remain interested in access to additional financial services, particularly external credit, which remains largely unavailable
2. LINK Up surfaced several insights into the types of groups that gained the most value from the accounts. Not all groups received equal value illustrating a need to take a more nuanced approach to designing and targeting products tailored to different types of groups
3. Despite achieving meaningful impact on women's control over resources, strong social norms persist that impede women's economic empowerment. These are not adequately addressed by access to formal financial services alone

The CARE LINK Up program has achieved considerable progress towards women's attainment of economic and social empowerment within a relatively short period of time. However, there remain some challenges which, once overcome, will lead to greater depth of financial inclusion for women and men in Kenya and Tanzania. Key challenges and accompanying recommendations include the following:

Key Recommendations:

1. Digital channels have been found to be a solution to many of the remaining safety and security concerns that saving groups have. The uptake of digital solutions remains low however, and therefore additional research is necessary to uncover barriers to adoption and encourage consumer-centric product design.
2. Demand for individual and group credit is high yet remains largely unmet. A credit pilot in Kenya showed positive preliminary results with groups and members benefiting from increased access to group credit. It is recommended that innovation around credit product offerings and assessments around the financial viability of group credit continue to meet this demand at scale.
3. While linkage enables women to maintain great autonomy over their saving and spending, it does not address the underlying causes or contributions to inequality in decision-making at the household level. It is recommended that future programming includes broader gender sensitization training within VSLA households, FSPs, and mobile agents.
4. Members, particularly women, are experiencing difficulties in understanding and making informed choices about bank products to which they subscribe. To address this, additional education on financial literacy, bank processes and products, and customer rights is required.

CONTEXT

What is Women's Economic Empowerment and Why is it Important?

The evidence is clear that when women have equitable control over resources and equal economic opportunities, they have the power to improve the quality of life for themselves, their families and entire communities. When women earn and control financial decision making, they routinely reinvest in ways that support their households and communities.¹ Going beyond personal impacts, if women participated in the economy at the same rate as men, annual global GDP in 2025 would increase by 25%; roughly equivalent to the size of the combined US and Chinese economies today². It is therefore no surprise that empowering women is recognized as a fundamental building block in achieving the sustainable development goals, including the eradication of poverty.

Despite the strong moral and business cases for achieving women's economic empowerment, in almost every country women have fewer economic opportunities than men and less access to, and control over, resources. Women earn less than men for the same jobs, they bear a greatly disproportionate burden of unpaid work and they are largely concentrated in vulnerable and low-paying economic activities. More than 60 percent of female workers in the developing world are in the informal sector³ where they are often deprived of basic social protection, labour rights and fair wages.

Despite substantial progress in global financial inclusion over time, the gender gap in access to financial services has remained static. More than a billion women world-wide lack access to financial services and are in turn denied a safe avenue for saving, borrowing, mitigating risk and investing. Gender access gaps are the largest for the poor, specifically those living on US\$2 or less a day. The 2014 Global Findex Report found that poor women are 28 percent less likely than poor men to have a formal bank account⁴. The report also shows that products that are on the market are often expensive and poorly suited to meet the needs of low income women⁵. Furthermore, a report by GSMA has found the gender access gap in mobile phone ownership in low- and middle-income countries to be as high as 200 million women; resulting in women having limited access to mobile money.⁶

¹ Duflo, E., Women Empowerment and Economic Development. Journal of Economic Literature Vol. 50, No. 4, 1051-1079, 2012

² McKinsey Global Institute report, The Power of Parity, 2015

³ Seager, Joni, The Penguin Atlas of Women in the World, 4th ed. New York: Penguin Books. Part 5, 2008

⁴ World Bank Global Findex Report 2014

⁵ United Nations Foundation: A roadmap for promoting women's economic empowerment

⁶ GSMA, Connected Women: Bridging the gender gap, mobile access and usage in low- and middle-income countries, 2015

CARE believes that to move the needle on women's economic empowerment we have to start with increasing women's right to economic resources and power to make decisions. This means tackling laws, attitudes and social norms that discriminate against women's participation in the economy as well as giving women equal economic opportunities and fair rewards. It will take businesses, governments, civil society, and development partners working simultaneously with women to empower all women in all countries.

Access to Savings Groups builds women's financial inclusion and economic empowerment

Bringing women into the realm of financial inclusion, and increasing their control over assets, is a recognized driver for economically empowering women⁷. For 25 years, the basis of CARE's work on financial inclusion has been the use of informal savings groups to enable (primarily rural) women living in poverty to build their financial skills and assets. Our experience forming and training savings groups (more than 75% of members are women) has proven to be an effective way for women to achieve greater control of their lives and increase their own, and their household's, income and wellbeing.

The groups are designed to ensure women have equal and increased control over financial resources and access to savings and credit. In addition to building financial skills and capabilities, these groups simultaneously increase women's voice and decision-making power within their households. The methodology builds on a savings-led approach to financial inclusion given that savings is one of three interventions proven to accelerate the economic empowerment of women regardless of their context⁸.

Today, CARE supports more than five million savings group members through our Village Savings and Loan Associations (VSLA). CARE's VSLA members report increased contributions to spending on health, education, housing, food and businesses. They also report feeling more respected and better able to influence community and household decisions⁹. The access to, and control over, resources that VSLAs enable have allowed women to invest in businesses; evidence shows that women who participate in VSLAs are twice as likely to start and sustain a business as

⁷ Access to digital, financial and property assets is one of seven drivers to Women's Economic Empowerment according to the United Nations High Level Panel on Women's Economic Empowerment

⁸ United Nations Foundation: A roadmap for promoting women's economic empowerment

⁹ Banking on Change, BARC.L 201.15p, Banking on Change helps the world's poorest save US\$34m, 2016

women who do not¹⁰¹¹. Between 2009 and 2015 CARE VSLA members used their funds to start 116 thousand businesses through one project alone¹².

The power of adding formal financial services to informal savings groups

Increasing women's access to quality formal financial products and services is fundamental to accelerating women's economic empowerment. Access to accounts with financial institutions increases independence and boosts productive investment and consumption among women¹³. Moreover, designing financial products tailored to women's specific needs can increase uptake in products that rely on alternative channels such as agent banking and digital solutions¹⁴.

Saving groups are recognized as a vital entry point to formal financial services¹⁵ and there is high demand from groups to protect and grow their savings with formal financial institutions. CARE has been working with FSPs including banks, mobile networks and MFIs for more than five years to co-create innovative and scalable models that help savings groups access appropriate and affordable financial services. Between 2009 and 2015, CARE worked with FSPs to support 5,000 groups (~125,000 people) to open low-cost savings accounts with no minimum deposits¹⁶.

Today there are at least 95 financial service providers already offering 106 group savings and credit products in 27 countries to savings groups¹⁷. The potential impacts to scale up VSLAs and link them to formal financial service providers are enormous. Recent from Accenture and CARE revealed that scaling VSLAs to reach 1 in 5 of the world's unbanked women could generate a \$12 billion savings pool which would have a multiplier effect on health, education, GDP growth, livelihoods and job creation. There is also a \$3.6 billion additional revenue opportunity for the financial service sector if they were to extend financial services to all under-banked market segments¹⁸.

¹⁰ CARE's Women's Economic Empowerment Strategy, 2016

¹¹ Innovations for Poverty Action, Savings Groups Lead to Increased Financial Inclusion and Women's Empowerment, New Three-Country Study Finds, 2017

¹² Banking on Change, BARC.L 201.15, Banking on Change helps the world's poorest save US\$34m, 2016

¹³ World Bank Global Findex Report 2014

¹⁴ Report of The UN Secretary-General's HLP on WEE: Leave No One Behind 2016

¹⁵ As referenced in the UN High Level Panel on Women's Economic Empowerment first, second report and toolkits.

¹⁶ Banking on Change 2015

¹⁷ State of Linkage Report, 2016

¹⁸ Within Reach report 2016

The LINK Up Project

VSLAs provide their members with practical financial experience which gives them many of the skills necessary to successfully engage with formal financial service providers. Impact evaluations conducted by Innovations for Poverty Action using a randomized control trial research methodology, showed that VSLA substantially increased the portfolio of financial services available to participants and that average deposits and loan volumes for participants increased over the course of these programs. Previous pilot initiatives linking VSLA with FSPs resulted in both increased financial access for VSLA participants and high repayment rates and deposit mobilization for the banks. Pilots conducted with Barclays Bank, Equity Bank and various MFIs and regional banks have consistently shown that financial service providers can and will design products for the poor and unbanked and are willing to test the potential of serving VSLAs and their members commercially. FSPs are increasingly recognizing that collectively the ultra-poor remain a mostly unserved yet potentially profitable market segment, particularly where mobile network penetration and mobile and bank agent networks can lower the cost of service delivery. Using mobile platforms, community-based delivery channels and group-based products, LINK Up partner FSPs have designed and piloted new products and technologies to reach VSLA groups and their members.

The LINK Up Approach

1. Develop partnerships with leading FSPs in Kenya and Tanzania and co-develop savings products and service delivery models tailored to the needs of VSLAs
2. Conduct joint outreach campaigns to help VSLAs self-identify as interested in opening accounts
3. Provide training and support to interested groups to learn how to use the products and navigate the account opening process
4. Ensure that groups have the information and skills they need to use the accounts as they please
5. Share performance results with partner FSPs and broader industry in East Africa to accelerate replication of successful practices and models

Across LINK Up's partnerships, a focus on leveraging alternative channels and developing digital financial solutions tailored to group dynamics and security needs was a constant focus. In line with CARE's savings-led approach, LINK Up's primary product focus was on developing and promoting group and individual savings accounts. The program also did venture into group credit, however, with a successful product pilot in Kenya. Throughout the initiative, LINK Up relied on a flexible model that put customers at the center; tailoring products and interventions to their interests and capabilities and adjusting in response to new insights or results.

This report shares results from the three-year LINK Up project, which was funded by the Bill and Melinda Gates Foundation and sought to link 10,000 VSLAs (250,000 people) to formal financial institutions in Kenya and Tanzania. The report analyzes the contributions that access to formal financial services made to women's economic empowerment, specifically highlighting the impact of linkages on VSLA group performance and on VSLA group member livelihoods, empowerment and resilience. The report also shares insights gained through LINK Up on the factors that contribute successful linkage as well as how savings group promoters and financial services providers can identify the groups most likely to benefit from access to formal services. A separate LINK Up report unpacks the business case for linkages based on commercial outcomes among LINK Up partner financial services providers.

Products Promoted through LINK Up

To engage FSPs in serving VSLAs, CARE commissioned a thorough investigation of the business case for serving savings groups and their members. This information served as the basis for discussions on creating a sustainable model whereby both savings groups and financial institutions benefit from linkage. CARE further engaged FSPs by demonstrating the qualities of savings groups as banking customers through in-person meetings and field visits with savings groups.

FSP partners in Kenya and Tanzania worked with CARE to co-design and promote products and technological solutions tailored to the needs of savings groups. The approach to each partnership was unique and tailored to the institutional strategies, capabilities and position of partner FSPs. The products developed and replication by other FSPs in both countries reflect the emergence of a competitive marketplace for savings group financial services in Kenya and Tanzania. A summary of characteristics of products developed and promoted by LINK Up is presented in Table 1.

Table 1- Group Savings Account Product Characteristics*

	NMB Tanzania	Access Bank Tanzania	Equity Bank Kenya	KCB Kenya
Remote KYC collection	✓	✓	✓	✓
Digital 3-key solution	In development	✓	✓	✓
SMS alerts on money movement	Leader only	Leader only	All Officials	All Officials
Integration with MNO/ Bank agents	✓	✓	✓	✓
Integration with individual savings acct	✓	✓	✓	✓
Transfer fee btw individual / group acct	\$0	\$0	\$0	\$0
Minimum opening balance	\$14	\$5	\$0	\$2
Monthly maintenance fee	\$0	\$0.45	\$0	\$0
Minimum account balance	\$0	\$5.45	\$0	\$0
Group credit product			Piloted	
*All values are presented in USD for convenient comparison. Exchange rates based on oanda.com (May 30, 2017)				

In addition to group savings products, three of our partner FSPs offers a low-cost individual savings with no-cost transfers between the group and individual accounts. At varying costs, these accounts are accessible by mobile agent networks, as detailed in the following section.

Delivery Channels for LINK Up Products

Traditional savings groups can access their funds easily from a lock box at each meeting when the three key-holders unlock it. When linking a group to a formal bank account, it is necessary to ensure easy access to the group funds, while maintaining the level of security offered by three separate authorities. Traditionally, members would need to travel to a bank branch to make group transactions. With the widespread availability of mobile money and extensive mobile money and, increasingly bank agent networks in both Kenya and Tanzania, however, opportunities exist to dramatically reduce the costs for members to use formal accounts by exploiting these alternative channels. LINK Up focused intensely on ensuring all products promoted by the project delivered group members with a viable, secure and accessible method for conducting transactions digitally. The most complex aspect of this effort was the development of digital solutions that replicated the multiple keys used for the traditional lock box. Three

of the four LINK Up FSP partners created such solutions, enabling group officials to initiate and approve transactions on the group accounts by mobile; reducing the need for travel between the meeting location and the bank. The fourth partner currently has a similar 3-pin solution under development and deployed on an interim solution that relied on a combination of a SIM card PIN, a mobile banking PIN and a traditional physical lock on the case box where the SIM was stored for the duration of the project as they tested the market.

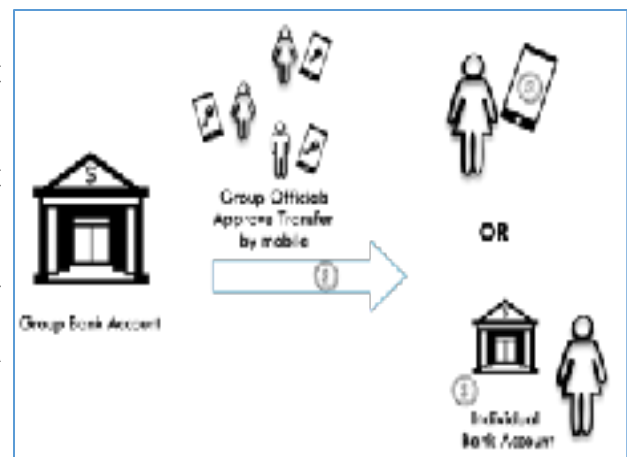
The solutions offered by each FSP vary slightly, but follow a similar framework for deposits and withdrawals.

Technology-enabled Deposits

There are several technology-enabled options for individual members to deposit funds into the group account, aside from the traditional method of depositing in branch:

1. Member deposits through bank agent directly to group account
2. Member sends money to group account through mobile money
3. Member transfers from individual account to group account by mobile banking

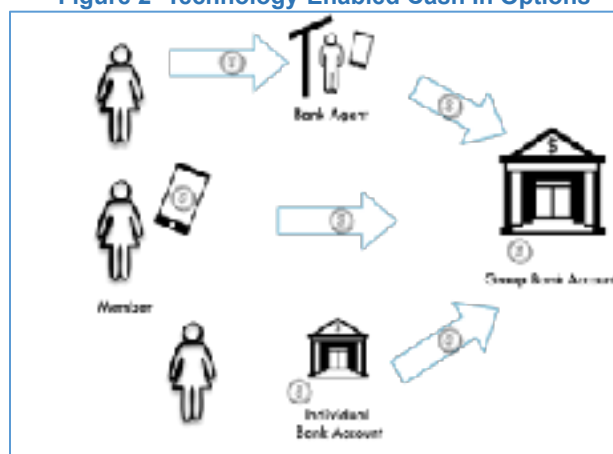
These options provide several avenues for a member to deposit funds directly to the group account without travelling to the branch. A summary illustration is found in **Error! Reference source not found.**



Technology-enabled withdrawals

A three-key digital solution is designed for groups to securely and quickly access and send funds from the group account; allowing the three officials to remotely perform transactions. Through a mobile network, each group official can access the group account balance on their phone through a USSD menu at any time. From the same menu, the official can initiate a transaction (withdrawal or transfer) to an agent, mobile money account, or to an individual's account. Once the transaction is initiated, the two other group officials receive a notification of a pending transaction, and can approve or deny it by mobile. Once the transaction has been approved by all three officials, it can proceed, as illustrated in **Error! Reference source not found.**

Figure 2- Technology-Enabled Cash In Options



other group officials receive a notification of a pending transaction, and can approve or deny it by mobile. Once the transaction has been approved by all three officials, it can proceed, as illustrated in **Error! Reference source not found.**

DATA SOURCES AND METHODOLOGY

The LINK Up endline evaluation used a mixed-methods approach which combined a statistically representative quantitative survey with in-depth qualitative research to help understand the program's achievement against its indicators and the underlying social, economic and behavioral changes and challenges that influenced the program.

Quantitative Analysis

The quantitative analysis is based on a combination of datasets from within the LINK Up program, surveys collected by outside parties with the households involved in the savings groups, and third-party data that was collected from the communities around the LINK Up program but not specifically connected to the program.

These datasets are combined and analyzed using several statistical techniques to provide evidence of change over time that can at least partially be attributed to the LINK Up program.

Datasets

This research takes advantage of many diverse types of data; each with its own strengths and limitations. We describe each type below and then discuss the combined results in the following sections.

Household survey data

This data includes a rolling baseline survey and an endline survey. A comparable survey was administered to households at various stages of involvement with the LINK Up program. There are three foundational modules: (1) Household wellbeing which includes household assets, income, food security, business ownership/performance, resilience, consumption smoothing and community engagement; (2) VSLA and VSLA member financial performance which looks at savings and borrowing behavior; and (3) Gender equity and women's (economic) empowerment which focuses on women's relative access to and control over resources and influence on household decision making.

The data from the household survey is collected from individual households that are involved in the LINK Up program. The individual households were selected from the population of all households in the program using two-stage stratified random sampling processes. We are using a rolling baseline design, which includes three points of data collection from one cohort of households and two additional cohorts that are sampled at two points time. This combination provides the most efficient way to gather valid statistical data with the least amount of disruption to the participating households.

Group MIS data (Standardized Management Information System)

This data is aggregated at the group level and is a standard series of 24 items. These include economic indicators including total amount of savings, total amount of loans, count of loans, and administrative indicators including count of members and

percentage of group members who are women. The core variables and their calculations and definitions are included in Appendix A.

This data is collected across all CARE savings groups as well as across savings groups from several other organizations¹⁹. MIS data is collected on a bi-annual basis from both groups which are linked with banks and those that are not. This large, standardized, and diverse database allows many types of analyses.

Linkage Readiness data

This is data that is collected by CARE from each group as part of the process of assessing groups to determine readiness for linkage. This data is based on a series of nine quantitative and six qualitative indicators that are then combined into an overall score. This tool was initially developed by CARE in 2009.

Financial provider data

This data is supplied to CARE as part of the bank partnership. The data provides the account balance of each group's account as well as the date of the group's last transaction. This data is used to calculate dormancy rates. An account that has not had a transaction within the last six months is considered to be dormant. It is possible for an account to move in and out of dormancy.

External benchmarking data

To more accurately place the LINK Up groups in context, external databases have been accessed and included in this report. This includes the World Bank FINDEX data, SAVIX data, Demographic Health Survey and Financial Inclusion Insights data.

The **World Bank FINDEX data** was collected in 2011 and 2014 and provides information about the sociodemographic breakdown of people who have savings, have loans, have access to formal accounts, and have access to mobile money. This data was used to create benchmarks for comparable populations to the LINK Up participants.

The **SAVIX data** is an international clearinghouse of standardized MIS data for savings groups. This data was used to benchmark economic outcomes for savings groups. It allows us to compare trends within CARE groups to other similar groups.

The **Demographic Health Survey (DHS) data** was collected in Kenya in 2014 and in Tanzania in 2015. This data includes indicators on poverty, income, and women's equity that was used to benchmark local conditions in the areas of the CARE savings groups particularly in the section on women's decision making.

These datasets have been combined in several iterations in order to test for potential causal relationships between the effects of the program and measurable changes in individual, household and group indicators.

¹⁹ See Appendix B for a full list.

Methodology

As a robust method for finding causality with observational data, this analysis employs several quasi-experimental methods. The impact research uses statistical programming and database construction to combine as much diverse data as possible and statistical inference to test for potential causal relationships between the effects of the program and measurable changes in individual, household and group indicators. We used two methods in combination: Matching and reweighting of data and Longitudinal methods.

Matching and reweighting of data

The quasi-experimental technique of propensity score matching is used in this report to construct comparison groups for the LINK-Up households and groups.

For matching groups, a historical database exists in the MIS that contains information about groups, their linkage status, and their financial status. This longitudinal data is a valuable source of non-experimental comparison groups. It allows us to track the trajectory of a large number of groups over time in order to establish a potentially causal trajectory. We can also use this data to match the historical groups with similar current groups and weight the data in order to estimate a potential effect of linkages.

For matching individuals, longitudinal data exists in several external databases including, the Demographic Health Survey, the FINDEX and the Financial Inclusion database. Socioeconomic factors from both these record level databases and the internal CARE databases can be used to construct matched sets that can then be analyzed for differences over time.

Longitudinal (or Panel) data

This research does not include a formal control group so methods must be used that allow for some type of quasi-experimental analysis to distinguish actual effects of linkages from the effects of other endogenous factors. One of the best ways to do this is to collect longitudinal data wherever possible. Established internal monitoring data is therefore designed to be longitudinal. As well, the internal monitoring data that is not longitudinal can sometimes continue to be collected in tangential ways allowing for longitudinal proxies to be developed.

Qualitative Analysis:

A qualitative exercise was performed to add depth to the quantitative analysis and to find explanations behind some of the quantitative findings.

Qualitative Data Tool Development

The tool for qualitative data collection was developed following a review of the preliminary quantitative report with the intention to triangulate some of the findings. The tool was developed by CARE LINK Up staff, under the coordination of internal expertise in Monitoring and Evaluation, and it aimed to respond to 4 main areas:

- Reasons for opening account
- Group level changes as a result to Linkage
- Individual /Household Level changes as a result of linkage
- Use of Mobile Service

An English version of this tool can be found in Appendix C.

Focus Group Discussions

A total of 32 Focus Group Discussions were conducted between March and April 2017, with 14 in Tanzania and 18 in Kenya, representing 362 individuals and a total of 160 savings groups. The focus groups discussions were conducted by members of the relevant program implementation team in Tanzania and Kenya and were led by two staff from the CARE Access Africa office. Focus groups were conducted in Swahili in Tanzania and in either Swahili, English and Luo in Kenya depending on the language that participants found to be comfortable.

Sampling

Participants were selected using purposive sampling and focus groups were organized to include specific demographics. The initial sample was drawn from bank data supplied by partner FSPs where possible, and groups were selected based on their account balance and most recent transaction date in order to include a variety of different users. These groups had varying gender compositions, distances to the bank branch and length of time since linkage. Groups aimed to have 12 individuals each, with either a mix of men and women, or all of one sex.



Data Collection and Analysis

Detailed notes were taken by a dedicated note-taker during the focus group discussions. At the end of each day of data collection, a debrief including facilitators and note-takers was performed, where these were consolidated, digitized and translated to English. These notes were compiled to facilitate a thematic analysis of the recurring responses, disaggregated by region and country, and by group composition. Each response provided by a focus group participant was coded to determine relative frequency of recurring responses. These codes were grouped into themes which are presented in this report.

Limitations

Although all efforts were made to meet with and talk to as many relevant respondents as possible, a number of logistical and practical factors prevented this from being entirely successful. Some of the limitations of the qualitative evaluation include:

- It was not possible to conduct focus group discussions in all geographical locations where LINK Up was implemented. Instead, a limited random sample covering 4 regions in Tanzania and 4 counties in Kenya was used.
- While the team tried to accommodate the different language requirements at each focus group, there were instances in Kenya where this was not possible; forcing some participants to translate for others. This limited the time for discussion. This could also have a repercussion on the diversity of the responses.
- The qualitative data collection was largely collected by LINK Up staff; this carries a risk of introducing bias in the responses.
- Focus Group Discussions were conducted at the height of the rainy season in Tanzania and the end of the rainy season in Kenya. For this reason, road accessibility was a main factor in the selection of these locations which could limit the diversity of the responses.



- A number of the participants of the focus group discussions were farmers and some had to cancel participation to work on their fields. This led to a number of the planned focus groups being cancelled and/or combined with other focus groups. This may have limited the diversity of the sample that was selected.

LINK UP PROJECT RESULTS AND SEVEN KEY INSIGHTS

Through a combination of direct support and broad-based marketing, **LINK Up partners have opened 13,165 group savings accounts and have served approximately 322,000 members.** This figure includes 7,719 VSLAs directly supported by CARE representing 177,912 members including 126,318 women (81%). In Kenya, CARE supported 5,672 VSLAs to link with Equity Bank and Kenya Commercial Bank; representing 126,882 members (85% women). In Tanzania, CARE directly supported 1,909 groups; representing 46,521 members (72% women) to open group accounts with NMB and Access Bank while NMB's public marketing campaign around the project yielded an additional 5,361 group accounts. While the vast majority of accounts were opened by NMB and Equity Bank, it is critical to note that Access Bank Tanzania and Kenya Commercial Bank Kenya began partnering with the project much later in the overall project timeline while NMB and Equity Bank were core partners from the outset.

Table 2- Product Reach²⁰

FSP Partner	NMB Tanzania	Access Bank Tanzania	Equity Bank Kenya	KCB Kenya	Total
Number of Group Accounts	7,188	204	5,672	220	13,284

Despite having a wide range of experience supporting informal groups to access formal financial services, there remains relatively little evidence on the effect that access to such products has on groups or their members. LINK Up set out to very deliberately measure program impacts and understand if, when, why and how members and group benefited from access to formal services. The result of that analysis yielded seven key insights.

- 1) Group bank accounts clearly meet the primary goal VSLA members aim to achieve by opening accounts, namely, increased safety and security for group funds

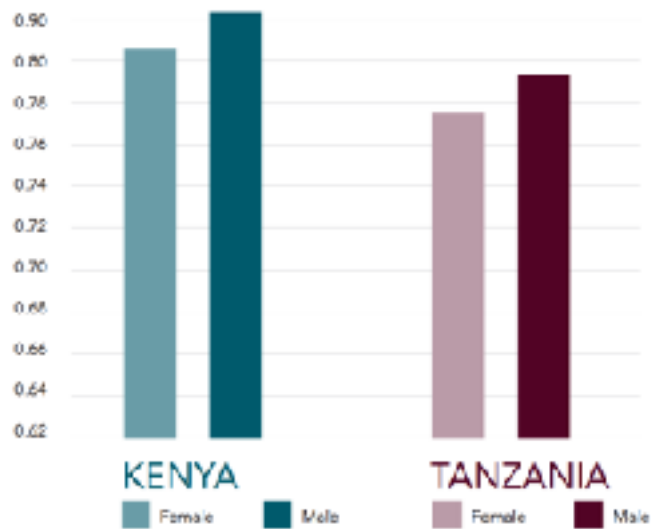
Access to Formal Financial Services (FFS) is effectively allowing groups to meet their primary goals for their accounts, namely, to improve the safety and security of funds.

The majority of groups voiced that they opened their account to have increased safety and security of their funds and savings. Groups with bank accounts no longer fear loss

²⁰ NMB Tanzania and Equity Bank Kenya were LINK Up anchor partners. Access Bank Tanzania and KCB Kenya were brought on half way through the program and launch accounts much later. This is reflected in their lower reach.

of money within the group's savings. Several groups express that their treasurer has peace of mind and no longer fears being attacked or robbed of the money box. Countless stories were shared by focus group participants whereby theft of some or all

Figure 3- Proportion of Respondents Who Feel Money is Safer in Accounts



of the savings occurred, with devastating effects for both members and groups. In both Kenya and Tanzania this opportunity for enhanced safety was the primary driver for groups to open their account. Over 75% of respondents in a customer satisfaction survey say they now feel their money is safer stored in the account (**Error! Reference**



Mwanaidi Salehe and husband Musa Kisepo

a very strong relationship between and their overall customer satisfaction. The aspect of increased security as a result of linkage is underscored by many formal bank account are 30% more than members who do not feel that their money is safe. We have not experienced a loss of their savings which were in the group's box.

SECURITY

Musa Kisepo and Mwanaidi Salehe are members of the Mtazamo Savings group in Mvomero. Musa was the treasurer of the group since the group started in 2009 until last cycle, and was therefore in charge of keeping the groups locked box safe within their home.

The box was stolen twice during Musa's time as treasurer. The first time, they were hosting a friend who was recovering from surgery and he disappeared with the box, never to be found again. Musa and Mwanaidi took responsibility for this loss, and sold several cows and bicycles from their business in order to repay the group for the approximately \$1000 USD that was stolen.

The second time, six armed men entered their house in the night and forcibly took the box, containing over \$1000 USD, and other belongings from their home. This time, their group helped to repay about 75% of the lost funds, but Musa and Mwanaidi again had to sell assets to repay the remainder.

After this second incident, the group sat down with the local community-based trainer (CBT) and discussed its options for a safer place to store the funds. The option of opening a group account with NMB was welcomed with open arms by the group, and especially by Musa and Mwanaidi. "We are happy that now not only is the group's money safe, but we can also sleep a lot easier knowing that we are safer without the money in the house."

Musa states that now there is less fear in the house now that there was no money being kept there. Mwanaidi tells a different story. "I am still traumatized from the incident. However, I understand that it is near impossible for the incident to happen again. The only risk at the moment is between the group's weekly meetings where people collect shares and when the money is taken to the bank."

2) VSLAs that open bank accounts consistently deliver greater financial returns than groups that do not open accounts

Linked groups are saving more because of increased confidence in the safety and security of their funds. This results in an increase in availability of internal loans available to the group members.

Linked groups experience higher return on savings than unlinked groups. On average, a CARE group's standardized return on savings in Kenya and Tanzania is around 19%. According to the FinAccess 2016 survey, the typical rate of an unlinked informal savings group in Kenya that is not being actively facilitated²¹ is a 7% return on savings. Through the quantitative endline survey, groups were evaluated on whether economic performance varied between linked and un-linked groups. The standardized return on savings of a group is a measure of how successfully the group is managing to generate yield from their savings.

From the plot (**Error! Reference source not found.**), we can see that over time, as the unlinked groups matured, their return on savings stayed largely steady while the linked groups increased to approximately 33%. On average, this would translate to a member of a typical linked group earning between 40 and 55 USD per cycle more than a member of

²¹ Actively facilitated groups receive training and ongoing education or support from an NGO or other organization

an unlinked group. This difference is statistically different at a 95% confidence level.

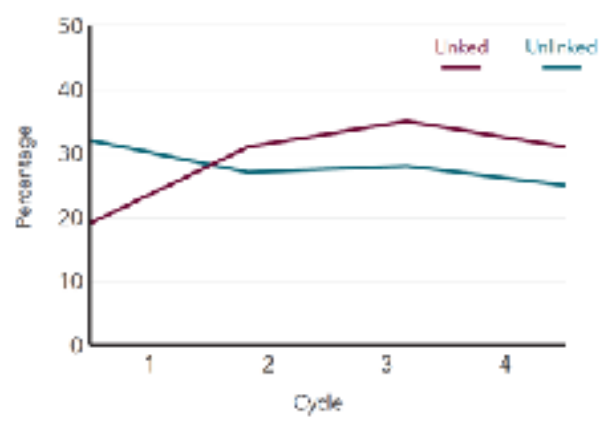
Within both countries, the linked groups seem to stabilize at a higher rate of return than unlinked groups. One possible explanation for this difference is that when people feel that their money is safer, they save more and borrow more.

This was supported by the qualitative findings where many groups indicated that because of the increase in security and safety of the funds, they are willing to increase their investment in the VSLA. In Tanzania, this willingness to invest more was less evident than in Kenya, though the returns on savings were still elevated for linked groups over the long-term. It could be that at the group level these changes are not noted as members are accustomed to savings growth cycle-over-cycle.

From the qualitative discussions with groups, it was noted that many groups had increased the value of each share since linkage. However, it is not possible to distinguish whether this increase in share value is a result of group maturity or as a result of linkage.

Specifically in Kenya, groups indicate that they are saving more as a result of the increased safety and security of their funds, demonstrating the relationship between Insight 1 and Insight 2. As groups increase their sense of security, they are willing to invest more in their groups, leading to better economic returns from group participation. All of this equates to an increase in VSLA member – and women in particular – access to and control over resources.

Figure 4- Return on Savings of Linked vs Unlinked Groups



We have high morale in the group because we have more confidence in the safety of the funds. We no longer restrict ourselves to small savings or small shares because of the fear of loss of money, and we can save more. (Siaya, Kenya)

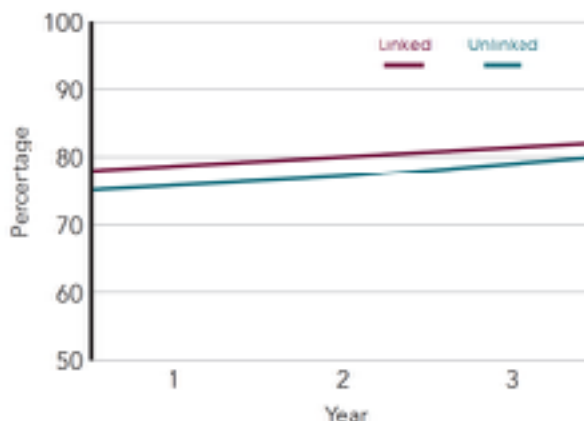
3) When a VSLA opens a formal bank account, group cohesion improves and exceeds that of groups that do not open an account

After linkage, groups are experiencing an increase in their group cohesion, unity and trust amongst members. Group cohesion as LINK Up defines it looks at attendance, trust and confidence within the group, prevalence of drop-outs, as well as several other qualitative factors. The improvements are apparent in three areas: attendance / drop outs; accountability and trust; and adherence to group constitution.

Attendance rates and group cohesion

The attendance rates of linked vs unlinked groups were evaluated as a means of determining whether linkage influences group cohesion. The average yearly attendance rate at group meetings is between

83% and 87% for the groups who participated in LINK Up. The overall average attendance rate for all CARE groups in the area is 83%. The overall average attendance rates for both informal and non-CARE facilitated savings groups ranges from 73% to 91%²². The attendance rate for both linked and unlinked groups is steady over time **(Error! Reference source not found.)**, with a slight increasing trend. This indicates conclusively that linkage does not appear to have any negative effect on group attendance.



Most groups do not record dropouts. The LINK Up VSLAs that do record drop outs see a very small percentage of dropouts, with average drop-out rates lower than 1%. This is in alignment with the average drop-out rate for all CARE-facilitated savings groups in the area. According to the SAVIX, the overall average drop-out rates for both informal and non-CARE facilitated savings groups ranges from 0.5% to 5.1%.

In Kenya, groups consulted in the qualitative discussions indicated an increase in group cohesion as a result of opening the bank account. This is related to an increase in trust in the safety of their funds, as well as confidence in the integrity of the treasurer and group officials. Several groups have even gained members because of this, while others have simply noticed that members are more committed, and willing to attend.

“Our membership increased from 15 to 30. Most of these members had been members before, but their treasurer kept on losing money so they had left. When they heard that the members had opened an account, they decided to come back. There is increased accountability.” (Homa Bay, Kenya)

“Having a group account brought back the peace and harmony between members. Previously we were not trusting their keyholders.” (Mlandizi, Tanzania)

“We have noted that the attendance has increased since the account because of the confidence of having the money kept safely in the bank.” (Siaya, Kenya)

“Officials still have the power, but it is distributed more equally amongst members now that we have the account. The integrity of the treasurer has also increased, and they are trusted more, and are no longer held in suspicion.” (Vihiga, Kenya)

²² SAVIX data from www.thesavix.org accessed June 2017

“There has been a reduction in quarrels within the group. When it was kept with an individual and some went missing, there was fighting. Now that the money is kept in the bank, we do not fight amongst ourselves as much and group cohesion is better.” (Siaya, Kenya)

We feared that their money was not safe in the box, and maybe the keyholders were taking some. We would speak amongst each other about this mistrust. Now that the money is in the bank, we don't have rumours of mistrust. (Moshi, Tanzania)

There is more to the meetings than buying shares, (community groups, prayer groups, support groups) so even if you send money by mobile, you still have a reason to attend the meeting. (Vihiga, Kenya)

Beyond increasing group cohesion, groups in Kenya also noted that having an account has raised the group's reputation of legitimacy within the community at large. Similar comments were less prevalent in Tanzania.

Trust, Monitoring and Accountability

In both countries, unlinked groups put a great deal of effort and time into ensuring that the box is safe. When choosing the treasurer, groups select a member who has a secure home, ideally with a fence and gate, but this places pressure on individual members and can cause strife within the group. Prior to linkage, when storing money in the box, key holders or treasurers sometimes use the group funds between meetings which can result in a loss of group funds. Even when this does not happen, members are commonly mistrustful of their officials' integrity. For linked groups, having a bank account for the group provides a solution to these issues of mistrust.

Bank statements and more accurate recordkeeping allows groups to more easily reconcile and monitor their funds; resulting in overall greater transparency in the group operations. By shifting this burden of securing the group's savings to the bank, groups express that not only do they feel more confident that they will not lose money, but they also see improved morale and relations within the group. In many instances, groups express that this leads to a decrease in disputes. Groups also experience increased efficiency during group meetings, as there is less time spent counting the physical cash. Prior to linkage, at each meeting the groups would count all their funds physically stored in the box, while now this can be achieved by a quick balance inquiry from a group official's mobile phone, or by consulting the bank statement. Overall, group officials are now viewed as more accountable which increases the transparency of the operations, leading to an environment of trust and fewer quarrels.

“Meetings used to take so long due to back and forth discussions on the clarity of the group funds. Now the meeting takes shorter time as the records are clear and the financial position of the group is known by everyone.” (Nyamira County, Kenya)

"Every member can now be an auditor in the groups, as we can ask the signatory to show us the balance in the account at any time, and can check against the records. The transparency in the group has really increased" (Homa Bay, Kenya)

"The group is checking the date on the deposit slips to ensure that deposits are happening within one day of the group meeting to ensure that the depositor is not using the money for other purposes in the meantime." (Moshi, Tanzania)

"We are receiving periodic statements from the bank, and we use this to reconcile the ledger book. This has really solved the problems we had initially with irregular or poor recordkeeping." (Vihiga, Tanzania)

Changes in constitution/adherence to new rules

Along with an increase in perceived legitimacy of group operations, groups in both Kenya and Tanzania noted that their group was more diligent in enforcing the constitution since linkage. Groups made changes to the constitution to adjust for the new procedures around banking. For example, setting a threshold after which money which should be stored in the bank and introducing a loan application fee which covers the cost of withdrawing for loan purposes. In general, many groups stated that since linkage, they tend to be stricter in their loan disbursements and enforcement of repayment. One group in Migori County, Kenya now requires that all money pass through the account and all loans have a 1-week period before disbursement of the loan. They use this time to evaluate the credit-worthiness of the borrower, and believe that having the money pass through the account will demonstrate the groups credit-worthiness to the bank. The group perceives this as a positive mechanism for better loan management along with hopes for greater access to external credit, despite the delays and fees that result from this process.

Several groups also noted that before having a safe place to store their funds they would heavily encourage members to take loans to avoid keeping money in the box. By distributing the savings amount out as loans the group could mitigate the risk of the box being stolen, but this often led to over-borrowing and an increased default rate on loans. Now that these groups have an alternative place to keep the money safe and mitigate this risk, they state that they experience less over-borrowing.

"People are not taking loans without a plan. Initially, when the money is all kept in the box, they are tempted to take a loan because the money is sitting there. Now that the money is in the bank we don't see it and don't take loan when they are not needed" (Moshi, Tanzania)

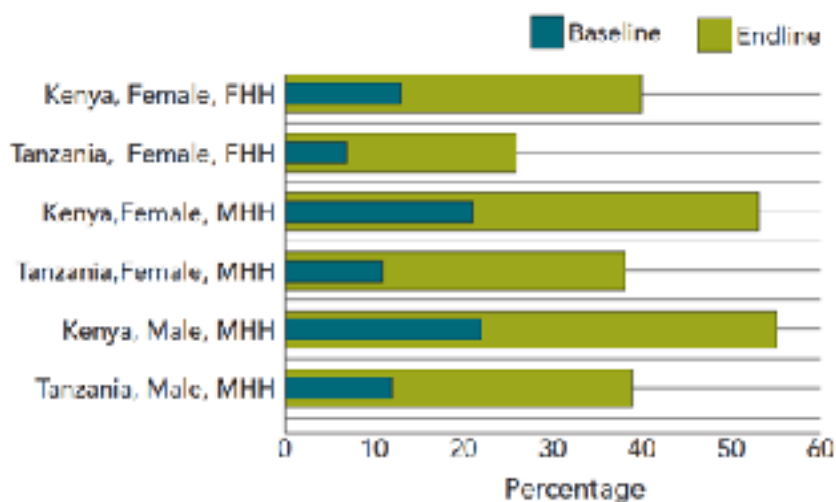
"The constitution is more strict and we have changed the loan-share multiplier from 3 to 2 times shares saved. When we had excess funds in the group, we had people borrowing to keep it out of the box. We used to give out loans just because there was money left. Now we are more deliberate in who gets a loan, and do not force lending." (Bondo, Kenya)

“We have reinstated a bylaw that everyone must attend meetings. If you have a reason to not attend, you must send by mobile while you are away.” (Homa Bay, Kenya)

- 4) Women in VSLAs open individual accounts at rates that far exceed those in the broader population; representing an effective strategy for closing gender gaps in access to finance

LINK Up beneficiaries have significantly higher rates of account ownership than the general population, measured against the FINDEX 2014 data. In Tanzania, only 11% of the women at baseline had individual bank accounts. By the end of the program, this figure grew to 38% among participants of the LINK Up program. In comparison, within the same timeframe, the national access gap changed from 7% to 13%. Similar trends are seen in Kenya, where LINK Up beneficiaries saw an increase in women’s access to formal financial services from 16% to 45% while the change nationally went from 15% to 30%. The changes in LINK Up participants access to individual financial services are displayed in Figure 7.

Figure 6- Proportion of Respondents with an Individual Bank Account



- 5) Women in linked VSLAs report improved control over resources and ability to achieve their financial goals

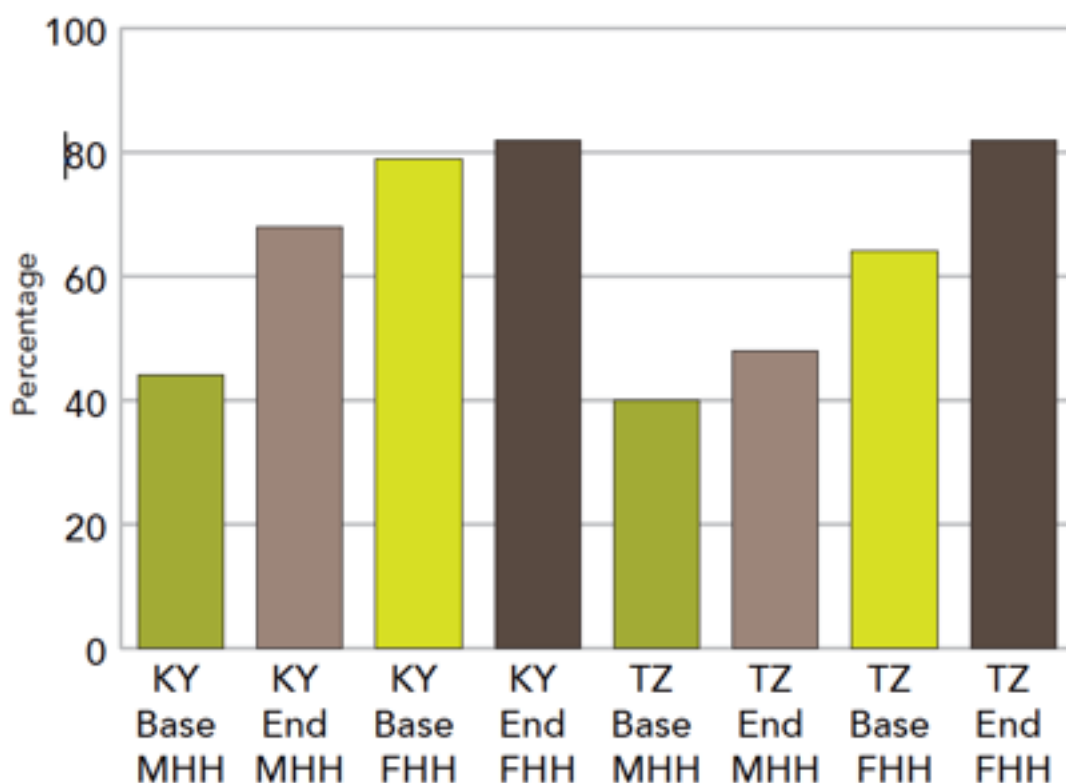
Primarily, individuals, similar to groups, expressed a strong appreciation for the safety and security from external theft that is offered by an individual account. In addition to

this, women experienced a variety of changes as a result of access to financial services relating to savings, ability to achieve personal goals, and ability to withstand financial shocks.

Increased Control over Own Resources

There is a marked improvement in women's autonomy in control over their own saving and spending as a result of LINK UP, as shared in focus group discussions. This was particularly noted for those who had individual accounts with women enjoying sole or joint control over income and expenditure decisions as these pertain to their own income from employment and/or business ventures and savings. Women in LINK Up households uniformly reported an increase in their ability to decide how to spend their savings. Quantitative surveys meanwhile illustrated that within female headed households, there was a 26% increase in women with decision-making power around their savings and within male headed households this decision-making power increased by 45% (**Error! Reference source not found.**).

Figure 7: Percent of women who can decide how to spend their savings



comparing these figures with aggregated community data, LINK Up had an impact of 5.5 percentage points higher than the broader community. Over the project period, USAID DHS data noted an eight-percentage point increase in women's choice on spending of savings whereas LINK Up participants realized a 13.5 percentage point increase.

Similarly, women have been opening their own bank accounts at a significant rate over the course of the initiative. When asked who made the decision to open the individual bank account, 74% of women within male headed households and 98% of women within female headed households said that they made the decision on their own. Even among women who did not open an account, over 80% said that they could have decided on their own to open an account but chose not to at this point.

In terms of the impact this has, qualitative findings overwhelmingly showed that participants felt that keeping money in an individual account renders it safe, preventing it from being accessed by their spouses. While this came out in the discussion from both men and women, it was clearly more of a concern among women than it was for men. For men, their main concern was that their wives would ask for more money than the husbands were willing to give. For women, there seemed to be a real fear that men could exert control over the money in their accounts if they had access to the funds or were aware of its existence. Several women from both countries shared that they opened individual accounts after losing money that was 'hidden' within the home.

In Kenya, a woman kept away about 2500Kshs (25 USD) with the intention of buying a popular decorative wall net for the house. When she went to her hiding place to take the money and found it missing. When she asked her husband, he told her "[Do not] ask me about this money again!" She recalls a coincidence, as the next meeting she attended the group had visitors from Equity bank and CARE Kenya talking to them about group and individual accounts. When asked how she felt about the meeting she simply responded, "*I believe there is a God!*" She promptly opened an individual account to keep her savings safe.

While not a permanent solution for balancing power in the household, women shared their view of individual accounts as a way to keep money away from their husbands' hands especially where the husbands drank too much or were insistent on spending the money on unnecessary spending. Many shared the view that the local norms still meant that the men held most of the power within the household and could therefore 'veto' the decision on how the money gets spent.

In the Coast Region in Tanzania, respondents stated that individual accounts are a way for women to have their own savings separate from their husbands' as security in case the marriage does not work out. Another point specific to this location was that women shared that in addition to the savings in individual accounts, more women were using their share-out money to secretly buy land in

their own name or their children's names for the same reason- as security in the event that the marriage breaks down. Ultimately, it is clear that in many ways, women are taking advantage of access to formal accounts in order to increase their control over resources and achieve goals that were previously out of reach.

Interestingly, some men indicated that this trend was not limited to women; men also use individual accounts to prevent misuse of the money by their wives. This response was observed much less frequently than for

A woman in Morogoro, Tanzania recalled an incident where someone in the house replaced her small basket that she used to put her revenue from her food vending business with an identical empty one, making away with all the money.

women.



"If the money is not accessible it gives me enough time to have a rational discussion with my wife." (Man, Kibaha, Tanzania)

Increased Discipline to Meet Savings Goals

The ability to use a bank account to save for a specific goal or target was one of the most common responses cited for why participants opened an individual account. Participants, particularly women, indicated that the physical distance between them and their money provides friction between them and the funds; acting as a deterrent against unplanned spending. For a clear majority of the respondents, the barrier in accessibility, as compared to keeping the money in the house, allows adequate time for planning and budgeting; especially after share-out which leaves members with large sums of money.

For the women who participated in the program, now that they have individual accounts, they express that they are better able to avoid unnecessary expenditures, specifically instances such as:

- **Pressures to please family members and friends** to spend on unplanned and unimportant things such as sweets for children, or soda for a visitor at the house. *"Pressure to please family members and friends encourages me to spend on unplanned or unimportant things. If a child wants something, I spend on it to please the child. If a visitor comes, I will buy a soda if the money is in my house. I will not have these unplanned purchases if I have my money in my account"* (Woman, Nyamira, Kenya)
- **Social pressure from 'emergency' situations** from people requesting assistance. "I had one person come to my house begging for money for her child's expenses. This person never paid me back, and when I asked her to

repay, this person threatened me and my husband with a knife. I then decided to open an account to keep the money safer, and to not have it on hand if someone comes asking again like this.” (Woman, Moshi, Tanzania)

- **Unplanned purchases** such as new clothes and earrings that vendors and salesmen bring from house to house.

Women stated that they are now using the individual accounts to save money for school fees, investment in businesses and house construction and improvements. All of which often requires them to save for a longer period of time to reach the goals.

“Accounts lead to goal realization- if I have to pay something in the future, like school fees, I can save a little bit at a time and reach this goal” (Woman, Siaya, Kenya)

Increased Savings

As demonstrated above, groups which are linked realize a higher returns on savings than unlinked groups. In focus groups, members note increased individual saving from each member, and credited this to an increased feeling of security over their money. In addition to this, many groups shared that they have increased their share price since opening the group account. However, further investigation is required to determine whether these changes can be attributed to linkage as opposed to normal group processes whereby groups increase their share price at the beginning of each new cycle.

Responses from focus groups in Kenya showed a clear association with account opening and increased share prices and savings. In Tanzania, many respondents indicated that while there has been a gradual change in the number of shares purchased as well as an increase in the price per share in each cycle, these changes are credited to positive peer pressure amongst group members. This competition is common within groups, as members are motivated by seeing the benefits that their friends and neighbours have reaped from a higher share out.

A VSLA member in Homa Bay, Kenya shared that she has now increased the number of shares she purchases on a weekly basis because she is more sure of the safety of her money; *“I used to spend 100 shillings to buy the minimum shares, now I spend 500 [per week] and have an objective to buy more now that I do not have to worry about loss of funds”.*

Increased Ability to Withstand and Manage Shocks

Participation in VSLA's has shown to increase resilience for households as savings becomes an option for dealing with financial shock. For linked female-headed households who experienced a serious financial shock there was a significant positive increase in the proportion who could rely on savings to smooth the crisis. This is beyond the expected increase in resilience from simply participating in a VSLA. In Kenya, the proportion of female headed households who could rely on savings increased from 39% at baseline to 51% at the end of the LINK Up program (Figure 8).

Among the same households, there was also a significant change in the reliance on the VSLA social fund from 8% at baseline to 15% at the end of the program. Among male headed households in Kenya, there was not significant change.²³ What this tells us is that a majority of female headed households in Kenya relied on savings as their primary response to their financial crisis; decreasing reliance on help from relatives or friends²⁴ and non-cash support from their communities.²⁵

In Tanzania, while there was a significant increase in reliance on savings among female headed households, the changes seen were not as substantial as those in Kenya. The proportion of female-headed households who relied on savings as a response to financial crisis experienced went from 35% at baseline to 39% at endline. Among the same households, there was also a decrease in the use of VSLA's social funds as a way to mitigate financial crises²⁶ and an increase in reliance of non-cash support from their own communities.²⁷ Among male headed households, reliance on savings seemed to decline while sale of labour increased as a mechanism for responding to shocks.

Figure 8- Methods of Dealing with Financial Shock

	Kenya				Tanzania			
	Baseline		Endline		Baseline		Endline	
	FHH	MHH	FHH	MHH	FHH	MHH	FHH	MHH
Sell cash crops	8%	9%	4%	16%	5%	8%	11%	9%
Sell home produced items	3%	8%	0%	8%	0%	5%	0%	6%
Use savings	39%	42%	51%	43%	35%	52%	39%	28%
Use the social fund of a VSL group	8%	21%	15%	28%	35%	23%	14%	19%
Rely on help (cash) from relative or friend outside the household	24%	17%	7%	30%	16%	14%	14%	11%
Purchase necessities on credit from shop/agency	2%	3%	0%	2%	0%	3%	0%	0%
Rely on non-cash support from community	24%	17%	13%	11%	0%	3%	7%	6%
Borrow cash from a moneylender and pay or owe interest	10%	18%	22%	15%	9%	9%	7%	4%
Sell labour time	0%	3%	4%	7%	7%	2%	4%	32%



²³ Registered change of 1% point from 42-43%

²⁴ Decreased from 24% at baseline to 7% at endline

²⁵ Decreased from 24% at baseline to 13% at endline.

²⁶ From 35% as baseline to 14% at endline

²⁷ From 0% at baseline to 7% at endline

6) VSLA members in linked groups report gaining increased influence in household decision-making

Beyond increasing women's control over resources, access to formal financial services also appears to impact women's relative influence over household decision making. Since linkage, there was a shift away from the solo or male-centric decision making towards collaborative decision making between men and women within households of LINK Up VSLA members.

Decision-making between Spouses

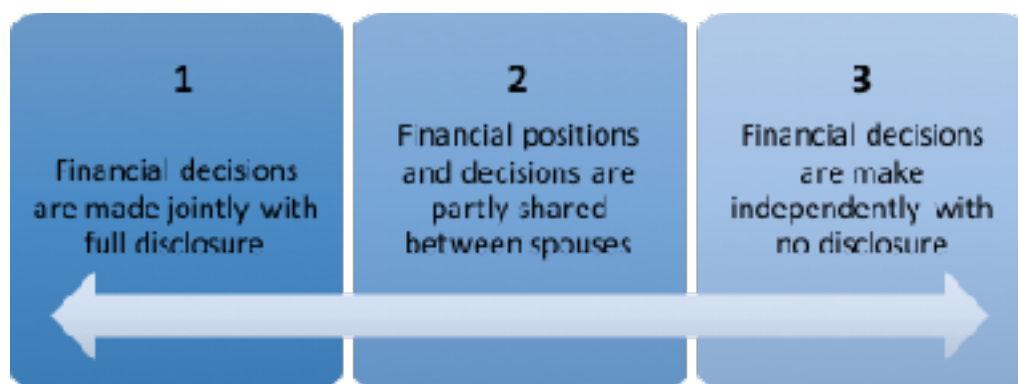
In both countries, many expressed that the decision to share or not share information about their personal savings with one's spouse depended on the nature of the relations within the home.

"Depending on the kind of husband, whether he is supportive or not, will determine whether you tell him about your savings." (Woman, Kibaha, Tanzania)

"If my husband shows me what he is making/saving, I will show him what I am saving" (Woman, Morogoro, Tanzania)

"It all depends on the type of relations you have at the household level. With a good relationship, you will share this information willingly." (Woman, Morogoro, Tanzania)

Three categories of responses arose during the qualitative focus groups, with nearly equal frequency of each response in both countries:



1) All decisions are made jointly with full disclosure

The first category of responses is the view that all financial decisions regarding finances are shared among spouses within the household. Many women shared that they inform their spouses about their bank account details- including how much was saved at any given time. However, out of these responses, one of the main reasons

noted for this disclosure was for the family to know about and have access to the money in the event of sudden death. The second reason was to have husband's future support in the event that they are unable to have money to purchase share at a point in the future. Additionally, open sharing of savings- particularly from groups seems common amongst among spousal pairs who are in the same savings group.

"I encourage people to tell their spouse about the account, so that if something happens, the money can be found" (Woman, Homa Bay, Kenya)

"It is good for the man to know what the situation is within the house, the house functions much better when both parties are working together. It is important for the next of kin to know just in case something happens." (Woman, Siaya, Kenya)

"Getting loans is a decision that is made jointly with my husband. After the last cycle, I put the share-out money on the table, and jointly decided to pay for school fees for our children. The reason for this is to have my husband's support in buying share in the future if he sees the value of the group." (Woman, Dar es Salaam, Tanzania)

"I tell my husband what I receive because it will go into our joint property-like the house" (Woman, Moshi, Tanzania)

"I must tell my husband on share-out because he used to help me with my loans and share money" (Woman, Moshi, Tanzania)

Additionally, many women indicated that financial decisions including those concerning getting loans are made jointly with their husbands. The main deciding factor for whether women share information on their personal savings is whether the husband supports them in buying shares. This was the qualification offered by those who took the second view, that only part of the information is shared among spouses.

2) Financial positions and decisions are partly disclosed between spouses

When asked what determines the level of information shared, many respondents (specifically women) said that the information shared with their spouses corresponded to the extent of support that was provided by the husband during the cycle. Thus, if the husband provides a portion of the money to buy shares, then the women would only disclose a portion of the share out amount.

"Now that I have an individual account, I don't have to show to my husband what the share-out is. It makes it easier for me to hide what the amount I have received." (Woman, Kibaha, Tanzania)

"For share-out it is difficult to hide the money, as the husband knows that you are in a group. So we talk about share-out with our husbands." (Woman, Moshi, Tanzania)

"We are using the individual accounts to keep the money we are not putting on the 'shared table'. We use this to pay for fees for her child, and told her husband that she had to take a loan for this, and he then paid her back with interest" (Woman, Bondo, Kenya)

"If my husband assisted me in buying shares, I only grant him access to the interest that he would have earned on the money he gave me." (Woman, Homa Bay, Kenya)

"I encourage people to tell their spouse about the account, so that if something happens, the money can be found" (Woman, Homa Bay, Kenya)

"I tell my husband last time I got half of what I actually received. I then used the remainder to invest in my business." (Woman, Moshi, Tanzania)

3) Financial decisions are made independently with no disclosure

The final category consists of those who did not share any information on their finances with their spouses. Many shared that they do not share information with their husbands about their finances and that for those with personal accounts, they keep the details and sometimes the very existence of the individual accounts a secret. While many of these responses were from women, there were a few men who felt this way too. However, the main reasons stated for this decision was different for men and women. The women stated that the decision to disclose savings depends on whether your husband is supportive or not.

"When the share-out happens, I send the money to my individual account without informing my husband" (Woman, Moshi, Tanzania)

"[The] house is a woman's place, so it is not necessary for me to tell my husband about my share-out as I use the money for my family and small things in the household." (Woman, Moshi, Tanzania)

In contrast to women, many male respondents said that the reasons that were given was a fear that their wives would misuse the money if they knew about it. ***"It is confusing sometime because I might have ideas different from my wife. It is difficult because always my wife wins when we discuss issues. So, I save my money in the bank so that it can easier to discuss, instead of having it in cash. At the end of the day I want to win."*** (Man, Moshi, Tanzania)

One man from Tanzania shared that he only involves his wife in the process when he requires her authorization for loan applications from the groups, but not in the expenditure of

"My wife will only know about loans if there is collateral involved in taking that loan. Otherwise, I won't tell her." (Man, Moshi, Tanzania)

“My wife can know that I took a loan, but I won't tell her how much.” (Man, Morogoro, Tanzania)

It was inconclusive whether the wives in these cases had the autonomy to refuse to sign loan application forms if they wanted to, though there were indications during the discussions that they may not have in several situations.

In Tanzania, several respondents stated that due to entrenched traditional norms, it does not matter how much women contribute to the household financially, all final decisions concerning the family remains with the man. Therefore, for women, the choice to not disclose their financial situation is often made as a means to ‘keep the peace’ in the house. Additionally, keeping the money undisclosed allows them to maintain decision-making power on how to spend it. Women shared that they fear that if their husbands knew about the loans they take or the full amount of that they get at share-out or they would press them to spend the money on expenses that they had not intended for. These findings point to a need for further work on household-level equality in decision-making.

“We don't tell our spouse whenever there is a share-out or a loan. If you tell your husband he will make his desire or need to be fulfilled first. This will bring a lot of noise (arguments) in the house. You don't have to tell him unless there is a need to be fulfilled together” (Woman, Moshi, Tanzania)

Similarly, in Kenya, women shared that keeping their personal savings and accounts secret from their husbands as means to prevent quarrels in the household.

“In the past, I would make a decision of what was needed, but had to rely on the husband for the funds and final permission. Now I feel I can use my own money to make these purchases and decisions. We used to fight about this, but now we do not, as I have access to my own funds.” (Woman, Kisii, Kenya)

“Saving money in the house is risky, as my spouse attempts to take the money. In my account, it is secretly kept away.” (Woman, Homa Bay, Kenya)

Though there was no baseline qualitative evaluation for comparison, the quantitative evaluation indicates that there has been a shift towards collaborative decision making amongst LINK Up households.

Women’s Ability to Make Decisions about Household Expenses

LINK Up’s evaluation demonstrates substantial changes in household decision making, primarily a shift towards collaborative decision making between spouses (**Error! Reference source not found.**).

Several other **Figure 9 Primary decision-maker for household expenses** detailed questions

	Kenya				Tanzania			
	Baseline		Endline		Baseline		Endline	
	M	F	M	F	M	F	M	F
Myself	31%	49%	26%	55%	47%	32%	30%	45%
Myself and my spouse together	67%	38%	68%	42%	47%	48%	65%	50%
My spouse	0%	7%	0%	1%	0%	16%	0%	3%
A different person	2%	5%	6%	2%	6%	3%	5%	2%

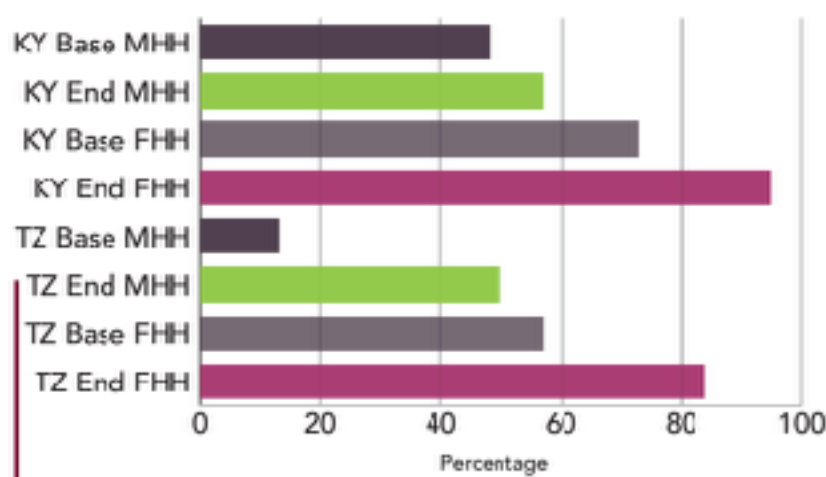
were asked around decision-making including questions about children's schooling, medical expenses, and the ability to working outside the house to earn money. There was a significant shift towards collaborative decisions mentioned by both male and female respondents with lowering share of personal / spouse's decision correspondingly. The only exception from this trend was the first question about deciding whether one should work to earn money. In this question, there was a clear shift in direction of women empowerment: the share of those who decide it themselves grew higher due to significant increase of this answer among women, while the share of female respondents stating their husbands decide it for them grew significantly lower. All of the other questions followed a general trend of decision making moving towards a collaborative approach. At baseline, less than a quarter of these decisions were made jointly by partners and by endline over half of these decisions were made jointly. This represents a shift away from the solo or male-centric decision making towards collaborative decision making within households of LINK Up VSLA members.

While these quantitative findings indicate that linkage is allowing women to participate more in the decision-making within their households, the qualitative discussions indicate that linkage alone is not addressing the underlying causes or contributors to inequality in decision making at the household level.

Ability to take loan without permission

In addition to shifts in decision making in the household, the quantitative survey showed that LINK Up has led to significantly more women being able to decide to take out a loan on their own. Between baseline and endline, significantly more women report that they can take out a loan as their own decision. Women in female headed households were 38% more likely to have access to a loan on their own than they were as baseline. Women in male headed households were 80% more likely to be able to access loans on their own at endline compared with baseline (Figure 10)

Figure 10- Percent of Women who can take a loan without permission



When we compare these proportions with estimates in the poorest section of the population in these countries, using USAID DHS data, these increases become more significant. Within LINK Up households, we see an increase of 8 to 10% while in the broader yet similar community, we see an increase of only 3 to 5%.

Perception of Changing Roles in Decision-Making

Women shared stories of instances where they felt empowered by being able to financially participate in the household where it was not traditionally 'normal' for them to do so. This represents change in gender norms within the community, indicating progress towards women's' economic empowerment.

Women, in Kenya in particular, stated that since linkage they have felt an increased sense of respect for women in their communities and that their home is happier as a result of the autonomy women feel from having control over how their own money is spent. While these comments were not heard from all women, this indicates progress towards increasing women's right to economic resources and respect for their economic potential.

One respondent shared a story about withdrawing from her individual account to purchase farm inputs; which were traditionally always purchased by her husband. She recalled that her husband was stressed when he realized that he did not have enough money to buy inputs that season at which point she withdrew money. She gave him the money to spend on the planting, and was able to help the household, though she did not supervise the spending of this money, as it is '*the man's job to do this.*' She was happy to be able to

"Opening an account creates independence in the household. Overdependence on men is tiring- when I ask for something from my husband I usually do not get it immediately. When I am independent this is improved." (Woman, Siaya, Kenya)

One man said that the men fully support women's new-found freedom and are willing to provide additional money to purchase shares or deposit money. However, this is contingent on 'mutual respect' between men and women continues to exist within the household.

Another man stated that knowing that his wife can provide for the family has reduced the stress on him especially in the event when he is unable to get enough to feed everyone. *"I will tell my wife if I cannot find some and she will get money from her account to help."*

Men are willing support efforts by women to contribute financially to the household, but not without limits. Several responses in Kenya indicated that some men, after seeing their women's ability to afford more, are avoiding shared responsibilities within the household; expecting women to take care of them alone. This was particularly a concern in Kenya where some of the women expressed that they have started witnessing this within their households.

Additional research is required to determine the effect of women's new autonomy in spending on household spending patterns.

"I don't know why the men are not growing fat these days. We have taken the responsibilities from them, we are paying school fees, buying clothes and buying food" (Woman, Migori, Kenya)

"We have instances where some of them now leave all the responsibilities within the house to the wife; their constant response to any request for money is "I don't have any, go tell your mother." This is now putting a heavier load on the woman, this causes arguments within the household." (Woman, Siaya, Kenya)

On the other hand, men also express frustration, reporting that despite sharing finances with their wife, they do not see the wife reciprocating.

" My wife doesn't disclose her financial position. I am tempted to retaliate by also not disclosing my financial decision. I expected the situation at home to change, based on my wife's participation, but I have not seen the changes in my household. My money is our money, but her money is her money, and so I have now started to hide money so that I too can have money for myself." (Man, Rongo, Kenya)

“The trend here is that a man's money is for the household. But a woman's money is for her own personal issues.” (Man, Moshi, Tanzania)

While access to accounts can provide an increase in autonomy and control, it may also reduce men's relative contribution to household investments and may place greater burden on women to provide. This is why robust solutions to economic empowerment efforts for women need to tackle not only access but also gender norms and household decision making

7) The promotion of group accounts improves member confidence and trust in formal financial services

LINK Up has demonstrated increased confidence and trust in formal financial institutions. For many women who participated in LINK Up it was their first interaction with a formal financial institution, and many had fears and held misconceptions about banking.

Through focus group discussions, it was found that that participation in the program had significant impact in the way both men and women felt about financial institutions, particularly banking.

The program changed women's perception towards banking in a number of ways:



First time account holders: Women in both countries shared that working with LINK Up has changed their initial perception that bank accounts were only for the employed.

A woman in Nyamira, Kenya shared that she feels that the bank is the equalizer, where people of all classes can walk into one building and be treated as equals, *‘even if I walk into the bank in my dirty clothes from selling dried fish, I can have a say in my own bank service, the bank is no longer just for the rich’.*

In Tanzania, a woman in Coast region shared a similar story, noting that most women in her communities had never been in a bank before- let alone saved money in one. *“If it weren’t for the NMB Chap chap account, most of us would have never seen the inside of a bank.”*

“Initially, some members did not have an account because we believed accounts were only for the employed. Now with the opening of my account, I have developed a lot of confidence when I go to the bank to make deposits” (Woman, Nyamira, Kenya)

“Our first experience at the bank was because of the group account. After assistance from the bank staff, we are now confident in being able to fill in the forms and do my banking.” (Woman, Homa Bay, Kenya)

Conducting Group and Individual Account Transactions: As leaders of their groups, many women have learned to conduct transaction on behalf of their groups. For some of these women, handling their group accounts provided with their first banking. Many women recalled their first experiences as daunting. Most women had never filled out forms before, a lot of them were intimidated by the presence of security and the structure of the building, particularly *‘the self-opening doors’*. Through regular use however, they have grown comfortable with banking.

“Before this I didn’t know how to fill out deposit and withdrawal forms, now I often volunteer to go deposit for the group” (Woman, Moshi, Tanzania)

“Having interacted with the bank several times has given me confidence to ask deeper questions to bank officers. Each time I visit I become more confident.” (Woman, Nyamira, Kenya)

GROUP AND INDIVIDUAL USAGE OF ACCOUNTS

Evaluating how groups and individuals use their account, and the challenges they face was imperative to understanding the benefits and effects of linkage. This section details the findings of the quantitative and qualitative analysis of group and individual account usage.

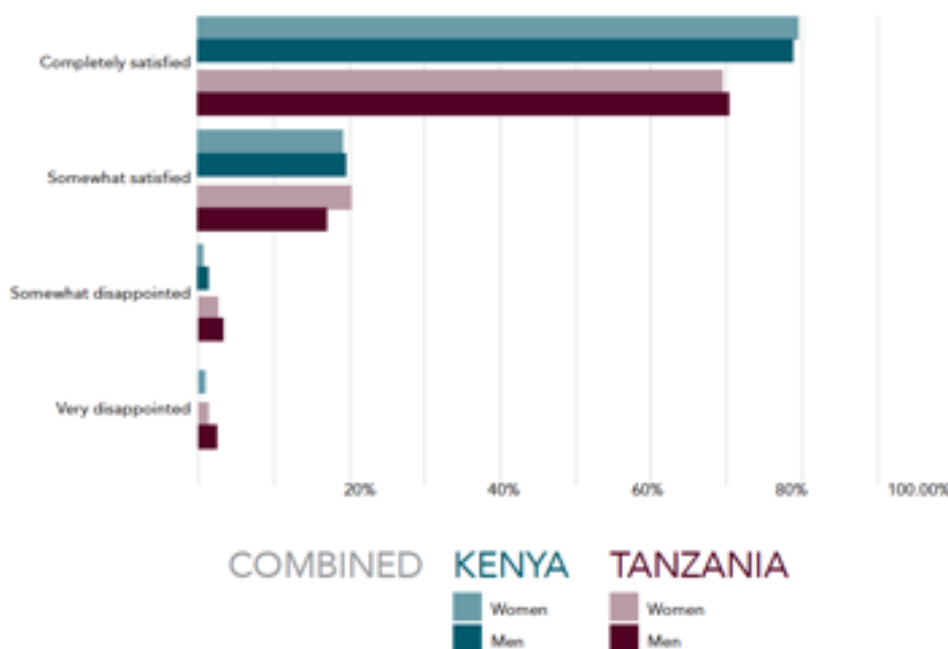
We first look at how groups are using financial services and what barriers may remain to their effective adoption, then at the individual level.

Group Usage of Formal Financial Services

Customer Satisfaction

Based on results from the customer satisfaction survey, groups report a high level of satisfaction with their experience with savings products through LINK Up (see Figure 11). The vast majority of respondents reported being completely or somewhat satisfied²⁸.

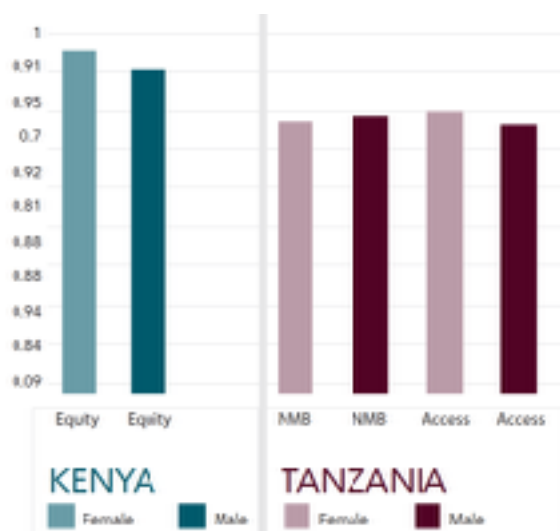
Figure 11- Overall Satisfaction with LINK Up Products by Gender



The level of satisfaction by bank is demonstrated in **Error! Reference source not found.**

²⁸ The Customer Satisfaction survey consulted 472 groups from a two-stage random sample of linked savings groups involved in LINK Up. It was not a representative sample of the program, but results provide a descriptive analysis of the group member's experiences.

Figure 12- Overall Satisfaction with LINK Up Products by



The results of both the qualitative and quantitative research show that groups overall are satisfied with linkage, and despite several challenges have adopted the idea of using a bank account as a part of their group activities. The next section looks at how groups use their account, and the challenges that they face in operating their bank accounts.

Looking at how group use their account is broken into frequency, channel of service delivery, mobile use and challenges experienced.

Frequency of Account Use

A typical group with an active account uses it between one and five times per month²⁹, and deposits much more

frequently than it withdraws. Most groups deposit any surplus into the account after the lending has taken place. Some groups deposit after each meeting while others go to the bank on a regular interval, such as bi-weekly or monthly. Others have a threshold after which they take any excess to the branch rather than keeping it in the box. Such decisions are made with the group's consideration of distance, cost and time to reach the point of deposit, and how much cash is eligible for deposit. Groups are most likely to use their account to store a larger balance in the 3 months leading up to their share-out, when they cease loaning to each other, and therefore have a large accumulation of capital.

When considering whether to keep funds in the bank, most groups choose to lend the money to members rather than depositing it as this provides a much higher return on savings for the members. While this is a good way to maximize returns, it can lead to over-borrowing and may increase the incidence of default on internal group loans.

Dormancy is a common issue amongst both group and individual bank accounts in Kenya and Tanzania. When an account falls dormant (usually after a period of 6-12 months or greater with no withdrawals), a fee must be paid to reactivate it. An analysis of a sample of bank account data from LINK Up accounts shows that the average dormancy rate estimated over time hovers between 20% and 40%. This is below the national average in both countries for these group accounts. When compared with similar accounts opened for non-CARE savings groups, a LINK Up group is at least 17% less likely to allow their account to go dormant.

Channel of Service Access

There are several channels that groups use to access their group funds. In both Kenya and Tanzania, LINK Up partner banks operate agency networks which supplement the

²⁹ LINK Up Customer Satisfaction Survey data 2017

branch banking and increase the geographical reach of the bank. The mobile solutions developed for groups in both Kenya and Tanzania aim to allow withdrawals without all signatories visiting the branch, though in reality this functionality has been used only by select groups thus far. Still, 70-90% of all group transactions through LINK Up occur within the branch, in both Kenya and Tanzania.

In Tanzania, most groups that were consulted prefer to do their deposits and withdrawals at the branch rather than using mobile agents or mobile banking. According to the qualitative research, several reasons dictate this decision. Primarily, groups are less aware of or familiar with agent networks, may be further from an agent than a branch, and may hold the bank in a position of higher trust than the agent. In Kenya, there is greater use of agents for deposits, but withdrawals are still primarily done at the branch.

In both Kenya and Tanzania, groups prefer the receipt that is offered at the branch to that offered at the agent with many groups seeing this as a benefit alone worth travelling further for. The branch offers a large and higher quality printed receipt, while at the agent the group receives an SMS receipt and a small paper receipt. These receipts are prone to fading and many times the agent's receipt printer is not functioning so receipts may be unavailable. Groups rely on viewing these receipts to confirm that the group member responsible for transacting is doing so in a timely and accurate manner. Groups tend to store the paper receipts in their ledger books or group filing system and therefore prefer to have a hard copy to more easily share amongst members and save for future reconciliation. In addition to this, groups trust the branch staff more than agents to provide accurate information and service.

While banks in both Tanzania and Kenya facilitate the option to purchase shares by mobile banking, very few groups are opting to do this. Several allow share purchases by mobile if a member is unable to attend the meeting but the large majority of share purchases typically still occur in cash and in person. The reason for this is two-fold: 1) Groups and members are highly fee sensitive and the fees for mobile share purchases represent a significant erosion of capital for the group, and 2) groups place a high importance on physical presence at group meetings where decisions are made around loan or social fund disbursements and other social needs are met. As indicated by group member from Vihiga County, Kenya *"there is more to the meetings than buying shares, we are community groups, prayer groups, and support groups, so even if you send money by mobile, you still have a reason to attend the meeting."*

Challenges with group account

While groups report a high level of satisfaction with their group bank products from all LINK Up partners, there are several aspects of linkage which remain barriers to more frequent use, including:

- Long distance to the branch and the associated cost of travelling
- Insecurity of travelling with cash between the meeting and the bank
- Time spent in queues at the bank

- Insufficient float available at agent
- Difficulties for officials to repeat their signatures

Several of these challenges could be overcome with group adoption of the mobile banking for share-out. Issues of float, physical security while travelling and mistrust in agent would be eliminated by using mobile transfers directly to individual accounts for share-out. However, as discussed above, groups have not adopted mobile banking to a large extent. Further investigation is required to determine the root causes for this low rate of adoption of the mobile platform.

The challenge of distance from the branch that groups face in using their account do have an influence on the frequency at which they use their account. A group is 12% more likely to have an active account if it is within 3-5 km of a bank branch, according to quantitative analysis of bank data.

Several groups mentioned that despite an increase in security of their funds between meetings, linkage has resulted in increased travel distance with large amounts of cash; leaving it susceptible to theft or loss. However, the groups' continued use of their bank accounts, despite this risk, demonstrates that they deem this risk less likely than theft of the funds from within the community or home. There were no groups who indicated that the group was not using their account because of this specific challenge and so it is not clear whether this worry affects frequency of account use.

Another difficulty within the branch is the long time that is spent waiting in queues, which groups find frustrating. However, this is not specific to group account holders and all bank customers likely face the same challenge.

Signatures are difficult for members who have low literacy levels. Although the bank products were designed to accommodate this through allowing fingerprints instead of signatures, it was still voiced as a challenge for groups. Evidently the practice of offering this accommodation is not reaching all groups who participated in LINK Up.

In Kenya, several additional barriers to usage were mentioned frequently including: language difficulties while filling in forms at the bank, lack of trust in bank agents and the confidentiality of their information, and a fear of conmen or thieves within the bank or its network. In Tanzania, groups specifically mentioned that bank processes were difficult to adhere to and confusing and that there was a fear of unexpected charges on the group account. Many groups remain skeptical that an account can truly have no charges and are waiting for this to be proven to them. Previous personal experiences with bank accounts coupled with hearing stories from other community members of banks being *“out to get you”* leaves a great deal of mistrust in banks, which must be overcome.

“Still, using the bank is risky because to deposit money we have to transport it to the bank. To reduce this risk, we spread the deposits out over time.” (Mvomero, Tanzania)

"The forms at the bank are in English and we have to ask the security guards to help us fill these out" (Bondo, Kenya)

"We fear that the agents will reveal our secrets and confidential information to the community, because they are local people." (Vihiga, Kenya)

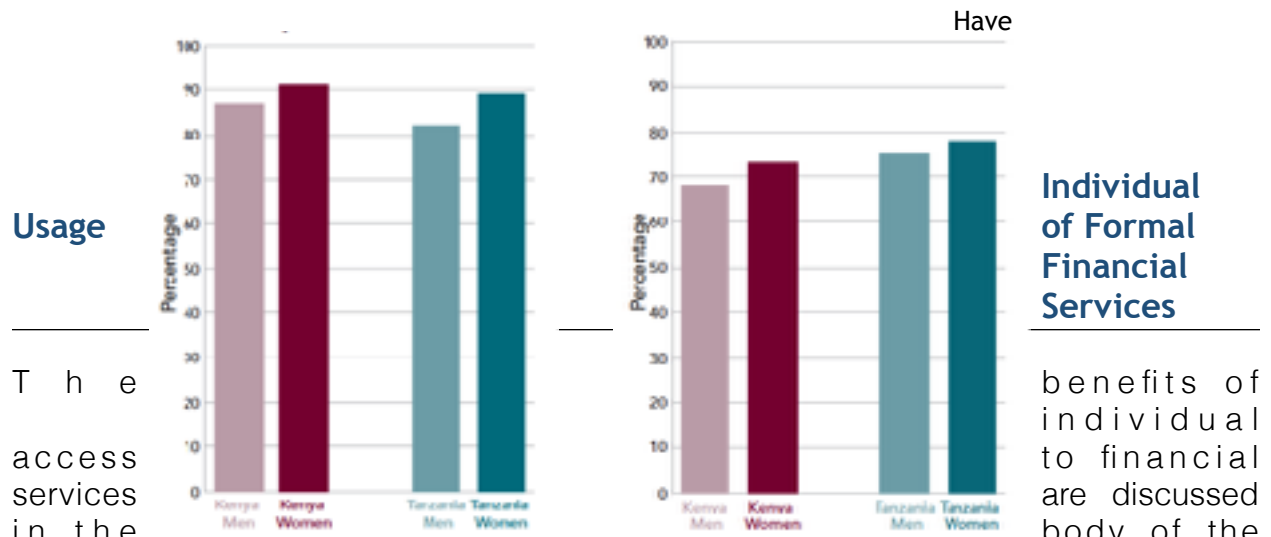
"Sometimes the agent doesn't have enough float so we have to go to the bank or go back with some money to the box" (Homa Bay, Kenya)

Further, in both Kenya and Tanzania there are many accounts of issues with the bank where a dispute or challenge arose and left the group frustrated and feeling as if their problems were not resolved. These were unique incidences where groups may have encountered difficulties while withdrawing funds, opening the account, managing documentation needed to change signatories, or other bank processes. Particularly where groups' problems stem from a lack of complete understanding of the group product or a miscommunication, the process of correcting this misunderstanding can be embarrassing and leaves groups and members with less trust and comfort in the bank. While these difficulties may have been isolated, the repercussions can be significant for the groups' and members' confidence in accessing financial services.

The results of the customer satisfaction survey show a significant relationship between frequency of account use and overall satisfaction. It's not possible to determine the causality of this relationship. It's equally likely that people who are happy with the product use it more. Or the reverse, that people who use the savings products more often grow to become more satisfied with them.

As another measure of groups' satisfaction and value derived from the account, groups were asked how likely they were to recommend the account to another savings group. 92% of respondents in Kenya and 85% in Tanzania reported that they would recommend the formal savings product to another group (**Error! Reference source not found.**). A lower, but still substantial, 76% of respondents reported that they had recommended the products to another group. This is highly indicative of the value derived by groups of the account. Women are slightly more likely to say they would recommend the products than men and interestingly, several women said that they would not recommend the product but when asked if they did recommend it, they stated that they had recommended it.

Figure 13- Propensity to Recommend Group Account



The access services in the report, qualitative research uncovered several main areas where individuals are facing challenges with their individual accounts.

benefits of individual to financial body of the but the

Fear of Unexpected Account Charges

Individual account holders expressed concern over charges on the accounts. They seem to accept that banking carries a charge but when unanticipated charges are incurred, it results in frustration and decreases their trust in the bank. Individuals are used to the group account not having charges and tend to assume that the individual account is the same. Their unexpected fees are not necessarily surprising, but this speaks to a potential lack of financial literacy or insufficiency of the training delivered to the consumer. Participants in both countries shared that there is a fear that the banks' administrative costs would decrease the little amount of money that account holders are able to save in the first place.

"If all one has is 50,000TZS, 15,000TZS would go into account opening fees, then within months, the remaining amount will be gone in monthly administrative fees, for this reason, one might as well keep their money at home." (Woman, Morogoro, Tanzania)

In Kenya, a participant shared that she stopped making deposits into her individual account after deductions were made without an explanation from the bank. Many of these fears could be resolved with better knowledge of the account features and cost structure, though customer service from the bank is not sufficient to support this. If an individual consults the bank to dispute a charge it is common to not receive a complete answer, which then discourages them from using the account.

Individual accounts promoted through LINK Up carried minimal account charges but participants brought experience from previous relationships with FSPs and there was evidently some misunderstanding around account charges within the individual accounts. This

Fear of Account Dormancy

Many respondents shared that there was a hesitance in using accounts because of fear of accounts going dormant which would restrict the account holder's ability to withdraw funds. Secondly, a dormant account attracts charges before it can be reactivated which could run up to 220KES in Kenya.

Distance from the Bank

Distance from the bank was also mentioned as a factor which is inhibiting use of individual bank accounts. While many groups are willing to spend money from the group funds to deposit the money they collected for the group, the situation changes with individual accounts since the cost of travel is borne individually. Depending on the distance from the bank, particularly for those who do not have reliable agents or bank branches nearby, one can spend up to \$5 USD on a return trip to the bank. Many are unable to justify the cost, *"sometimes you will end up spending more money in transport than the money you are going to deposit."* Therefore, for many, the solution is to keep the money in their home until they have an amount high enough to justify the transport cost.

Administrative Processes

The long and sometimes confusing processes are mentioned as a major challenge to people opening individual accounts. Many felt that there are a lot of forms to fill, most of them in a language they do not understand; this was particularly shared in Kenya. Linked to this challenge, banks require particular identification documents that are not always available to those who live in rural settings. One woman in Kenya shared her frustration at the bank refusing to recognize her old identification card which used her maiden name because she wanted to open an account under her husband's name. She said that she gave up the process since the bank told her that she would need to change the identification card before she can open the new account.

In addition to this, one of the biggest challenges shared in the use of individual accounts for both countries was signatures. Some account holders are not able to repeat the same signatures when trying to access money which leads to them being unable to access their funds. Incidents like these when shared within communities can leave community members, particularly those with low literacy rates, fearful of opening accounts. In Tanzania, banks have come up with alternative solutions such as the use of finger print scan to get around the problem. However, there was insufficient popularization and roll out of these innovations to reach everyone who requires it.

Reasons Why Individuals Opted Out of Opening an Account

While most FGD participants expressed interest in an individual account, there were several reasons why members opted out of opening an account.

Many of those who opted out of individual linkage felt they are not making enough money to need bank accounts. Citing difficult financial times in recent years, individuals say that the money they earn is often barely enough to buy shares resulting in little money left after they purchase shares to render the need for personal bank accounts. It is interesting to note that this indicates that they prefer the VSLA to a

formal account as a savings vehicle. Specifically, in Tanzania, even when they receive the share-out, many respondents that opted out of opening individual accounts say that the proceeds are often spent immediately through investment into a business or purchasing property and there is no need for a formal account.

Others felt that one needs to earn a lot of money to open an account. A man in Kenya shared that the income he earned was not enough to service an account at the bank, however, upon further discussion with others in the focus group he realized that he did not need that much money. Similarly, a woman in Tanzania thought that she would need to have 40 million shillings (around 20,000USD) to open an account. She was genuinely surprised to find out that she could open a Chap Chap account with as little as 10,000TZS (5USD). Comments such as these indicate gaps in the delivery of the LINK UP training as members should have been made aware of the details of the individual linkage products.

REMAINING CHALLENGES

LINK Up achieved significant gains in increasing access to financial services, resulting in benefits for groups and their members. However, several challenges emerged that remain to be overcome:

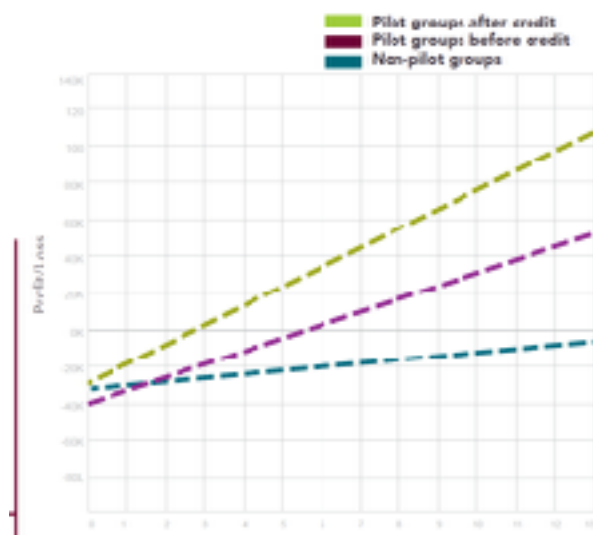
1) Groups and individuals want access to external credit

By developing a relationship with a formal financial institution, many groups expect to have the opportunity to access formal credit. Groups nearly unanimously would like access to additional capital in the form of credit for their groups operations. The desire for additional credit was voiced in every focus group discussion by at least one member. This credit would support lending in the early stage of the group cycle when the loan fund is not sufficient to meet demand for loans. It could also allow groups to extend their lending periods to overcome challenges with new business investments due to the standard short repayment period of VSLA loans.

This was a driver for many groups to open their account, yet relatively few have realized that they have access to credit due to a lack of supply from LINK Up bank partners. 50 groups in Kenya participated in a credit pilot through Equity bank but the credit product has not been made available to groups at scale. Groups also perceive the future potential of grants as a benefit of having an account. For example, one group member stated that “having an account gives the recognition which opens opportunities for loans from other institutions”.

The groups who participate in the credit pilot in Kenya experienced an increase in their savings amount as well as their profit/loss when compared to their savings and lending patterns in the year preceding the loan, as demonstrated in Figure 14.

Figure 14- Profit / Loss



Individuals also voiced desire for additional credit opportunities which became a driver for the opening of individual accounts. Specifically, respondents in Kenya shared that they opened the account with hopes of getting loans or grants in the future; stating that individual accounts provide you with recognition at the bank that could open up opportunities for loans in the future. In addition, individuals recognize that having an account is a prerequisite for receiving certain grants so having one open already positions them well for this.

While several members realized credit-related benefits of having an account, many did not have a complete understanding of the relationship between individual account

ownership and individual or group credit. There were several misconceptions around this which may indicate gaps in LINK Up training and information-sharing from banks or CARE. This area is an opportunity for additional education. Several respondents shared that for them, one of the motivation for opening personal accounts was to boost the chances for their group to access loans in the future. *“If you have an individual account, it helps boost the chance of the group getting a group loan. Your account usage as an individual is a back-up for the group's credit score.”* (Migori, Kenya). This indicates a misunderstanding of how credit-scoring works with banks.

Linkage doesn't affect business start-ups without external credit

The quantitative research showed little overall change in the number of long-term businesses owned by LINK Up households over the program. Therefore, there is no evidence that linkage has an effect on new business openings.

However, through the qualitative research, most indicated that members invested money from VSLA loans and share-out in long-term businesses rather than investing in new businesses. Groups stated that VSLA loans are not used to start new business because of the short loan duration before repayments are due. Most respondents felt it was not enough time for the new business to begin to turn a profit before repayment was due. The few that invested in new businesses did so either using their share out money or income from another source as the capital and then used loans from their savings groups to service the ongoing cost of running business.

Linkage does not stand to impact this unless credit is provided to meet VSLA demands for additional loan capital or unless the VSLAs extend their loan duration period. Adoption and use of Digital Services remains low.

LINK Up aimed to provide access to financial services for groups and members through technology-enabled platforms, as well as in-branch solutions. Despite tailored products offered to groups to transact on mobile, adoption remains low due to a variety of reasons as detailed below.

Group Use of Mobile Banking

Most groups are not yet sufficiently confident in using mobile banking for moving their group funds. Many groups are confident using mobile banking to check the balance but although they have the option to transact, disburse loans, and deposit by mobile banking they opt to use the branch. Several reasons for this were given:

- Fear of making mistakes
- High charges in the mobile system
- Insufficient knowledge of how to use
- Frequent network failure or system difficulties at the agent
- Fear of conmen tricking them into losing their money
- Preference to receive a paper receipt for the group records.

Many of the above challenges were followed up by comments requesting additional or more in-depth training to build confidence. Through LINK Up, groups received training on how to use the mobile systems from bank staff at account opening visits. Evidently, this training was not sufficient to support usage of the mobile platform for groups with little digital experience. Many groups stated they would use the platform more frequently if they had more confidence and knowledge of the platform and requested additional training.

Mobile banking is more predominant in Kenya than in Tanzania. Further investigation into this difference would be necessary to determine the cause, however on a general level, individuals were more comfortable with mobile money in Kenya. This is perhaps due to a longer history of the platform within the country.

In Kenya, a small number of groups are using the mobile solution to disburse loans and several have used it for share-out. Some groups also use the mPesa paybill option and mobile banking to deposit money into their account, which is a work-around for if an Equity agent is not nearby, though this risks putting the money in the custody of one member's mobile money account for a short period.

Kenyan groups using mobile account access state that they appreciate the increased transparency that it gives to the group's operations. The ability for group officials to check the balance of the account gives peace of mind to members who know that their money is being stored safely.

In Tanzania, there is much less uptake of mobile banking amongst groups; likely due to a lack of 3-pin solution for groups on NMB's platform. The large majority of groups linked through LINK Up use NMB but the mobile solution is not yet developed and is not tailored to the needs of savings groups with three signatories. In addition to this, network issues are prevalent in rural Tanzania which further prevents groups from adopting the mobile technology. Some groups expressed that they are not willing to invest in an additional phone for the group to use for mobile banking and that this prevents them from trying it. This is based partially in a misconception that the group needs a dedicated phone to transact when in fact the group could use any members phone with the group SIM card inserted. However, groups do not seem to be universally aware of this option which may indicate insufficient training or a lack of interest.

In general, groups tend to be aware of mobile banking and understand the benefits that it could provide but lack the confidence to use it. Many groups request additional



training by CARE or banks to support their adoption. Adoption and use remain low due to these factors however, the few groups who have adopted mobile banking are satisfied with the mobile solution. This highlights an opportunity to scale up adoption and enhance security and satisfaction by overcoming these barriers.

Individual Use of Mobile Banking

Uptake of mobile options for individual banking remains low in both Tanzania and Kenya, though uptake amongst members is more prevalent in Kenya specifically with Equity bank and its individual Equitel platform. From those who have used the platform several areas of benefit arose. In addition, we uncovered several barriers and challenges which are contributing to the low rate of mobile usage amongst individuals. These benefits and challenges are outlined below:

i. Increased access to and safety of funds

In Kenya, many participants with Equitel individual accounts shared that they opened the account to enjoy the convenience of accessing their funds on the go. This was particularly important for traders and business people who travelled regularly from one point to another to purchase materials. One women in Kisii, Kenya shared that she enjoys the convenience of her Equitel account because she does not have to carry any money each time she travels to Mombasa to buy the dresses she sells at the local market. The money can easily be accessed through Equitel agents when she gets to Mombasa.

In addition to this, several participants shared that mobile banking increased a sense of safety of their funds since they get a message about any transactions made through the account. Additionally, they can check the balance of their account at any time which means they would be able to know if anyone tampers with their money. This represents the opportunity for digital financial services to increase women's privacy and control over resources.

One woman shared that she likes the idea of using mobile banking on her phone because she would not need to have printed receipts which her husband could find in the house and know how much money

Other advantages stated by those who have been using mobile banking platforms include the ability to pay bills and school fees and to send money to their relatives living at a distance.

CASE STUDY 2:



The Kajuma Women Group in Bondo, Kenya has begun to use mobile banking for their share-out. Here is what Pamela Akama thought of it:

“Initially, some members had challenges with the technology so occasionally the officials demonstrated the transaction process for accountability purposes. In the last share-out, we disbursed KES 500,000 eight of the group members including myself received our money through the Equitel multiple approval solution.” Pamela received KES 46,000 transferred to her account through the Equitel platform, she can withdraw via m-pesa or a nearby equity agent. Most of the group members are happy, they don’t have to travel to the bank, que for the teller services or spend money (KES 300) for transport. *“We are happy that the group funds are secure, we enjoy the small interests from the Pamoja account, save time during share outs and officials can’t misuse our money because we get the account statement instantly during meetings at request.”*

There is a sense of financial inclusion among members, they feel that the technology is appropriate. *“You are close to the bank, closer to your heart, it has made life easy for me - I now deposit using Equity agent or m-pesa into my account. If I have an emergency I can withdraw any time via Equitel unlike before when I had to travel to the bank severally - I have a bank in my phone.”*

ii. Insufficient Knowledge on Usage

In both countries, participants felt that they have inadequate understanding of how technology can be used to help them access accounts. This was the most frequently stated reason was that people lacked the basic understanding on how to conduct transactions. Throughout our discussions, it was noted that it was mostly men who expressed comfort with the use of technology in general- particularly to access their funds through mobile money. Informally asked to rank themselves, several men graded their understanding of mobile banking as high as 90%- often leaving the remaining 10% to reflect their need to learn the new tools constantly been developed; women

consistently gave themselves lower grades. While women appreciated the advances in technology, they shared that they were less comfortable with the use of it.

In one focus group in Homa Bay, Kenya, participants ranked their mobile banking understanding at 40-50% but quickly explained that this was because they usually relied on the agent to do the transactions for them. In reality, they ranked their own communities’ understanding at 10-30%. Though they ranked themselves higher, the confidence levels for both groups and the community at large indicate a barrier of digital literacy for expanded use of digital financial services.

An important thing to note is that the responses above relate strictly to mobile banking, the responses changed quite dramatically when the individuals referred to mobile money platforms like mPesa. Participants expressed fairly high confidence in using mobile money platforms in both countries. Particularly in Tanzania, some

people expressed that they chose not to open individual accounts because all of their banking needs are met by their mobile money accounts which are “*less complicated to open*” and “*easier to use*” than bank accounts.

iii. Network/system difficulties

Another barrier to adoption of mobile banking is network challenges. Many respondents from both countries shared experiences where they went to an agent and were unable to access their money because of technical problems or system outages. When the system malfunctions resulting in an inability to access funds, or unexpected charges, new users quickly lose confidence in both the system and

For example, one woman in Morogoro, Tanzania shared that she once tried to check the balance of her account never to receive a response but later found out that they transaction had been charged even though she had not received the service. This increased her fear of being unable to access her money during an

their ability to use it. It is important for these difficulties to be minimized by the service provider and to be introduced in training in order to minimize the impact of these system problems on the new users' experience.

iv. Fear of Conmen

Focus groups in Kenya revealed that individuals have a strong fear of losing their money through conmen who have been sending messages to people with the intention

One member in Kenya shared that she had lost 8,000KES from her mPesa account that she unknowingly sent to a conman; others shared incidents about receiving messages where the conmen pretend to be bank agents

of tricking users into sharing their private account information. This prevents use of the mobile banking platform for fear that their money transfers could be diverted to other accounts. This puts new users and those with inadequate understanding of the platform mostly at risk since they are less prepared to distinguish between valid and invalid communications from the bank.

v. High Transaction Charges

While some individual accounts attract no charges, the use of mobile platforms attract charges; particularly when one transfers money from their account to a mobile money platform that most people find more accessible. This hinders the use of mobile banking as people avoid the costs associated with each transaction. A respondent in Tanzania shared that checking the balance of her mobile money account attracts a transaction charge of 300 TZS. This charge is too high for someone who saves 10,000TZS a week. The



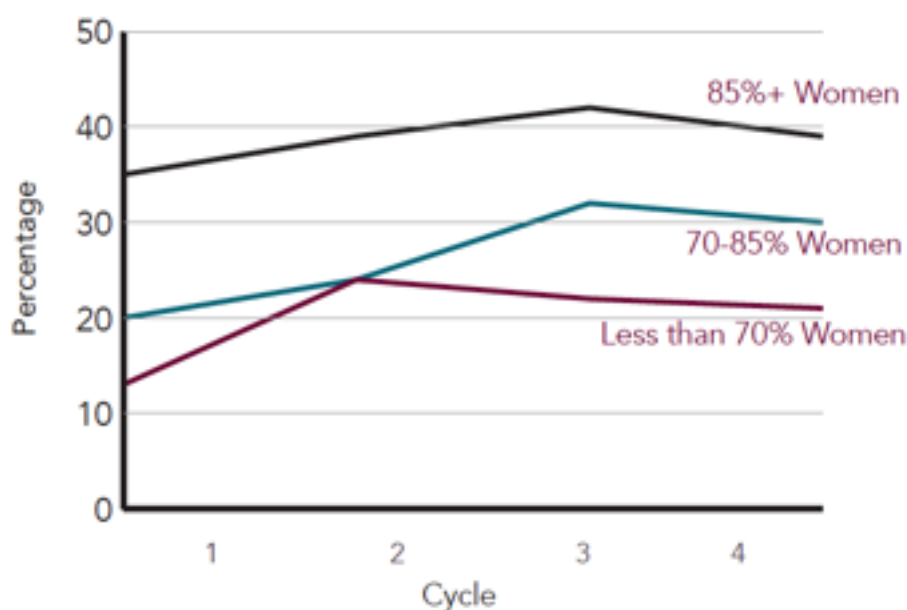
consensus was that people would use the mobile money platforms more if the charges were reduced or removed. Stories like this are common, but frequently are based on falsehoods or misunderstandings of fees. This lack of clarity for users results in apprehension around adoption.

2) Some groups are better positioned to benefit than others from Linkage

A group with greater than 85% female membership typically generates higher returns, has a more active account, and keeps a larger balance in the bank account. Quantitative analysis comparing different aspects of group membership has uncovered several distinct factors which can predict a groups' economic performance as well as its account utilization.

Groups with greater than 85% women generate a significantly higher return on savings than groups with a lower proportion of women, as illustrated in Figure 15.

Figure 15- Standardized Return on Savings for Linked Groups



Additionally, a group with a greater than 85% women is 200% more likely to have an active account than a group with a low proportion of women. It will also have an account balance that is 13% higher.

When looking at how frequently groups use their account, once again groups with >85% women perform the strongest with dormancy rates in both Kenya and Tanzania being significantly lower for this subset of groups (See Figure 16 and Figure 17)

Figure 16- Dormancy Rates over time- Kenya

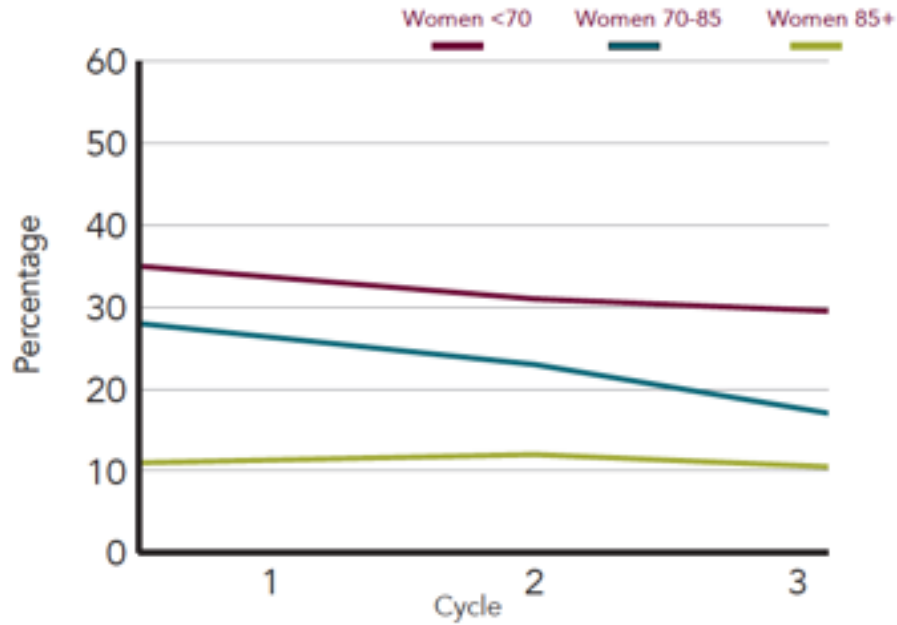
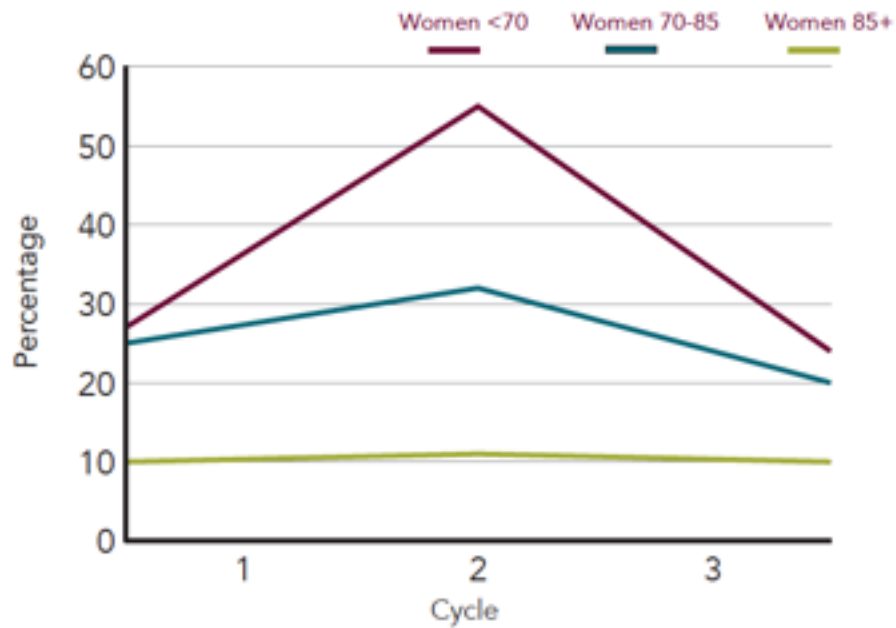


Figure 17- Dormancy Rates over Time- Tanzania



These findings illustrate a strong correlation between female membership and performance after linkage.

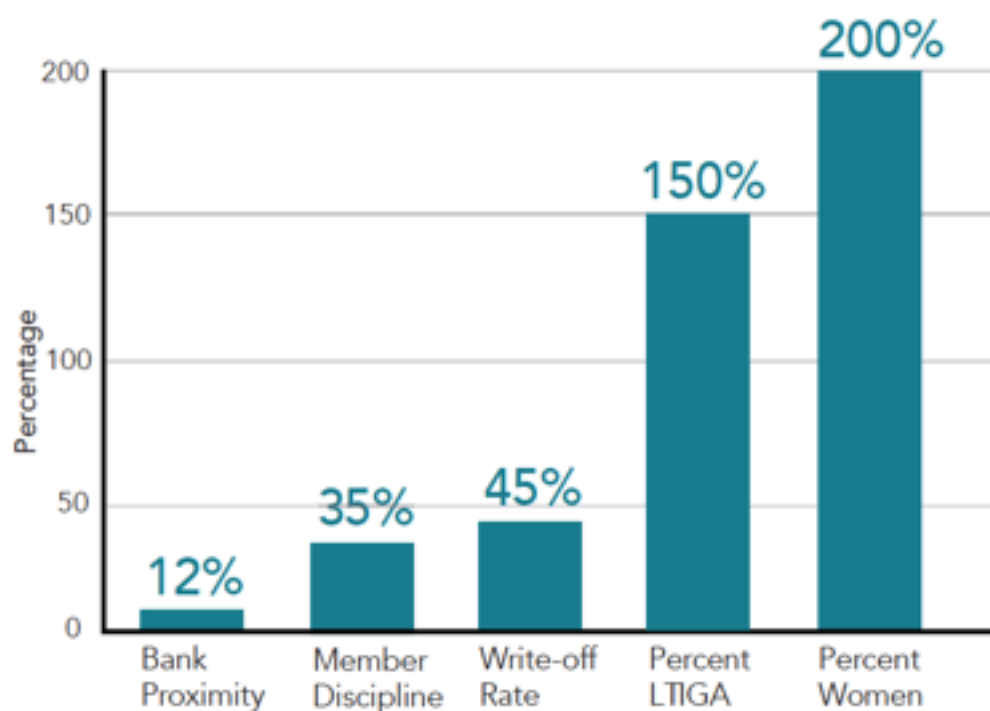
While female membership was the factor most predictive of account usage, there are several other factors of group composition or characteristics which can predict account usage or balance.

- A group with at least 50% of members who own long term business is 150% more likely to have an active account than a group with few business owners. This characteristic does not result in higher bank balances.
- A group with a write-off percent of less than 2% is 45% more likely to have an account than a group with a high write-off percent. Additionally, groups with lower write-off percent typically have bank balances that are 35% higher than groups who write off more.
- A group with good member discipline is 35% is more likely to have an active account than a group with poor member discipline. This characteristic does not predict higher bank account balances.
- A group who is located less than 5 km from their bank branch is 12% is more likely to have an active account than a group who is more than 10 km away from their bank branch. This characteristic also does not predict higher bank account balances.
- Additionally, groups who have higher levels of Net Savings prior to linking have higher bank account balances. However, this is an obvious connection. There is not relationship between higher Net Savings levels and less dormant accounts.

These estimates are not cumulative - they are mutually exclusive. So, for example, a group with a high proportion of women and a high number of business owners would not be 350% less likely to have a dormant account.

The degree to which these factors are predictive of account activity and balance is illustrated below in Figure 18.

Figure 18- Predictive Factors for Group Bank Account Activity and Balance



The best estimate of the optimal combination of factors is the proportion of women, the proportion of business owners, and high attendance. A group that is scored high on all three of these account is very unlikely (less than 5% chance) to allow their account to become dormant. A group that does not allow its account to become dormancy is more likely to be deriving value from it, as this shows continued use of the account.

3) Societal Norms perpetuating unequal gender norms are not adequately addressed by linkage alone

While linkage is contributing to women's economic employment, it is not directing addressing the underlying cultural and societal barriers to a women's household right to control her finances. There are clear boundaries of what linkage alone can achieve.

For many women, access to a personal bank account provides the privacy they need to maintain control over the money they make; either through their own income generation or through share purchases and group loans. The accounts enable women to maintain a greater secrecy around the money they have as well as better achieve their savings goals as a result of the friction between them and the money in their accounts.

On the other hand, the need for privacy is driven by an imbalance of power within households as well as social expectations that men should make most financial decisions. The stressed need to keep funds private, particularly among women, illustrates the continual demand for longer-term empowerment investments that change

social norms and behaviors related to women's financial rights and influence in household decision making.



CONCLUSIONS AND RECOMMENDATIONS

The CARE LINK Up program has achieved considerable progress towards women's attainment of economic and social empowerment within a relatively short period of time.

LINK Up achieved progress towards women's economic empowerment and advanced financial inclusion for women and men in Kenya and Tanzania. The effects on groups and members are significant and the learnings from this program stand to guide future linkage programming.

Linkage for VSLAs has:

- 1) Increased safety and security for group and individual funds**
- 2) Enhanced group financial performance and individual savings**
- 3) Increased group cohesion**
- 4) Reduced gender access gap**
- 5) Increased women's control over resources and role in household financial decision-making**

Despite an increasing number and frequency of shocks, over the course of three years linkage has helped program participants to improve their access to formal financial services and increase their savings; enabling participants to set and achieve personal goals. Paired with greater access to income and services, women have expanded their control over productive assets and resources which in their words has in turn earned them a seat at the table. However, there remain some challenges which, once overcome will lead to greater depth of financial inclusion for women and men in Kenya and Tanzania.

Addressing the Need for Additional Safety and Security

One of the key impacts that linkage had was increasing a sense of safety and security for members of savings group in their collective and individual accounts. Members express relief that the funds are secure and safe from theft or loss once the money is deposited in the accounts. However, several risks remain for groups that travel between meeting and bank with large sums of money and distribute large sums of physical cash share out.

Recommendations:

- Encourage the adoption and use of digital solutions. Technological innovations such as the use of mobile phones to make loan payments and transfer cash make it easier for women to gain access to capital by reducing the need to travel long distances. This also allows them to sidestep social constraints that restrict women's mobility or the people with whom they can interact. Digital solutions were developed as part of the LINK Up program, however, adoption remains low particularly among women. To drive this adoption higher, additional

research is needed to uncover the barriers to adoption and to uncover demand-side

- Provide protected share out space for group share out. Some banks in Tanzania have offered special rooms within the premises of the bank which groups can use to conduct share out. While this might not be a sustainable solution, it can be used provisionally as a strategy to allow for time required for members to adopt other solutions available or the development of other options.
- Continue to encourage opening of individual accounts linked to the group account. Individual accounts that are linked to group accounts allow for the share out process to happen digitally; providing privacy and protection not only for the group's funds but also to the individual's share out money after it gets distributed.

Addressing the Demand for External Credit

Paired with the VSLA model, many groups see linkage as an avenue to access credit and therefore an avenue for facilitating greater business investment. While we are seeing increased value in savings post-linkage, groups are limited by the amount of credit the VSLA alone can provide to members; with supply failing to meet demand for loans. Members are increasingly looking to formal financial service providers to bridge this gap. Building off the preliminary success of the Equity credit pilot, suitable group credit products are required to maintain the current savings momentum and to sustainably meet the demand for credit that exists amongst linked VSLAs.

Recommendation:

- Scale up access to group credit: The credit pilot in Kenya showed good potential for high repayment for linked VSLAs but further research needs to be done to determine the financial viability of this type of loan at scale. FSPs must consider the specific needs of VSLAs when designing these products, and should continue to investigate the business case for such loans.

Addressing Gender Relations Constraints:

Linkage is facilitating privacy and control over resources for women; giving them the choice to keep their money in a bank and outside of the household environment. The fact that a lot of women are availing themselves of this opportunity serves as evidence that linkage has not addressed the underlying causes or contributors to inequality in decision-making at the household level; particularly in relation to financial decisions.

Recommendation:

- Promote gender sensitization training. Training on gender equity for members of VSLAs and their surrounding communities is necessary to work towards change in the entrenched systems that undermine the rights of women to control their finances. These trainings should not only include group members but incorporate training for spouses, community leaders, financial service provider staff and other influencing entities within the communities.

Addressing the Need to Build Financial Literacy:

While groups embrace linkage and attest its benefits, members, particularly women, have remaining financial literacy gaps which need to be filled in order to better understand bank systems and processes and their rights as consumers. Women shared that they are more cautious about using financial services and thus need more time before they feel confident and secure about selecting and adopting a new product.

Recommendation:

- Increase education on financial literacy, bank processes and products, and consumer rights: With a better understanding of banks' financial products coupled with more financial literacy, group members will find it easier to make informed choices about the products they subscribe to. This will also help reduce misconceptions and mistrust about financial institutions and may result in more effective use of financial services by groups.

A. Description of Core Variables

Standardized Return on Savings $((\text{Profit/Loss})/(\text{Total Savings}))$ - Measures the yield the group is achieving on savings

Standardized Return on Assets $((\text{Profit/Loss})/(\text{Total Assets}))$ - Measures the yield the group is recouping on assets

This analysis uses a slightly different method than the standard SAVIX method of measuring returns on savings and investment. We needed to develop a way of calculating these returns that can count for the month of data collection relative to the start date of the cycle. Most of the CARE LINK Up data is not collected at intervals in sync with the investment and share-out cycles of the VSLAs.

Dormancy Rates: An account is considered to be dormant if it has not been used in six months. It is possible for accounts to move in and out of dormancy.

Group Profile Characteristics

Percent Women. Groups are divided into three subsets. Groups with less than 70% women members, 70-84% women members, 85+% women members.

Proximity to Bank. Groups are divided into four subsets along the dimension of proximity to a bank. The groups are less than 3km away, 3-5 km away, 6-10 km away, and 11+ km away.

Group Attendance. Groups are divided into cohorts based on average group attendance rates. The cohorts are groups with less than 75% average attendance rates, 76-85% attendance rates, and above 85%attendance rates.

B. List of Facilitating Agencies

- Aga Khan Foundation
- CARE
- Catholic Relief Fund
- ChildFund
- ELENA Agency
- Free the Children
- FHI360
- Food for the Hungry
- Freedom from Hunger
- Global Communities
- IED
- Mercy Corps
- Norwegian Association of Disabled
- Oxfam
- PATH
- PCI
- Plan International
- Plant With Purpose
- PROGIRA Uganda
- SaveAct
- Trickle Up
- We Effect
- World Education
- World Relief
- World Relief Canada

- World Vision³⁰

³⁰ Taken from <http://thesavix.org/>

C. Focus Group Discussion Guide

Introduction

1. Introduce yourself and the roles that each of you have in this session.
2. Address why we are here;
 - To listen to your experiences and stories
 - To learn from this discussion
3. Explain what will be done with the results of our work?
 - To improve CARE's work
 - To better implement current and future programs
 - To better inform the government, banks and other partners to better support the community.
4. Logistics: share how long the process will take;
5. Emphasize how everyone's opinion is important and valued.
6. Participants can stop and walk out at any time during the conversation.

Who are the members/groups?

- Tell me a little bit about your groups/individuals
 - how are the groups composed: gender, age? Leadership gender?

What is the motivation behind linkage & why are you saving? Individual Vs Group

Account Opening- Why did you choose to open an account and how did you group choose to open the account?

Account Usage: How are you using the account?

- Frequency of account use
- Challenges of account use
 - The language used for the account; what would you like to change for you to use/continue using the account?
 - Charges involved for account use
 - Assistance from bank staff
- Benefits of account use
- How do you decide how much money to deposit vs box?
- Do you go to the branch, do you use an agent? Do you use mobile money?
 - Why are you using this channel?
 - What is the cost of transport?
 - Is the preferred method the cheapest? If not, why do you choose that?

Individual Accounts- How do you meet your own savings goals and make sure your money is secure?

- If using an account- Why?
- If not using an account- Why not?

Changes for the Group

Now that you have an account for your group, has anything changed?

- Change in attendance pre-and post-linkage?
- Change to constitution or recordkeeping?
- Has group decision making changed post-linkage?
- Change in total Savings
- Change in Use of savings- group IGA, individual IGA, consumptions spending

Changes for Individuals

Given changes that your group has experienced, have you experienced any changes personally?

- Change in personal savings
- Change in access to loans
- Changes in household & decision making
- Confidence with banking
- Confidence with mobile money
- Confidence in speaking in public

If your group is saving more, it means that members are saving more. Can you tell us about what you are doing with the additional savings?

- Has internal credit changed post- linkage?

Technology

How well informed do you feel about the new options for accessing and using money with technology?

- What do you think about technology use to access mobile accounts?
- What has been the experience?
- What has been the challenge?
- Any concerns about technology?
- What support do groups need?
 - Who helps you fix your phone/use technology?