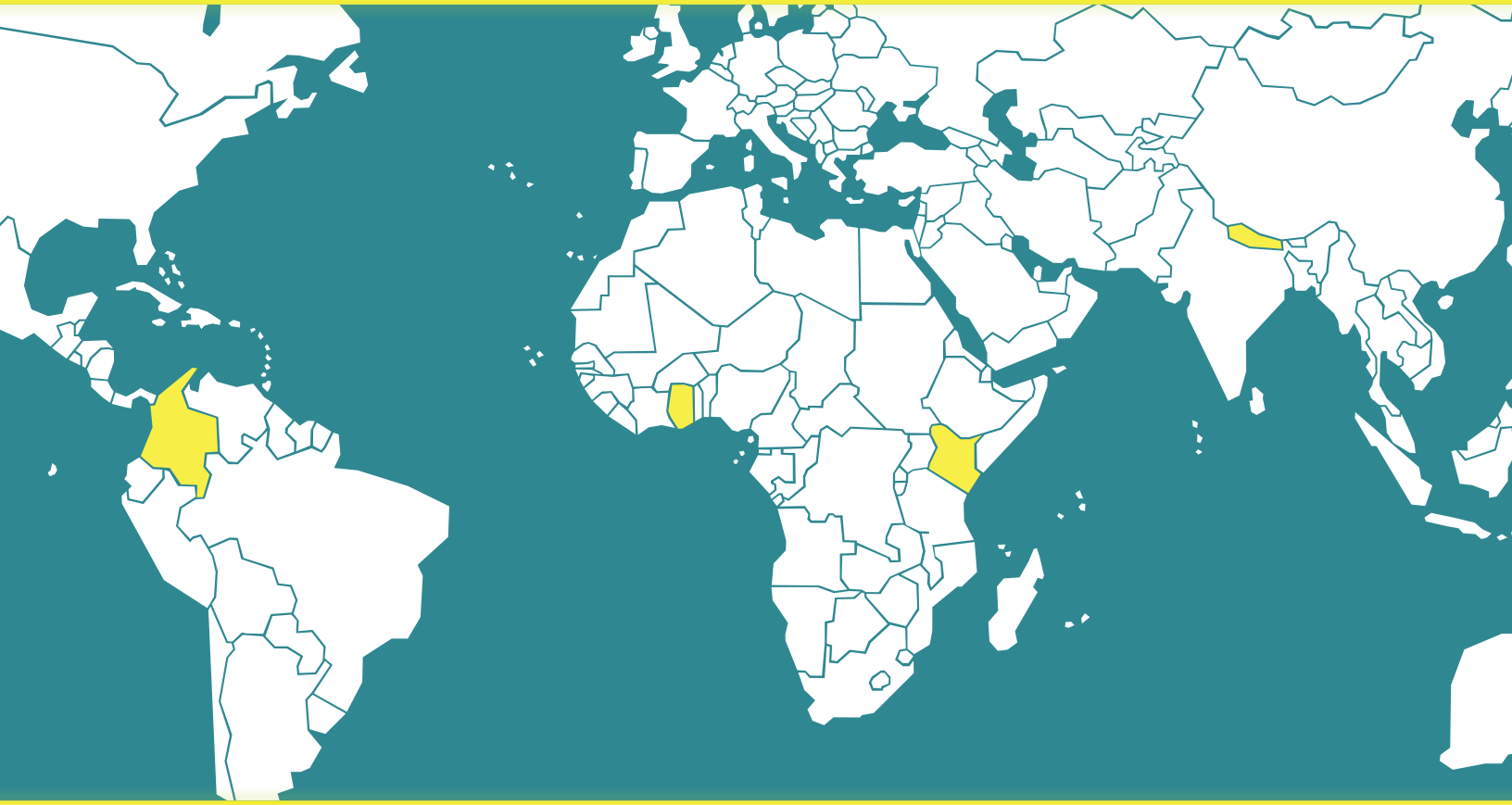
Center for Social Development

GEORGE WARREN BROWN SCHOOL OF SOCIAL WORK

Savings Patterns and Performance in Colombia, Ghana, Kenya, and Nepal

YouthSave Research Report 2013



Washington University in St. Louis

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Savings Patterns and Performance in Colombia, Ghana, Kenya, and Nepal

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Executive Summary

If provided an opportunity to save via formal financial services, will youth in developing countries participate? This is one of the key questions being asked in YouthSave, a savings initiative implemented in four developing countries targeting young people ages 12 to 18 from predominantly low-income households.

Created in partnership with The MasterCard Foundation, YouthSave investigates the potential of savings accounts as a tool for youth development and financial inclusion in developing countries by co-designing tailored, sustainable savings products with local financial institutions (FIs) and assessing their performance and development outcomes with local researchers. The project is an initiative of the YouthSave Consortium led by Save the Children (SC) in partnership with the Center for Social Development (CSD) at Washington University in St. Louis, the New America Foundation, and the Consultative Group to Assist the Poor (CGAP). Research partners (RPs) in the field include Universidad de los Andes in Colombia, Institute of Statistical, Social and Economic Research (ISSER) at the University of Ghana, Kenya Institute for Public Policy Research and Analysis (KIPPRA), and New ERA in Nepal.

This report presents first-year findings from a multiyear study on account uptake and saving patterns and performance in youth savings accounts in four countries: Colombia, Ghana, Kenya, and Nepal. This *savings demand assessment* (SDA) is ambitious in its attempt to include systematic data on as many youth savers as are possible to collect from the field. The result of this effort is a very large dataset that enables researchers to report in detail who is saving in YouthSave and what factors are associated with their saving patterns and performance.

After implementing YouthSave and offering accounts, SDA researchers began collecting data from account holder information collected by the FIs at account opening, deposit and other transaction data, and data provided by SC regarding participation in financial education (FE) activities. Results of the SDA research method include descriptive information on the number of youth clients who adopted the savings product and all of their savings account transactions. Statistical analyses assess which youth and household characteristics are associated with saving activity and performance. Where possible, analyses also control for financial capability interventions (i.e., financial education activities and financial services offered outside of the branch).

Research Methods for SDA

During the planning stage of YouthSave, the research team reviewed existing savings account applications from each FI and determined that very little demographic information was being collected. Therefore, key youth and household demographic questions were added to account opening applications to learn more about youth account holders and their households. The YouthSave Research Advisory Council and all YouthSave partners were consulted and provided input on the selection of questions.

The new questions were vetted with the FIs to determine if they were clear and understandable and whether the FIs would be interested in the results. With data collection across four countries, the questions also had to be refined to ensure consistency and cultural compatibility. They were then pilot tested and revised to increase comprehension and reduce the length of time needed to

complete data collection. Pilot testing occurred over a six-month period and resulted in product and process modifications designed to increase account uptake and question completion.

FIs in Ghana, Kenya, and Nepal submitted responses from individual-level demographic questions and savings account transaction records to researchers. In Colombia, a more limited set of demographic data were collected from BCS's account application form.

The research team cleaned the data and merged transaction records with demographic records for analyses. Transaction records were restructured so that each account holder had a monthly transaction record with variables of monthly, quarterly, and total cumulative amounts of deposits, withdrawals, fees, and interest.

Project Implementation

YouthSave financial products were launched at different times in 2012. In Colombia, BCS began offering the product in late February, followed by BOK in Nepal in April and HFC in Ghana and Postbank in Kenya in May. Product rollout dates depended on product and marketing readiness. This report is based on data from each country's rollout date through February 28, 2013.

In addition to the savings products and services delivered by the FIs, YouthSave includes financial capability programming, which offers financial education and financial services outside of bank branches. Financial education workshops are led by SC in Colombia, Kenya, and Nepal. In some cases, workshops overlap with the offering of the savings product, and FIs provide opportunities to open accounts and make deposits outside of bank branches. HFC in Ghana and BOK in Nepal offer depository banking services at participating schools. These conditions are tracked and statistically controlled in the study.

Key Findings

YouthSave is moving toward its goal of youth financial inclusion

A total of 19,953 accounts were opened over 12 months. Of these, 10,710 are represented in this report.

Despite the early stage of product rollout, first-year findings are positive. YouthSave is moving toward its goal of youth financial inclusion, attracting youth between the ages of 12 and 18, approximately 40% of whom live on less than 2.50 U.S. dollars (USD) per day.

For most youth, the YouthSave account is their first experience with formal savings. With a reported 17% of household heads having no prior formal banking experience, YouthSave appears to be reaching a portion of unbanked households.

Overall, these initial results suggest that low-income youth will use formal financial savings products tailored to their needs.

Not as fully represented are the very poor, out-of-school youth, and females

Although a large proportion of the youth signing up for accounts is low income, the YouthSave population has a higher percentage of nonpoor youth than the general population in each country. Because commercial financial products generally serve people from diverse income levels, this finding is not surprising but it provides context and signals the importance of further refining products and services to attract low-income clients.

Only 2.4% of out-of-school youth are represented across all four countries, which might reflect the difficulty of reaching this population and marketing strategies use by the FIs (which often occurred in schools). Reaching these youth is difficult because there is no single location (e.g., school) where one can easily market to them or, in the case of a minor opening an account, obtain a trusted adult cosignatory.

Out-of-school youth tend to be male and older (between 16 and 21 years old), and a higher percentage has participated in the labor market contrasted with in-school youth. Out-of-school youth most often cite emergencies as the reason for saving, while the vast majority of in-school youth are saving primarily for their own education. In addition, almost half of out-of-school youth signed for the account on their own. Based on the characteristics of those who signed up for YouthSave products, out-of-school youth may have different needs and thus require different product features than those who are in school. Given the widespread use of technology among youth, leveraging the Internet as a marketing tool may be one strategy to reach youth who are not in school. Less restrictive savings products that are accessible where these youth work or through mobile devices may better suit their needs. Policies regarding account signatory authorization also may need to be reviewed to accommodate them.

Gender differences sometimes are reflected in the number of accounts opened, but there is no difference in amount saved between male and female account holders. There is almost equal representation in number of accounts opened in Colombia and Ghana, but male account holders outnumber female account holders by a ratio of 3:2 in Kenya and Nepal. This gender disparity may reflect social norms that reduce female access or FI marketing efforts targeted more heavily to boys' schools. A reasonable objective would be to aim for financial products and services that are inclusive of the whole population.

YouthSave participants have saved USD 519,127

In less than one year, youth have saved USD 519,127 across all four countries with average savings balances of 307,059 Colombian pesos (COP) (USD 248), 3,074 Nepalese rupees (NPR) (USD 91), 23.45 Ghanaian cedis (GHS) (USD 26.38), and 381 Kenyan shillings (KES) (USD 9.61). These 9,993 youth have positive balances in formal savings accounts that most of them did not have a year ago. (For comparison purposes, unless otherwise stated, financial values are reported in USD using purchasing power parity [PPP]).[1]

[1] Researchers use the PPP conversion rates for 2011 drawn from the IMF World Economic Outlook (WEO) dataset (http://www.imf.org/external/pubs/ft/weo/2012/01/index.htm).

How youth learned about accounts is associated with savings performance

How youth learned about accounts is associated with savings performance but not consistently across countries. In Ghana, youth who said they learned about the account through a friend or family member or through mass media (i.e., television, radio, or newspaper) saved significantly more than those who learned about the account in other ways. Similarly, in Kenya, youth who heard about the account through mass media saved significantly more than those who heard about the accounts in other ways. A mass media approach is likely to attract a more socioeconomically diverse population that can afford to make larger deposits.

In Nepal, an initially surprising result is that youth who learned about the account through financial education workshops—who one might expect to be motivated to save—saved less than those who learned about the account through another means. One explanation may be that the workshops targeted youth from lower socioeconomic households, while mass media targeted all youth, including those from higher socioeconomic levels who potentially have more resources and ability to save. Overall, interpretation of these findings should remain tentative. It is possible that associations between how youth learned about the account and savings performance may simply reflect the pool of youth being targeted by particular strategies in particular countries.

How youth learned about accounts is associated with deposit frequency

In Ghana, youth who learned about the account through mass media deposit more frequently. That is, they average at least one deposit per month. Again, this may be an effect of reaching a broader pool of youth, more of whom have higher socioeconomic status and more resources than youth targeted by HFC's outreach programs at lower income schools.

In Kenya, youth who learned about the account through school/college are more likely to be frequent depositors, and in Kenya and Nepal, youth who learned about the account through financial education workshops or youth clubs are more likely to be frequent depositors. Particular factors that may be associated with these findings cannot be distilled, but it is possible that—in Nepal at least—youth had depository access at the financial workshop or school and reminders and encouragement to make deposits.

Financial capability participation is associated with account uptake

In Ghana and Nepal, the association of participation in financial capability activities—which include financial education, account enrollment, and depository services outside the branch—with account uptake is positive and significant. In these two countries, both FIs are involved in the delivery of financial education and depository services outside of the branch, whereas in Colombia and Kenya, these types of financial capability activities outside the branch have been limited.

This raises the question of cost-effectiveness of services for youth clients. Based on findings in this report, an FI that extends beyond the branch likely will gain more account holders. Providing financial services at accessible locations (e.g., schools or youth organizations) may be beneficial for youth and FIs.

Going forward, through experiments in Ghana, Colombia, and Kenya, researchers will explore the role of FIs in in-school banking and financial education text messages and reminders, which may be more viable and scalable than traditional financial education classes.

Number of withdrawals appears to reflect product restrictions

Where YouthSave financial products have restrictions on withdrawals (i.e., Colombia and Ghana), the number of withdrawals is much lower. From a savings perspective, the low number of withdrawals may be positive. However, as previously mentioned, the number of accounts opened is also lower, especially in Colombia, and the restrictive withdrawal rules may negatively affect account uptake. Product incentives and fewer restrictions may be necessary to attract more youth.

Service fees and taxes can negate interest earned

While deposits and withdrawals are generally within the control of the account holder, service fees, taxes, and interest rates are not. In all countries except Nepal, total service fees and taxes are higher than the interest earned on accounts. This net loss in savings is minimal but highlights how institutional mechanisms, not personal savings behavior, can affect savings performance and discourage participation in formal savings. Savings products should be attractive and beneficial to youth with incentives that exceed cost.

Financial institutions continue to develop products and services

The FIs continue to evaluate and refine product features and marketing strategies to provide attractive savings accounts for youth and retain them as long-term customers. A key lesson is that education of and incentives for branch staff are necessary to build understanding of and support for products. In Colombia, the longstanding youth *Tuticuenta* transaction account was competing with the newer *Cuentamiga para Jóvenes* YouthSave account. The *Tuticuenta* product appeared to have more flexible product features desired by youth and more lucrative sales incentives for bank staff. In Ghana, HFC experienced initial challenges from school officials in marketing to schools, disruptions to school calendars, and access to youth when school was not in session, all of which limited marketing and in-school banking activities. In Nepal, regulatory officials delayed allowing depository access points outside of BOK branches. BOK realized that being more involved in financial education and adding depository locations nearer to youth could increase account uptake and youth saving amounts. In all cases, seasonal activities and national and local events (e.g., festivals, school holidays, and national elections) limited access to financial services, particularly those offered at schools.

Emerging results suggest the importance of taking the bank to the youth

At this early stage, access continues to be a key issue in all four countries for in-school and out-of-school youth. Findings suggest that higher account uptake rates and more savings may necessitate taking the bank to the youth (i.e., cultivating delivery channels where the youth are). This might involve providing banking services in market places, in partnership with apprenticeships, through technology, or in schools, ideally at grade levels when school is mandatory, before dropout begins. Possible drawbacks to a school-based strategy, however, are multiple disruptions that impact school attendance. Alternative access points should be considered. Reaching the poorest youth, however,

may necessitate targeted, more direct services in communities where youth from low-income households live, work, or go to school.

Assessment of the YouthSave Intervention

Each country in YouthSave has its own particular products and services to attract youth, and the influence of these products and services on account uptake and savings performance are discussed throughout this report. However, all are similar in their common goal to provide youth-friendly products that are easy, accessible, and safe for youth—especially low-income youth—to use. As YouthSave continues and youth use their accounts over time, patterns will continue to emerge.

To increase account uptake in Colombia, BCS has made staff incentives for opening *Cuentamiga para Jóvenes* accounts comparable to those offered for other accounts. They also approved a number of changes in product features to make accounts more attractive to youth, including reducing or eliminating the initial deposit requirement and lifting withdrawal restrictions and fees. Under discussion are plans to make products more easily accessible through providing alternative access points for youth to open accounts and conduct transactions. For example, the bank is considering selling *Tuticuenta* and *Cuentamiga para Jóvenes* accounts as joint accounts in which youth could transfer money from one account to the other through Internet, and also plans to conduct financial education workshops with SC and provide account opening opportunities at schools.

In Ghana, HFC is adding sales agents at underperforming branches to provide more resources for *Enidaso* account holders and serve schools more efficiently. To reach out-of-school youth, HFC will redirect sales agents from in- to out-of-school youth during school vacations. They also removed withdrawal restrictions that hindered some students' need to regularly pay for school supplies.

Findings suggest that Kenyan youth are interested in the *SMATA* account and that many had no previous experience with or access to a formal financial institution. Because they are experiencing lower account uptake by females, Postbank plans to establish relationships with organizations that focus on programs for adolescent females to increase their opportunities for participation. The marketing strategy for opening accounts through school visits seems to be effective, and strategies to increase savings amounts should be strengthened. A cost-effective, efficient, and scalable text message experiment currently in planning will assess whether reminders and educational messages will motivate youth to save more.

In Nepal, CYBY seems to be reaching target youth but with less representation from females and out-of-school youth. Given the association of financial capability activities (i.e., financial education and services offered outside of branches) with account uptake and usage, expanding the number and types of schools where these occur may increase financial inclusion. Expanding aggregation point locations outside branches also may increase account uptake and savings performance for all youth. In addition, leveraging the success of the mass media marketing approach through increasing the frequency of CYBY television commercial and radio jingles may attract more youth, and particularly underrepresented out-of-school youth. Expanding programs aimed at parents and adults may also help encourage greater youth participation.

Recommendations for Additional Inquiry

A proposed experiment in Colombia hopes to measure the effects of deposit reminders and financial education text messages on *Cuentamiga para Jóvenes* account holders. Such an experiment would test a savings product with explicit savings goals and product features designed to motivate low-income youth to save but would require a substantial increase in the number of *Cuentamiga para Jóvenes* accounts opened each month. A similar experiment is being conducted with BCS' *Tuticuenta,* which is a more transaction-oriented youth product. With data available from both products, another research opportunity is to contrast characteristics and savings patterns of *Cuentamiga para Jóvenes* and *Tuticuenta* account holders to understand how youth respond to different features of bank accounts.

The YouthSave Ghana Experiment aims to document and explain the various factors that affect youth savings and social development. Additional research may include collecting more data on variations in duration, exposure, and intensity of in-school banking, assessing possible impacts of sale agents compared to bank staff, conducting longer term follow-up with qualitative interviews of participants and stakeholders for deeper understanding of results, exploring regional or rural/urban variations, differentiating the impact of mass media marketing (i.e., radio advertisements) and targeted marketing in schools, and assessing where deposits occur to better understand access points most used by youth.

Two experiments in planning with Postbank in Kenya will leverage knowledge gained from YouthSave. The first tests the effect of financial education and deposit reminder text messages on savings performance, and the second assesses the impact of savings and asset accumulation on developmental outcomes of primary school youth. Another potential learning opportunity is comparing savings patterns and other outcomes of *SMATA* account holders to those who have transitioned from *SMATA* to other accounts after turning 18 years of age. Researchers also may be interested in exploring the role of parents and other relatives, who are the major source of funds for most youth account holders.

In Nepal, BOK has a larger proportion of out-of-school youth account holders than the other YouthSave countries, which may offer an opportunity for further study. Follow-up through case studies and additional analysis of branch activities where youth opened the accounts may help researchers better understand and serve the needs of these youth. Since BOK provides both financial education and financial services outside of bank branches, implementing an experiment to isolate and test the impact of each of these components independently on account uptake and savings performance could further help financial institutions to identify and incorporate the most critical services needed for youth financial inclusion.

YouthSave Going Forward

This report offers many insights on youth financial inclusion and capability. The recent launch of products limits the potential to draw strong conclusions, but initial findings provide direction for refining product features and marketing strategies, and reveal new research opportunities. Over the next few years, researchers will continue to track and report on YouthSave participation as FIs continue to develop innovative and efficient ways to provide greater access to formal savings opportunities.

Organization of the Report

The report is divided into two parts. The first is the body, which presents data from all four countries. Chapter 1 provides background on each country and its financial sector and an overview of YouthSave, drawing on data collected from YouthSave's Integrative Case Studies research.[2] Chapter 2 describes the research method used to collect and analyze the data. Chapters 3 and 4 present findings on account uptake and savings outcomes. Chapter 5 provides information on account usage. Chapter 6 presents information on savings patterns based on account holder and household characteristics. Chapter 7 describes financial capability programming offered to youth and its association with account uptake and savings. Chapter 8 summarizes findings and provides recommendations for moving forward. At the end of each chapter is a summary of findings. The second part of the report consists of the Appendices and largely is composed of *country briefs,* which provide additional detail on account uptake and savings by country.

Acronyms used in the Report

AMNS – average monthly net savings
ATM – automatic teller machine
BCS – Banco Caja Social
BOK – Bank of Kathmandu, Ltd.
COP – Colombian peso
CSD – Center for Social Development
CYBY – Nepal's YouthSave product
FC – financial capability
FE – financial education
FI – financial institution
GHS – Ghanaian cedi
HOH – head of household
KES – Kenyan shilling
KYC – Know your client
NPR – Nepalese rupee
PPP – purchasing power parity
RP – research partner
SC – Save the Children
SD – standard deviation
SDA – savings demand assessment
SMATA – Kenya's YouthSave product
USD – United States dollar
YSO – youth-serving organization

[2] For the Integrative Case Studies, research partners compiled contextual information to frame the learning results within the economic, policy, regulatory, institutional, community, and household contexts of each country.

Chapter 1: Background and Context of the Study

If provided an opportunity to save via formal financial services, will youth participate? This is one of the fundamental questions being asked in YouthSave, a savings initiative implemented in four developing countries, targeting young people ages 12 to 18 from predominantly low-income households.

This study informs one part of a mixed-method learning agenda in YouthSave. Created in partnership with The MasterCard Foundation, YouthSave investigates the potential of savings accounts as a tool for youth development and financial inclusion in developing countries, by co-designing tailored, sustainable savings products with local financial institutions (FIs) and assessing their performance and youth development outcomes with local researchers. The project is an initiative of the YouthSave Consortium, led by Save the Children (SC) in partnership with the Center for Social Development (CSD) at Washington University in St. Louis, the New America Foundation, and the Consultative Group to Assist the Poor (CGAP). Research partners (RPs) in the field include Universidad de los Andes in Colombia, Institute of Statistical, Social and Economic Research (ISSER) at the University of Ghana, Kenya Institute for Public Policy Research and Analysis (KIPPRA), and New ERA in Nepal.

Many youth save informally and may participate in formal banking services if given an opportunity to do so (United Nations Capital Development Fund, 2011). However, such opportunities are limited for some groups because of barriers inherent in regulatory policy, geographic access, identity verification, financial product information, and financial service fees (Demirguc-Kunt & Klapper, 2012a; Porter, Blaufuss, & Owusu Acheampong, 2007). These barriers can be challenging for youth in particular. The limited research available suggests that financial inclusion has important youth development effects and deserves greater study (Chowa & Ansong, 2010; Deshpande & Zimmerman, 2010; Elliott, 2012; Scanlon & Adams, 2009; Sherraden & Ansong, 2013; Ssewamala & Ismayilova, 2009).

This report focuses on youth and their responses to the financial products and services offered (in market terms, *the demand side*). The research asks whether participation in a formal savings account at a financial institution leads to savings and for whom. Opportunities to (a) learn and (b) apply knowledge through access to financial services may increase *financial capability* (Sherraden, 2010; Johnson & Sherraden, 2007). The extent to which youth increase their financial capability can be measured in part by whether they take up an account, participate in financial education, and increase their net savings over time.

Which youth, household, and saving product characteristics are associated with positive savings outcomes? That is the primary research question associated with the savings demand assessment (SDA).

Youth and Household Characteristics

This study reports on how many youth save, how much they save, and characteristics associated with saving. The key dependent measure is average monthly net savings (AMNS), which is the savings per month adjusting for the length of time accounts have been open (Schreiner, 2011). The findings also help inform how youth savings accounts can be understood in terms of product

viability and market outreach. Specific characteristics and associated hypotheses include the following:

- *Age of youth*. Households may be more likely to save in accounts of older youth, especially when money is needed for school tuition or if the older youth can work.
- *Gender of youth*. Evidence of gender disparities exist with females being less likely to access and use resources.
- *Education level and school enrollment of youth*. Those with higher education levels may have higher savings performance.
- *Prior participation in formal savings*. Youth with more experience saving in a formal financial institution may have higher savings.
- *Income in the previous six months*. Youth who earn income may have more money to save.
- *Estimated consumption-based poverty rates*. Those with a lower consumption level may save less than those who have a higher consumption level. In this study, estimated consumption-based *poverty lines* are derived from poverty-scoring methods by using household characteristics to assess likelihood that household expenditure is at a given consumption level (Caire, Schreiner, Chen & Woller, 2009; Schreiner, 2012; Schreiner, 2011; Schreiner & Woller, 2010). This measure has the advantage of creating interval data that is comparable across counties, and is also a new application and contribution to savings research. This is a better gauge of poverty than the reported household income data that was also collected at the time of account opening.
- *Head of household (HOH) demographics*. HOH gender, level of education, and employment status are associated with socioeconomic status.
- *HOH prior involvement in formal savings*. Prior savings in a formal savings product by HOH suggests a higher level of household financial capability, which may in turn increase youth savings performance.

Results of SDA research include descriptive information on the number of youth clients who have adopted the savings product and the amount they have saved at partner financial institutions. Statistical analyses assess which youth and household characteristics are associated with saving. Data also are linked to other financial capability interventions (e.g., participation in financial education workshops, youth clubs, and in-school banking) to control for possible effects on savings performance.

Country Characteristics

Table 1.1 presents general indicators about the environments in which the young people live in each of the four YouthSave countries that could affect saving outcomes.

Table 1.1. Country Characteristics*

	Colombia	Ghana	Kenya	Nepal
Population (millions) (2011)	48.0	25.5	42.7	31.0
Urban population (percentage of total)	75.6	52.6	24.4	17.3
Median age (2010)	26.8	20.5	18.5	21.4
GDP per capita (2005, PPP USD)	8,861	1,652	1,507	1,102
GNI per capita (2005, PPP USD)	8,711	1,684	1,541	1,137
% living on USD 1.25/day or less (2002–2011)	8.2	28.6	43.4	24.8
% living at or below national poverty line (2002–2012)	37.2	28.5	45.9	25.2
Gender inequality index	.459	.565	.608	.485
Primary school dropout rate (2002–2011)	15.5	27.8	27.2	38.3
Expected years of schooling, children (years) (2011)	13.6	11.4	11.1	8.9
Mean years of schooling (persons 25 years and older) (2010)	7.3	7.0	7.0	3.2
% with account at a formal financial institution**	30.4	29.4	42.3	25.3
% with account at a formal financial institution (income, bottom 40%)**	15.4	15.4	18.8	16.0
Human Development Index rank	0.719	0.558	0.519	0.463

*Data from United Nations Development Programme, 2013, unless otherwise noted.
**Data from Demirguc-Kunt & Klapper, 2012b.

In Colombia and Ghana, the majority of the population lives in urban areas, whereas in Kenya and Nepal, the majority lives in rural areas. Across the countries, the median age ranges from 18.5 to 26.8, which means that half of the population is younger than these ages and can be described as children and youth.[3]

In terms of the overall economy, Colombian youth have a higher standard of living—as measured by Gross Domestic Product per capita and the Human Development Index—than youth in the other three countries. Nepal has the largest population living in rural areas, the least educated population, and the lowest standard of living. However, Kenya has the largest number of people living on USD 1.25/day or less.

In terms of gender equality, Colombia has the lowest inequality ratings (zero is considered 100% equal) followed by Nepal, Ghana, and Kenya with the highest.

The financial sector in each country varies widely and reflects socioeconomic and political circumstances. In terms of access to financial services, Colombians have the greatest access, and Kenyans have the least (see Table 1.1). However, for those in the lower 40% of income, the percentages are similar across countries, ranging from approximately 15% to 19% that participate in the formal financial sector. In Nepal, the number of financial institutions is high relative to economic activities and population size, but participation is restricted by the small size of the economy, ongoing political instability, and worker strikes and national/regional closures and lockouts.

[3] The definition of youth differs across countries, and there is no universally accepted age range (United Nations Department of Economic and Social Affairs, 2011). The U.N. defines youth as ages 15 to 24 years for statistical purposes, and the World Youth Report includes ages 12 to 24 years. The World Health Organization (WHO) and the United Nations Children's Fund (UNICEF) refer to young people as ages 10 to 24 years. The Economic Commission for Latin America and the Caribbean (ECLAC) (2011) defines youth as ages 15 to 30 years.

As of 2011, the percentage of the population that is banked is well below the majority in all four countries, according to the World Bank financial inclusion database. The percentage of the population age 15 years or older that has an account at a formal financial institution is 42% in Kenya, 30% in Colombia, 29% in Ghana, and 25% in Nepal. In each of these countries, financial inclusion has become the focus of public policy and private sector action, especially for younger and less economically advantaged populations.

Youth Participation in the Financial Sector

Most FIs have savings products for parents and guardians to save on behalf of their children. These products typically are owned and operated by parents or designated as trust accounts, and children have little or no authority to deposit into or withdraw from these accounts. As noted above, facilitators of and challenges to youth participation in formal financial banking differ based on a number of social, economic, and geographic factors, but laws and regulatory issues are critical. In Colombia, youth as young as seven years old with identification can open and operate an account without parental signature. In Nepal, the age of maturity is 16. In Ghana and Kenya, youth cannot independently open or manage an account until they are 18 years of age. Instead, youth must have a parent or trusted adult assist in opening an account and provide a cosignature. A further hindrance can be fulfilling the FI's requirements of a citizenship identification number and/or associated identification papers. Finally, high bank fees and low savings returns combined with high youth unemployment can constrain savings potential.

However, FIs in developing countries have increased their focus on youth financial products and services, especially on savings products that are designed for greater youth participation. This sets the stage for YouthSave, which investigates pathways to financial inclusion for lower income youth. Through support from SC, participating FIs conducted market research with the goal of developing more inclusive, accessible, and youth-friendly financial products and services to attract lower income youth (Deshpande, 2012).

YouthSave Financial Institutions

Four FIs participate in YouthSave, each associated with one of the four countries. They are Banco Caja Social in Colombia, HFC Bank in Ghana, Kenya Post Office Savings Bank in Kenya, and Bank of Kathmandu Ltd. in Nepal.

Banco Caja Social, Colombia

Banco Caja Social (BCS) grew out of the Catholic Worker's Guild Savings project in 1911 to address socioeconomic disparities and continues to focus on the low- and middle-income market. In 2012, 50% of BCS's clients earned less than Colombia's minimum wage of COP 566,700 (USD 458) per month, and almost 27% earned less than twice the minimum wage.

In 2011, BCS had more than 4.1 million customers and 5,720 employees, most in Bogotá, which has 41% of the country's 263 branches. BCS has a wide national presence across 24 of the 33 Colombian departments, but most branches (78%) are located in Colombia's departmental capitals. The rest are located in secondary urban centers that have more than 30,000 inhabitants. BCS has no rural presence and ranks sixth among Colombian banks in number of branches.

As part of its goal to provide access to the unbanked, BCS introduced *Corresponsales bancarios* (i.e., nonbanking correspondents). *Corresponsales bancarios* are nonbanking locations (e.g., drugstores and postal offices) that offer some of the bank's services, including deposits, transfers, withdrawals, payments, and credit applications. BCS has more than 3,000 *Corresponsales bancarios* located in large cities in neighborhoods without a nearby BCS branch.

Before working with YouthSave, BCS had only one banking product for children and youth, *Tuticuenta,* for those between the ages of 7 and 17 years. This product was created in 1997 to complement the bank's savings portfolio and incorporate a segment of the population that previously had been ignored. *Tuticuenta* was the third savings product offered by BCS and the first designed for youth. Some of *Tuticuenta's* features include no monthly fees and an ATM card. As of 2013, BCS opens about 3,500 *Tuticuenta* accounts per month, most of them in Bogotá. Two thirds of new *Tuticuenta* account holders are children from low- to medium-low-income families, and only 4.7% have very low incomes. From their experience with *Tuticuenta* and in the context of the bank's mission and current market positioning, BCS believes that there is large market potential for the *Cuentamiga para Jóvenes* (i.e., Friendly Account for Youth), to help consolidate financial inclusion among unbanked urban youth.

HFC Bank, Ghana

HFC Bank originated in 1991 as a home mortgage finance company and received its universal banking status in 2003. HFC currently operates in seven of ten geographic regions with 26 branches but has a vision to expand and create a national presence. More than half of the branches (13) are in the Greater Accra region, four are in the Ashanti region, two are in the Central region, and one is in each of the Brong Ahafo, Eastern, Western, and Northern regions. Its strategic alliances—especially with HFC Boafo Microfinance Services, a subsidiary of the bank that supplies nonmortgage housing microfinance loans to urban poor who have limited access to credit—provide additional infrastructure for marketing and delivering financial services.

HFC Bank has three saving products for young people: the Student Plus Account, the Life Starter Account, and the HFC Future Plan Trust. The HFC Student Plus Account is designed to finance educational needs and affords students liquidity at all times, which is especially important before disbursement of Social Security and National Trust (SSNIT) student loans. The HFC Life Starter Account is for new graduates and young professionals older than 18 years of age who want to venture into free enterprise. The HFC Future Plan Trust (F-Plan) is a long-term collective investment scheme for parents to save money in trust for their children.

The YouthSave product, *Enidaso* (i.e., Hope), will integrate a new age group into the youth market segment of HFC Bank and Boafo and help prepare youth to be the next generation of customers.

Kenya Post Office Savings Bank, Kenya

The Kenya Post Office Savings Bank (Postbank) was established as a savings bank in 1910 and became government owned on January 1, 1978, following the enactment of the Kenya Post Office Savings Bank Act (Cap 493B, Laws of Kenya) (Postbank, 2010). The bank is wholly owned by the Government of Kenya and control of the institution is handled by a Board of Directors subject to the direction of the Minister of Finance. The primary mandates of the institution are to mobilize

savings for national development, encourage thrift, and provide the people of Kenya with the means and opportunity for saving (Republic of Kenya, 1978).

Postbank has 99 branches connected online, more than 500 agents, 342 outlets operated on agency agreement with the Postal Corporation of Kenya, and more than 1,000 ATMs. Customers also have access to mobile banking, known as *patacash*. Postbank has more branches than most commercial banks in Kenya which are distributed across the bank's five regions (i.e., Coast, Mount Kenya, Nairobi, Rift Valley, and Western). Nairobi and Western regions have the most number of branches with 25 and 21, respectively. There are more than 4,000 outlets countrywide for the local Postbank Visa card and more than one million outlets worldwide for the international Postbank Visa card. Although Postbank's entire branch network is located mainly in urban areas, some outlets operated on agency agreement with the Postal Corporation of Kenya are located in small trading centers.

At incorporation in 1978, Postbank had only one savings product, the Ordinary Savings Account (OSA), but has expanded its products over time to meet customer demand. In 2006, the first two products for youth were launched: the Bidii Junior Account for youth below 18 years of age and the STEP (Smart, Trendy, Electronic and Portable) Account for older youth ages 18 to 28 years.

Based on its business portfolio between 2008 and 2010, youth products were the fastest growing in the portfolio, and deposits in them grew at over 190% between 2008 and 2010 compared to overall deposit growth of 44% in the same period. This growth can be attributed to marketing campaigns and growth of the youth population in the country. Adding the YouthSave product, *SMATA* (i.e., Smarter), to Postbank's portfolio responds to the youth population growth and the bank's strategic objectives to enhance financial access and mobilize savings.

Bank of Kathmandu Ltd., Nepal

The Bank of Kathmandu Ltd. (BOK) was established under the Commercial Bank Act in 1974 with majority ownership (approximately 58%) by the general public. BOK's strategy of reaching out to low-income clients, emphasis on financial inclusion of all Nepalese citizens, and experience offering savings products to children and youth correlate with the goals of YouthSave. One of the main differences between BOK and other commercial banks is that BOK uses a mass banking strategy. Instead of relying on larger investments from fewer customers, BOK strategically markets to the greater population of small- and medium-sized deposit customers.

BOK has a main office and 47 branches and is comparable to a mid-sized bank. Regarding geographical distribution, 35 branches are located in urban areas, and 12 are in rural areas. BOK's national presence, especially significant in the Western and Far-western provinces where Nepal's most marginalized populations are located, provides the infrastructure necessary to market and deliver a youth savings product.

In 2005, BOK introduced a savings product targeted directly to youth that was replaced five years later with a product targeted to parents to establish savings for their children. The YouthSave product, *Chetanshil Yuva Bachat Yojana* (CYBY) (i.e., Conscientious Youth Savings Scheme), offers a savings product for youth with a focus on attracting lower income youth. Through this approach, BOK aims to increase youth participation in the financial sector, especially among marginalized and unbanked youth.

Project Implementation: Financial Products and Services

Financial products were initiated in two phases (Table 1.2). The first phase was piloting the product, the features of which were chosen based on findings from market research with low-income youth. Youth indicated that they wanted a product that would allow greater control in account management, facilitate access to deposit and withdraw, ensure a secure account, and offer incentives for long-term saving (Deshpande, 2012). Product piloting in Ghana, Kenya, and Nepal occurred between July and December 2011. BCS in Colombia did not conduct product piloting prior to an official rollout. The second phase was product rollout, which began in late February 2012 for Colombia, April 2012 for Nepal, and May 2012 for Ghana and Kenya. Start of rollout varied across countries, depending on product and marketing readiness. This report is based on data from the beginning of rollout in each country to February 28, 2013.

Table 1.2. Financial Product Information

	Colombia	Ghana	Kenya	Nepal
Bank name	BCS	HFC	Postbank	BOK
Product name	*Cuentamiga para Jóvenes*	*Enidaso*	*SMATA*	CYBY
Phase 1: Pilot period	No pilot conducted	July 18–December 31, 2011	July 31–December 31, 2011	September 16–December 31, 2011
Phase 2: Product rollout	February 29, 2012	May 11, 2012	May 7, 2012	April 26, 2012
Number of total branches	263	27	99	47

In addition to the financial products offered by FIs, YouthSave includes financial capability programming, which comprises financial education and financial services. Financial education workshops and text messaging, and street theater are led by SC and the FIs provide opportunities to open accounts and make deposits outside of the bank branches, including in-school banking in Ghana (see Chapter 7). A summary of account features and services are described below. Detailed descriptions of the youth product features are available in Appendix A.

Colombia *Cuentamiga para Jóvenes* account

The YouthSave product in Colombia is *Cuentamiga para Jóvenes,* which means "friendly account for youth" in English. The product targets youth between the ages of seven and seventeen and is designed to encourage medium- and long-term saving. An initial deposit of COP 20,000 (approximately USD 16) is required to open an account. The account allows only one withdrawal per year with a fee of COP 5,000 (approximately USD 4). In addition, the account holder must have a balance of at least COP 60,000 (approximately USD 49) to make a withdrawal. The account encourages young people to create their own saving plans and set goals that require regular deposits for a period of no less than one year and no more than five years. BCS will charge an additional fee

if the account is closed before the savings goal is met. At time of account opening, youth receive a BCS piggy bank.

The *Cuentamiga para Jóvenes* account can be opened by youth aged seven years and older—the youngest in all four YouthSave countries—without being accompanied by an adult. Youth account holders manage accounts using their personal identification card, which allows deposits and withdrawals in all BCS branches. Deposits also may be made in approximately 3,000 nonbank correspondent locations. The bank sends a detailed account statement to the account holder's e-mail quarterly. All relevant information concerning the account and financial education tips are posted on the BCS website for easy reference.

Ghana *Enidaso* account

The YouthSave account offered by HFC Bank in Ghana is *Enidaso,* which means "hope" in the Twi language. The product targets low-income youth between 12 and 18 years of age. The account requires a minimum opening balance of GHS 2 (USD 1.04) and an operating balance of at least GHS 5 (USD 2.60). Savings will earn interest (1.25%) only after the account has at least GHS 20 (USD 10.42). Withdrawals from the account are restricted for the first three months, and only monthly withdrawals can be made thereafter. A parent or trusted adult of the youth must be the primary signatory for account opening and withdrawal of funds. The youth can deposit into but cannot withdraw from the account without the adult guardian.

YouthSave clients are issued a view-only ATM card upon request for a one-time fee of GHS 2.50 (USD 1.26). This ATM card enables them to check or see their balance and account statement but does not allow withdrawals from the ATM. Savings withdrawal booklets are given to account holders for a fee of GHS 3.50 (USD 1.76). Statements are provided on demand for a fee of GHS 2 (USD 1.01) per statement.

Product marketing includes use of mass media (e.g., radio, newsprint, and television), direct sales (e.g., presentations in schools) and awareness-building campaigns (e.g., street floats and distribution of fliers on main streets) to introduce the account and educate youth about it. Incentives (e.g., piggy banks, pens, t-shirts, slings, and waist bands) are given to youth free of charge upon account opening. In addition, HFC partners with youth-focused organizations to conduct savings fairs and implement youth programs.

Kenya *SMATA* account

The YouthSave product developed by Postbank, *SMATA*, has the slogan "my bank, my future." The product targets low-income youth aged 12 to 18 years, both in school and out of school, and living in urban, periurban, or rural areas. Unique to Postbank, youth can open an account without a deposit and with any trusted adult chosen by the youth. Youth can deposit independently, but withdrawals require the presence of the adult. The withdrawal fee is KES 30 (USD 0.34). The minimum amount required to earn interest is KES 15,000 (USD 171).

The product marketing strategy for the *SMATA* account is different from that of other Postbank products because it targets low-income youth, a unique segment of Postbank's customers. Marketing strategies for other Postbank products feature mass media campaigns. During the phase 1 pilot test, marketing for *SMATA* included direct selling strategies (e.g., visits and presentations to schools

within the branch locations). The phase 2 rollout marketing strategy for *SMATA* accounts integrates mass media and direct selling strategies in response to preferences observed during the pilot test evaluation. Postbank branches, agents, and all outlets that operate on agency agreement with the Postal Corporation of Kenya are being used as the distribution channels for the YouthSave product.

To reach low-income youth, most of the marketing budget was allocated for on-the-ground activities to sensitize communities and mobilize youth to open accounts. Postbank sponsored youth activities (e.g. sports) and posters, fliers, and t-shirts were distributed during the marketing exercises. In addition, Postbank has worked with youth leaders in the community, schools, and churches in collaboration with SC, youth-serving organizations (YSOs), and other community outreach programs with youth-centered initiatives.

Nepal CYBY account

The YouthSave product in Nepal is *Chetanshil Yuva Bachat Yojana* (CYBY). In English, CYBY translates to "conscientious youth savings scheme." The target population of CYBY is youth ages 10 to 22 years. The product originally was targeted to youth ages 12 to 18 but was popular among a wider age range. The minimum opening balance is NPR 100, and the interest rate is 5%. On opening the account, minors (i.e., youth younger than 16 years) receive a piggy bank, and majors (i.e., youth aged 16 to 22 years) receive either a piggy bank or a Visa debit card with no issuance charges for the first year. Transaction services at convenient aggregation points (e.g., schools) are provided on a regular basis. In addition to its financial product, BOK plans to offer financial education seminars and classes, especially in locations near branches outside of Kathmandu Valley and not covered by SC financial education programs. Twelve branches are covered by SC's financial education programs.

Summary of Contextual Conditions

- Financial inclusion has become a focus of public policy and private sector action, especially for younger and less economically advantaged populations. To facilitate access,the YouthSave team is developing and testing youth-friendly savings products. Some of the questions the project aims to answer and the focus of this report are whether the savings products are reaching their target population, whether account holders actually save in the accounts, and which characteristics are associated with saving.
- FIs in each of four developing countries are participating in YouthSave based on their commitment to serving the youth population, providing access to the unbanked and underbanked, and contributing to the research. The FIs are Banco Caja Social in Colombia, HFC in Ghana, Postbank in Kenya, and Bank of Kathmandu Ltd. in Nepal.
- Implementation began with market research and product piloting. Product rollout began first in Colombia in February 2012, followed by Nepal in April 2012 and Ghana and Kenya in May 2012. This report is based on accounts opened between product rollout in each country and February 28, 2013.

This chapter provides the context for understanding the environment in which youth live and the savings opportunities offered by partner FIs. The next chapter describes research methods used to analyze the savings data collected in cooperation with the FIs.

Chapter 2: Research Methods

In each participating country, an RP works with CSD to collect, analyze, and report on data provided by FIs and SC. The YouthSave RPs are Universidad de los Andes in Colombia, ISSER at the University of Ghana, KIPPRA in Kenya, and New ERA in Nepal.

Data Collection Procedures

As a first step in determining what information should be collected about youth account holders, researchers reviewed savings account application forms used by the four FIs. The team found that there were a limited number of demographic questions about youth and their households. Questions being asked typically were open ended (e.g., fill-in-the-blank type) and thus subject to variation and data entry error.

Because of space constraints, only a limited number of questions about hypothesized savings outcomes could be added to each FI's account opening forms to learn more about youth account holders and their household demographics. Care was given to keep questions similar across countries, but some responses varied by cultural or programmatic differences. The questions were vetted with FIs to determine answerability and FIs' interest in the potential results. Questions were then pilot tested with youth and revised to increase comprehension and reduce the length of time needed to complete data collection.

Partner FIs in Ghana, Kenya, and Nepal administered the questions using youth's and guardians' consent to participate in research and then transferred responses from paper to electronic data systems. In Colombia, BCS used its own account application form to collect a limited amount of demographic information. (See Appendix C for questions used in each country.) In addition to demographic information, all FIs provided records of individual-level transactions (e.g., deposits, withdrawals, interest, fees, and taxes) for each account. FIs then submitted electronic data to RPs via secure file server on a quarterly basis.

Researchers cleaned the data and merged transaction records with demographic data for analysis. Transaction records were restructured so each account holder had a monthly transaction record with variables of monthly, quarterly, and total cumulative amounts of deposits, withdrawals, fees, and interest. For months with no activity, transaction records were created with zero amounts for the month and current cumulative amounts.

Analysis Sample

In determining which records to include, researchers used each FI's account definition of *open*. In Colombia, Ghana, and Nepal, an account is open if an initial deposit has been made. Because an account may be opened without an initial deposit in Kenya, all accounts are included when account holder demographics are presented, but accounts with no transaction activity for the life of the account are excluded in savings analysis. In Colombia, initial deposit records were not available for some cases. If those cases also had no subsequent transaction activity, they were also excluded in the savings analysis.

Measurement

Below are measurements of the key outcome (i.e., dependent variable) and factors that may be associated with this outcome (i.e., independent variables).

Key dependent variable

The key dependent variable of this analysis is AMNS, defined as net savings per months account has been open (Schreiner et al., 2001). The formula is as follows:

$$AMNS = \frac{total\ net\ savings\ (deposit + interest - withdrawals - service\ fees\ and\ taxes)}{number\ of\ months\ account\ has\ been\ open}$$

Since original savings outcomes were measured based on the national currency for each country, national currency amounts were converted into comparable USD using purchasing power parity (PPP) factors.[4]

Independent variables

Analyses include all youth and household characteristic measures as independent variables. Youth characteristics include gender, age, school enrollment, income in past six months, previous formal account held by youth, source of savings, source for learning about the account, and reason for saving. Household characteristics include relationship of head of household (HOH) to youth, previous formal account held by HOH, education level of HOH, employment status of HOH, whether HOH is employed in the agricultural sector, number of household members, estimated consumption-based poverty rate, mode of transportation ownership, and relationship of the cosignatory for the account to the youth account holder. Original response categories for a few variables were slightly different across countries (e.g., HOH employment status, how youth learned about the account), and several variables had response categories with zero or few observations. In these situations, response categories sometimes were recoded.

Estimated consumption-based poverty rate

The estimated poverty rate measure has been specified from scoring techniques (similar to credit scoring) wherein poverty scorecards use household characteristics to assess likelihood that per-capita household expenditure is below a given poverty line (Caire, Schreiner, Chen & Woller, 2009; Schreiner, 2012; Schreiner, 2011; Schreiner, 2010). In international poverty comparisons, the most common poverty line used is the World Bank's USD 1.25 per person per day in 2005 PPP. Some comparisons use USD 2.50 per person per day in 2005 PPP. This amount is considered applicable to all developing countries except the poorest 15 (Chen & Ravallion, 2008). Mark Schreiner, a recognized leader in creating poverty scorecards for developing countries, has estimated poverty scores based on the YouthSave SDA dataset. In this report, researchers estimate the percentages of YouthSave account holders who live in households in which total expenditures per member are less than USD 1.25 per day and USD 2.50 per day.

[4] Researchers used the purchasing power parity (PPP) conversion rates for 2011 drawn from the IMF World Economic Outlook (WEO) dataset (http://www.imf.org/external/pubs/ft/weo/2012/01/index.htm)

Statistical Procedures

Researchers used a series of bivariate and multivariate analyses to examine which youth characteristics are associated with net savings. The few continuous independent variables were recoded as categorical variables for bivariate analysis. Researchers first examined whether each demographic characteristic was significantly associated with AMNS using an analysis of variance (ANOVA) and then conducted multivariate analyses using linear regression to investigate which demographic characteristics are associated with AMNS, controlling for effects of other characteristics. To further control for unobserved heterogeneity across branches within each country, branch-level fixed effects were included in the regression model.

Findings are reported separately for each country. To further examine whether the relationship between each youth and household characteristic and AMNS differs between countries, researchers pooled data across Ghana, Kenya, and Nepal. (Colombia was excluded due to limited availability of data.) Analyses included dummy variables treated as fixed effects for each country and interaction terms between those dummy variables and other youth and household characteristics.

In the analysis sample, some values are missing across study variables, especially for measures of household characteristics. Since systematic missing observations and dropping of these cases could produce biased estimates, researchers imputed missing observations using the multiple imputation by chained equations (MICE).[5] Missing data were imputed separately for each country, and five imputed datasets were created. Parameter estimates reported for the main regression analysis are combined from the five imputed datasets.

Limitations

- Participant consent and SDA data collection were new procedures for the FIs, which explains, in part, some missing variables and missing values in accounts opened in the early stages of rollout. Over time and with learning in the field, participant consent and SDA data collection is becoming more thorough.
- Some household variables (e.g., level of income) have a high number of missing values. Youth may have had difficulty providing household variables if a parent or the HOH was unavailable or unwilling to assist with answering the questions.
- Product rollout and marketing activities can vary by branch. Differences in account uptake by branch reflect, in part, different startup dates, levels of marketing, and branch management support.
- Delays in transfer of data from paper to an electronic system may have resulted in underreporting of the total number of research accounts opened. In Kenya, the number of research accounts reported as opened is less than 50% of the total accounts opened. Therefore, reported data may not reflect the total population of *SMATA* account holders accurately.

[5] Multiple imputation has produced relatively unbiased estimates even with a large fraction of missing data (Schafer, 1997; Schafer & Olsen, 1998).

- Differences in account uptake and savings among countries reflect a variety of country-level factors and differences in product features. The SDA dataset affords a unique opportunity to identify factors associated with saving patterns and performance over time, but it is not possible to assess causally which product features influence savings patterns most because there was not a control condition in the SDA to serve as a sound counterfactual. (YouthSave does have a full experiment in Ghana, which is a separate research method not reported here.)

After this chapter's review of research methods, Chapter 3 begins with account opening and participation results.

Chapter 3: Account Uptake

As of February 28, 2013, a total of 19,953 youth had opened YouthSave accounts. Of those, 10,710 "research accounts"[6] were included in YouthSave and are the basis for this report. As shown in Table 3.1, they include 1,227 in Colombia, 1,082 in Ghana, 6,373 in Kenya, and 2,028 in Nepal. Of those, 90 research accounts were closed in Colombia, three in Nepal, and one in Kenya.

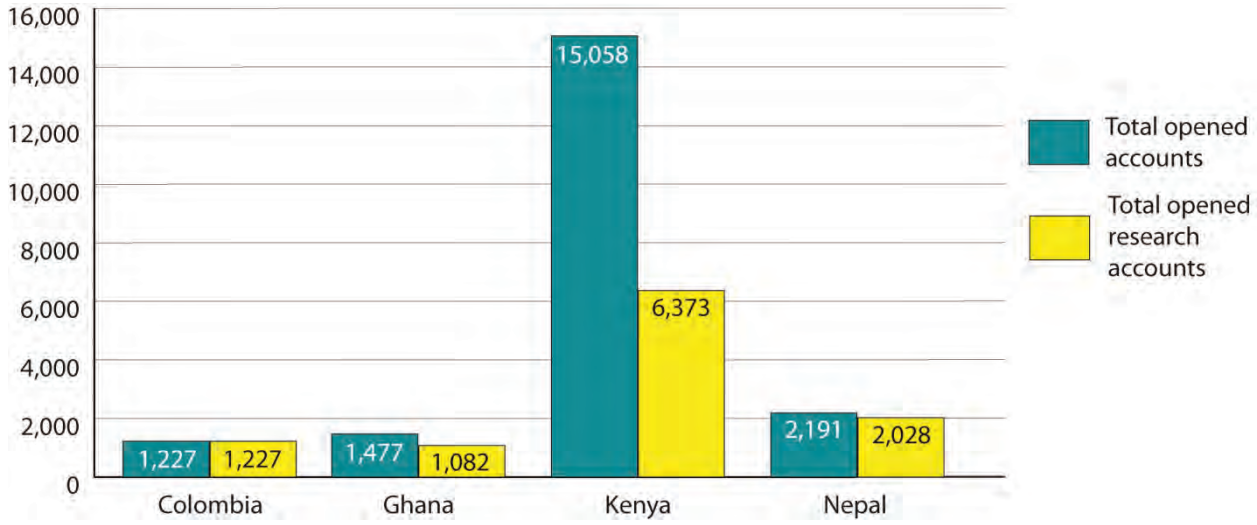
A key distinction is whether an account is considered *open*. In Kenya, an account may be opened without an initial deposit, whereas in Colombia, Ghana, and Nepal, an initial deposit is required to open an account. In Kenya, 495 of the 6,373 accounts were opened without an initial deposit. Also of note is the large difference between total opened accounts and total number of research accounts in Kenya. Delays in entering data from hard copy forms into an electronic database limited the amount of Kenya data available for this report to only 42% of total accounts opened. This affects the ability to report savings patterns accurately, but researchers expect to include the majority of accounts in the next annual report.

Table 3.1. Account Information

	Colombia	Ghana	Kenya	Nepal	Total
Product rollout date	February 29, 2012	May 11, 2012	May 7, 2012	April 26, 2012	
Total opened accounts reported by SC/FI	1,227	1,477	15,058	2,191	19,953
Total opened research accounts	1,227**	1,082	6,373*	2,028	10,710
Total closed research accounts	90	0	1	3	94

*Kenya research accounts include 495 accounts without any transaction activity from life of account.
**Colombia research accounts include 222 accounts treated as having no transaction activity from life of account because the initial deposit record was not available and there were no subsequent transactions.

Figure 3.1. Account Information



[6] Research accounts are those for which permission was obtained to report on the data.

Length of Participation

Length of participation in YouthSave is defined as the number of months that an account has been open between product rollout and the data collection point of February 28, 2013. In Table 3.2, maximum is the longest time an account has been open since product rollout, and mean is the average length accounts have been open since that time. Except for accounts explicitly noted as closed in Table 3.1, all accounts are open and will continue to be tracked over the next year.

In Ghana and Kenya, savings products have been available for 10 months, in Nepal the product has been available for 11 months, and in Colombia the product has been available for 12 months. Therefore, it is not surprising that accounts in Colombia have been opened the longest with an average of 7.3 months. Nepal follows with an average of 6.5 months, Ghana with an average of 6.4 months, and Kenya with an average of 4.8 months.

Table 3.2. Length of Account Holding in Months

	Maximum	Mean (SD)
Colombia	12	7.3 (3.4)
Nepal	11	6.5 (2.2)
Ghana	10	6.4 (2.3)
Kenya	10	4.8 (2.1)

SD, standard deviation

Figures 3.2 and 3.3 present the number of research accounts opened each month and cumulatively. There is a noticeable decline in accounts opened after September in all four countries. While more pronounced for research accounts, this pattern generally holds for total accounts opened as well. The exception is Kenya, where there were spikes in October and February, which may reflect a variety of factors, including a promotional campaign that ran between rollout in July and the end of September 2013, assistance with account opening from a community youth partner organization, accounts allowed to be opened without an initial deposit, and the return of students to school. Lower uptake in Kenya in December and January likely was caused by the school holiday season. Most accounts are opened when schools are in session through direct marketing.

In Colombia, low account uptake may reflect competition with *Tuticuenta,* a more transaction-oriented (e.g., fewer restrictions on withdrawals) product that has been in place for approximately 15 years and serves the same age group. In Ghana, developing a marketing strategy with area schools took longer than anticipated, and disruptions in the school calendar (e.g., teacher strikes) reduced marketing opportunities. In Nepal, the Central Bank passed new regulations requiring identification documents from past generations of an account holder's family. This requirement dampened account opening across the entire banking sector and has since been lifted. In all countries, it is possible that the intensity of product marketing has waned since the initial activities associated with product launch.

Figure 3.2 Research Accounts Opened by Month

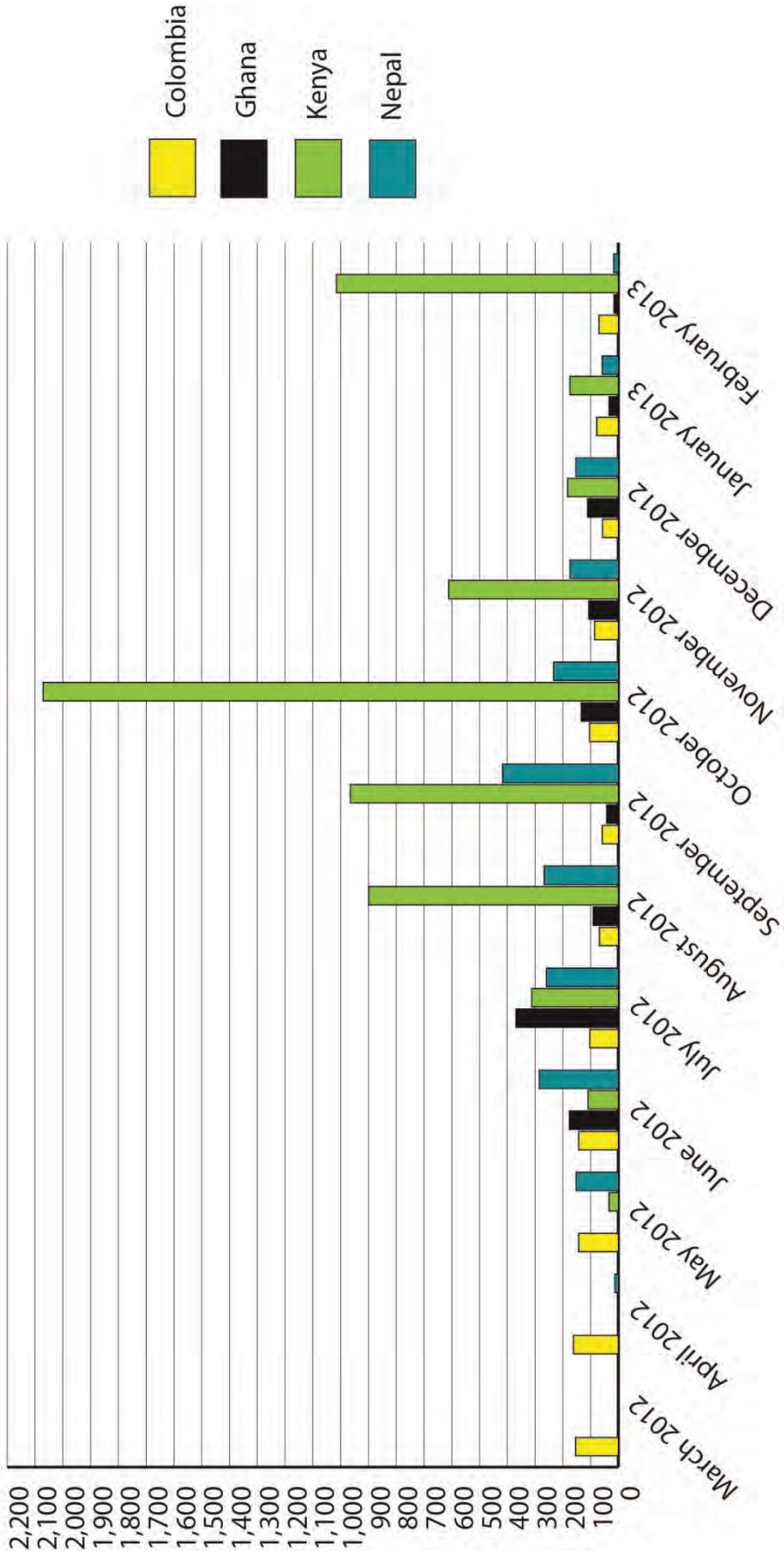
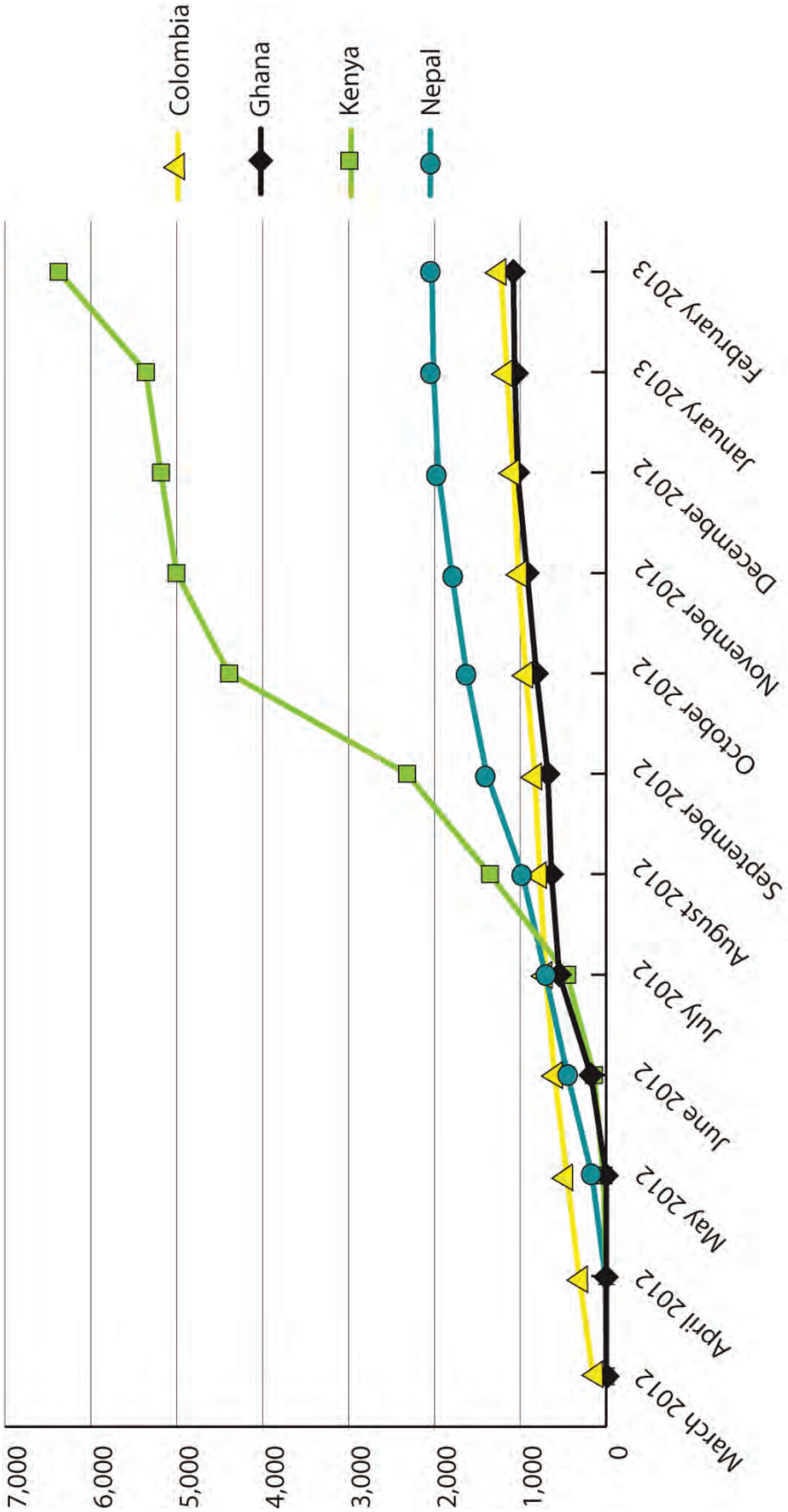


Figure 3.3. Research Account Participation over Time (Cumulative)



Youth Account Holder Characteristics

Demographic characteristics of YouthSave participants are presented in Table 3.3. (These data also are shown by quarter in Appendices B.1–B.4 to identify trends in characteristics of those who open accounts.) A key question is whether the targeted population—low-income youth—opened accounts.

Gender

Male youth dominate account uptake in Kenya (61.7%) and Nepal (63.5%), whereas account uptake by gender is nearly balanced (51.7% female) in Colombia. In Ghana, female youth have slightly higher account uptake (56%). However, quarterly results show increasing numbers of female accounts across all countries with almost equal distribution of accounts open in the third quarter in Kenya (see Appendix B.3). Kenya's results may be a function of increased pressure on FI branches to visit girls' schools after a product review of account holder characteristics in January 2013. Although it is impossible to compare account holder population to country population directly, the gender ratio of YouthSave account holders mirrors the inequality index for Colombia and Kenya (see Table 1.1). In other words, contrasted with the other countries, Colombia has a more equal gender distribution in account uptake and a lower inequality index, and Kenya has a higher gender disparity in account uptake and a higher inequality index.

Age

The average age of account holders at account opening ranges from 13 to 16 years across countries. In Colombia, the average account holder is approximately 13 years old, and none were older than 18 years. Colombia has the highest percentage of youth account holders age 12 or younger (50.2%), which may reflect the regulatory policy that allows youth to open an account independently at age seven. Ghanaian account holders average 14 years of age with the majority (57.5%) between ages 13 and 15 years. In Nepal, the average account holder is age 15 with 52.8% being 16 years—the age of majority to operate an account independently—or older. On average, Kenyan account holders are the oldest with a mean age of 16.2 years. The majority of these youth are 13–15 years (33.5%) and 16–18 years (45%). As in Nepal, over 50% are age 16 years or older.

School enrollment

Over 90% of youth in all countries report being enrolled in school. In Colombia and Ghana, all but four youth in each country are enrolled in school, whereas more out-of-school youth opened accounts in Kenya (1.8%) and Nepal (6.4%) (see Table B.3.6 in Appendix B.3 and Table B.4.6 in Appendix B.4). Out-of-school youth with accounts in Kenya and Nepal tend to be older males, the majority of whom were age 16 or older at the time of account opening.

Level of education

Among account holders in Colombia, 44.1% were in primary school (i.e., grades 1–5), and 53% were in secondary school (i.e., grades 6–12) at account opening. About 3% were attending higher education (i.e., technical school or university). In Ghana, a large majority (79.4%) were in junior high school (JHS) and senior high school (SHS) (i.e., secondary [grades 7–12]), and 20.2% were in primary school (i.e., lower and upper primary [grades 1–6]). The greater representation of youth in

JHS and SHS likely reflects HFC's focus on these grade levels through their Outreach Program. In Kenya, 65.8% of account holders were enrolled in secondary level (i.e., upper primary and high school [grades 7–12]), while only 23.8% were in primary school (i.e., preschool and lower primary [grades 1–6]). Postbank marketed *SMATA* mainly in secondary schools, which could explain the high number of account holders being in secondary school and older in age. In Nepal, 75.1% were in secondary level education (i.e., grades 6–12), while only 19.8% were in primary level (i.e., grades 1–5).

When contrasted with country populations, the YouthSave population seems to be more educated. According to the Human Development Index, primary school dropout rates are 15% in Colombia, 27% in Ghana and Kenya, and 38% in Nepal. Over 90% of YouthSave account holders report being in school, which may reflect marketing strategies of working with schools.

Table 3.3. Youth Account Holder Characteristics at Account Opening

	Colombia (*N* = 1,227)	Ghana (*N* = 1,082)	Kenya (*N* = 6,373)	Nepal (*N* = 2,028)	Total (*N* = 10,710)
	n (%)	*n* (%)	*n* (%)	*n* (%)	*n* (%)
Age					
Younger than 10	250 (20.4)	0 (0)	37 (0.6)	11 (0.5)	298 (2.8)
10–12	366 (29.8)	136 (12.6)	752 (11.8)	499 (24.6)	1,753 (16.4)
13–15	390 (31.8)	622 (57.5)	2,133 (33.5)	448 (22.1)	3,593 (33.5)
16–18	221 (18.0)	304 (28.0)	2,865 (45.0)	596 (29.4)	3,986 (37.2)
19–21	0 (0)	16 (1.5)	289 (4.5)	467 (23.0)	772 (7.2)
22–24	0 (0)	4 (0.4)	21(0.4)	6 (0.3)	31 (0.3)
25–30	0 (0)	0 (0)	85 (1.3)	1 (0.1)	86 (0.8)
Older than 30	0 (0)	0 (0)	151 (2.3)	0 (0)	151 (1.4)
Missing	0 (0)	0 (0)	40 (0.6)	0 (0)	40 (0.4)
Age (mean) (SD)	12.8 (2.93)	14.6 (1.89)	16.2 (5.48)	15.5 (3.40)	
Gender					
Male	593 (48.3)	476 (44.0)	3,935 (61.7)	1,287 (63.5)	6,291 (58.7)
Female	634 (51.7)	606 (56.0)	2,438 (38.3)	741 (36.5)	4,419 (41.3)
Currently in school					
Yes	1,223 (99.7)	1,078 (99.6)	6,165 (96.7)	1,899 (93.6)	10,365 (96.7)
No	4 (0.3)	4 (0.4)	115 (1.8)	129 (6.4)	252 (2.4)
Missing	0 (0)	0 (0)	93 (1.5)	0 (0)	93 (0.9)
Education level					
No formal education	0 (0)	0 (0)	5 (0.1)	3 (0.1)	8 (0.1)
Primary*	541 (44.1)	219 (20.2)	1,519 (23.8)	401 (19.8)	2,680 (25.0)
Secondary	650 (53.0)	859 (79.4)	4,193 (65.8)	1,523 (75.1)	7,225 (67.4)
Technical or university	32 (2.6)	0 (0)	0 (0)	101(5.0)	137 (1.3)
Other	4 (0.3)	4 (0.4)	24 (0.4)	0 (0)	28 (0.3)
Don't know	0 (0)	0 (0)	1 (0.02)	0 (0)	1 (0)
Missing	0 (0)	0 (0)	631 (9.9)	0 (0)	631 (5.9)

*Grades 1–6 in Ghana and Kenya and grades 1–5 in Colombia and Nepal

Estimated poverty rates

Table 3.4 shows the poverty rates of YouthSave account holders in each country as contrasted with national averages. In Ghana, over 40% of youth account holders live below a consumption expenditure level of USD 2.50 per day. In Kenya and Nepal, over 50% live below USD 2.50 per day. Thus, YouthSave appears to be attracting a substantial proportion of poor households in Ghana, Kenya, and Nepal. In Colombia, 9.5% of account holders live below USD 2.50 per day, while the national poverty rate is 17%. Note that Colombia's poverty rate is lower than the other countries because Colombia is overall a wealthier nation, which is reflected in the YouthSave population.

Table 3.4. Estimated Consumption-Based Poverty Rates

	National population (%)	YouthSave population (%)
Colombia		
USD 1.25/day 2005 PPP	5.4	2.9
USD 2.50/day 2005 PPP	17.0	9.5
Ghana		
USD 1.25/day 2005 PPP	26	11
USD 2.50/day 2005 PPP	58	40
Kenya		
USD 1.25/day 2005 PPP	36	24
USD 2.50/day 2005 PPP	68	52
Nepal		
USD 1.25/day 2005 PPP	23	16
USD 2.50/day 2005 PPP	69	58

A similar but alternative approach to assessing the percentage of low-income youth in Colombia is to use the national stratum that defines socioeconomic levels based on housing and public infrastructure characteristics in a geographic region. When contrasted with each other, households in strata 1 and 2 are poorest, those in strata 3 and 4 are middle, and those in strata 5 and 6 are wealthiest. According to data from BCS, 45% of account holders belong to strata 1 and 2, 49% belong to strata 3 and 4, and 4% belong to strata 5 and 6. The percentages of the national population in each of these three levels are 64%, 33%, and 3%, respectively. Similar to the result shown for the estimated poverty rate, a lower proportion of YouthSave account holders are from the poorer households compared to the national distribution.

Gender

Table 3.5 shows youth demographics by gender. In Ghana, the demographic characteristics of males and females are very similar although the population of females is slightly older. In Colombia, a smaller proportion of male youth report studying in a technological (i.e., tertiary level) program. Also, while all of the Colombian females with accounts attend school, four male youth are out of school, which is not surprising since school dropout in Colombia is much more prevalent for males than females.

In Kenya, female account holders tend to be younger with 51% younger than age 16 contrasted with 42% of male account holders in the same age category. School enrollment reflects a similar pattern with 56% of males in high school contrasted with 41% of females, which may be a result of FI marketing efforts focused more on high schools, especially boys' schools.

In Nepal, female youth account holders tend to be younger than their male counterparts. For example, 61% of those aged 16 and older are male. Segmenting youth by level of education, gender is almost equal in secondary level, but there are more female account holders in the primary grade level and more male account holders in the higher secondary grade level. Overall, male account holders are more likely to be older.

Table 3.5. Youth Demographics by Gender

	Colombia		Ghana		Kenya		Nepal	
	Male (*N* = 593)	Female (*N* = 634)	Male (*N* = 476)	Female (*N* = 606)	Male (*N* = 3,935)	Female (*N* = 2,438)	Male (*N* = 1,287)	Female (*N* = 741)
	n (%)	*n* (%)	*n* (%)	*n* (%)	*n* (%)	*n* (%)	*n* (%)	*n* (%)
Age								
Younger than 10	118 (19.9)	132 (20.8)	0 (0)	0 (0)	22 (0.6)	15 (0.6)	4 (0.3)	7 (0.9)
10–12	164 (27.7)	202 (31.9)	68 (14.3)	68 (11.2)	405 (10.3)	347 (14.2)	260 (20.2)	239 (32.2)
13–15	197 (33.2)	193 (30.4)	275 (57.8)	347 (57.3)	1,251 (31.8)	882 (36.2)	239 (18.5)	209 (28.2)
16–18	114 (19.2)	107 (16.9)	121 (25.4)	183 (30.2)	1,876 (47.7)	989 (40.6)	432 (33.6)	164 (22.1)
19–21	0 (0)	0 (0)	8 (1.7)	8 (1.3)	206 (5.2)	83 (3.4)	346 (26.9)	121 (16.3)
22–24	0 (0)	0 (0)	4 (0.8)	0 (0)	14 (0.4)	7 (0.3)	5 (0.4)	1 (0.1)
25–30	0 (0)	0 (0)	0 (0)	0 (0)	74 (1.9)	11 (0.5)	1 (0.1)	0 (0)
Older than 30	0 (0)	0 (0)	0 (0)	0 (0)	63 (1.6)	88 (3.6)	0 (0)	0 (0)
Missing	0 (0)	0 (0)	0 (0)	0 (0)	24 (0.6)	15 (0.6)	0 (0)	0 (0)
Currently in school								
Yes	589 (99.3)	634 (100)	476 (100)	602 (99.3)	3,794 (96.4)	2,371 (97.3)	1,193 (92.7)	706 (95.3)
No	4 (0.7)	0 (0)	0 (0)	4 (0.7)	71 (1.8)	44 (1.8)	94 (7.3)	35 (4.7)
Missing	0 (0)	0 (0)	0 (0)	0 (0)	70 (1.8)	23 (0.9)	0 (0)	0 (0)
Education level								
No formal education	0 (0)	0 (0)	0 (0)	0 (0)	3 (0.1)	2 (0.1)	2 (0.1)	1 (0.1)
Pre-school	0 (0)	0 (0)	0 (0)	0 (0)	128 (3.2)	70 (2.9)	6 (0.5)	9 (1.2)
Primary*	256 (43.2)	285 (45)	100 (20.8)	119 (19.7)	708 (18.0)	613 (25.2)	202 (15.7)	184 (24.8)
Secondary	353 (54.5)	327 (51.6)	376 (78.8)	483 (79.6)	2,770 (70.4)	1,423 (58.4)	1,017 (79.0)	506 (68.3)
Technical or university	10 (1.7)	22 (3.5)	0 (0)	4 (0.6)	0 (0)	0 (0)	60 (4.7)	41 (5.6)
Other	4 (0.8)	0 (0)	0 (0)	0 (0)	18 (0.5)	6 (0.2)	0 (0)	0 (0)
Missing	0 (0)	0 (0)	0 (0)	0 (0)	308 (7.8)	323 (13.2)	0 (0)	0 (0)
Estimated poverty rate USD 2.50/day 2005 PPP Mean (SD)	9.47 (7.63)	9.47 (6.83)	42.76 (21.90)	41.18 (21.77)	52.25 (30.70)	56.11 (29.65)	42.31 (24.51)	44.72 (24.67)

*Grades 1–6 in Ghana and Kenya and grades 1–5 in Colombia and Nepal

Note: Chi-square tests and t-tests indicate that every variable in the table is significantly different for male and female youth at $p<.05$ for Kenya and Nepal. For Colombia, tests indicate that only the currently in school variable is different for male and female youth at $p<.05$. For Ghana, there was no difference for male and female youth in any variable.

Income and work in past six months

To obtain a snapshot of youth participation in the labor market, youth were asked if they had earned income in the past six months and if they previously had a formal financial account. As might be expected with this age group, the majority indicate that they did not earn income or previously have a formal bank account (Table 3.6). Over 80% of youth in Ghana, Kenya, and Nepal report not having worked in the past six months. Contrasted with Kenya (8%), approximately twice as many youth in Ghana (14.8%) and Nepal (16.3%) indicate having earned income. Information from Colombia is not available.

Table 3.6. Youth Labor Market Participation

	Ghana (*N* = 1,082)	Kenya (*N* = 6,373)	Nepal (*N* = 2,028)	Total (*N* = 9,483)
	n (%)	*n* (%)	*n* (%)	*n* (%)
Income in past six months				
Yes	160 (14.8)	505 (8.0)	330 (16.3)	995 (10.5)
No	894 (82.6)	5,647 (88.6)	1,698 (83.7)	8,239 (86.9)
Don't know	28 (2.6)	136 (2.1)	0 (0)	136 (1.4)
Missing	0 (0)	85 (1.3)	0 (0)	113 (1.2)
Previous formal account				
Yes	37 (3.4)	399 (6.3)	338 (16.6)	774 (8.2)
No	1,014 (93.7)	5,823 (91.3)	1,642 (81.0)	8,479 (89.4)
Don't know	31 (2.9)	74 (1.2)	48 (2.4)	122 (1.3)
Missing	0 (0)	77 (1.2)	0 (0)	108 (1.1)
Source of funds				
Earned income	73 (6.8)	336 (5.3)	293 (14.4)	702 (7.4)
From family	949 (87.7)	5,150 (80.8)	1,695 (83.6)	7,794 (82.2)
Other	60 (5.5)	607 (9.5)	40 (2.0)	707 (7.5)
Missing	0 (0)	280 (4.4)	0 (0)	280 (3.0)

Table 3.7 provides information about youth labor market participation by gender. In Ghana, females and males are similarly unlikely to have earned income in the past six months or had experience with formal banking. In Kenya and Nepal, male account holders are more likely to have earned income in the past six months and had experience with formal banking.

Table 3.7. Youth Labor Market Participation by Gender

	Ghana		Kenya		Nepal	
	Male (*N* = 476)	Female (*N* = 606)	Male (*N* = 3,935)	Female (*N* = 2,438)	Male (*N* = 1,287)	Female (*N* = 741)
	n (%)	*n* (%)	*n* (%)	*n* (%)	*n* (%)	*n* (%)
Income in past six months						
Yes	75 (15.8)	85 (14.0)	384 (9.8)	121 (5.0)	244 (19.0)	86 (11.6)
No	393 (82.5)	501 (82.6)	3,435 (87.3)	2,212 (90.7)	1,043 (81.0)	655 (88.4)
Don't know	8 (1.7)	20 (3.3)	69 (1.7)	67 (2.7)	0 (0)	0 (0)
Missing	0 (0)	0 (0)	47 (1.2)	38 (1.6)	0 (0)	0 (0)
Previous formal account						
Yes	15 (3.2)	22 (3.6)	244 (6.2)	155 (6.4)	237 (18.4)	101 (13.6)
No	450 (94.5)	564 (93.1)	3,599 (91.5)	2,224 (91.2)	1,026 (79.7)	616 (83.1)
Don't know	11 (2.3)	20 (3.3)	51 (1.3)	23 (0.9)	0 (0)	0 (0)
Missing	0 (0)	0 (0)	41 (1.0)	36 (1.5)	24 (1.9)	24 (3.3)
Source of funds						
Earned income	42 (8.8)	31 (5.1)	238 (6.1)	98 (4.0)	220 (17.1)	73 (9.9)
Family	407 (85.5)	542 (89.4)	3,044 (77.4)	2,106 (86.4)	1,040 (80.8)	655 (88.4)
Other	27 (5.7)	33 (5.4)	424 (10.8)	183 (7.5)	27 (2.1)	13 (1.8)
Missing	0 (0)	0 (0)	229 (5.8)	51 (2.1)	0 (0)	0 (0)

Note: Chi-square tests and t-tests indicate that every variable in the table is significantly different for male and female youth at $p<.05$ in Kenya and Nepal. For Ghana, there was no difference for male and female youth.

Experience with formal bank accounts

The proportions of youth who previously held a formal account were small in Ghana (3.4%), Kenya (6.3%), and Nepal (16.6%). The higher percentage in Nepal may reflect the younger age of majority in that country. Data suggest that the YouthSave account is the first experience of having a formal bank account for the majority of youth.

Source of funds

Over 80% of youth indicate that the source of money for savings is from family. Some youth also report using earned income: 14.4% in Nepal, 6.8% in Ghana, and 5.3% in Kenya.

Household Characteristics of Youth

Household characteristics of the youth in Ghana, Kenya, and Nepal are presented in Table 3.8. Household data for youth in Colombia is not available.

Head of household (HOH) relationship to youth

In all three countries, a majority of the youth live in households whose heads are fathers: 70.1% in Ghana, 70% in Kenya, and 84.4% in Nepal. Some youth are the HOH, and some households are headed by individuals who are neither the youth's father nor mother: 7.3% in Ghana, 4.4% in Kenya, and 3.2% in Nepal. In Ghana, one reason why they may not be living with their parents is that many live with nonrelatives as domestic helpers.

Number of household members

Across all countries, most youth live in households with five or more members. Nepal has the most youth who live in smaller households with 41.2% living with four or fewer household members, followed by Ghana with 32.1% and Kenya with 24.9%.

HOH education

Education levels of HOHs are highest in Kenya with 37.6% having obtained a technical school (22.8%) or university (14.8%) education. Only 3.4% of Kenyan youth live in households whose heads do not have any formal education, contrasted with 9.6% in Ghana and 13.8% in Nepal. The country with the lowest HOH education level is Nepal with 31.6% having primary or less education, followed by Ghana with 19.6% and Kenya with 16.8%. Contrasted with national averages in each country, YouthSave households appear to be more educated in each case. For those older than 25 years of age, the mean years of education in the general population ranges from three to seven (see Table 1.1). Among the YouthSave population, at least 50% of HOHs have secondary-level education or more.

Household mode of transportation owned

A potential indicator of wealth is asset ownership. One question about the mode of transportation owned by the household is used as a variable to assess level of household wealth. In each country, over 60% of youth report their family owns either nonmotorized or no mode of transportation. In Ghana, more than half indicate their family owns no mode of transportation (55.8%), and in Kenya and Nepal, almost half do (49.6% and 42.2%, respectively). The proportion of households with motorized transportation (e.g., motorcycle, scooter, car) is highest in Nepal (28.9%), followed by Kenya (23.6%) and Ghana (18.3%).

Table 3.8. Household Demographic Composition

	Ghana (*N* = 1,082)	Kenya (*N* = 6,373)	Nepal (*N* = 2,028)
	n (%)	*n* (%)	*n* (%)
HOH			
Father	758 (70.1)	4,457 (70.0)	1,711 (84.4)
Mother	234 (21.6)	1,513 (23.7)	251 (12.4)
Self or other	79 (7.3)	280 (4.4)	66 (3.2)
Don't know	0 (0)	44 (0.7)	0 (0)
Missing	11 (1.0)	79 (1.2)	0 (0)
Number of household members			
3 or fewer	182 (16.8)	551 (8.7)	150 (7.4)
4	165 (15.3)	1,034 (16.2)	685 (33.8)
5	173 (16.0)	1,321 (20.7)	563 (27.8)
6	175 (16.2)	1,314 (20.6)	309 (15.2)
7 or more	346 (31.9)	1,741 (27.3)	321 (15.8)
Don't know	0 (0)	138 (2.2)	0 (0)
Missing	41 (3.8)	274 (4.3)	0 (0)
Number of household members (mean)	5.27 (1.59)	5.43 (1.37)	4.97 (1.22)

HOH education level			
No formal education	104 (9.6)	219 (3.4)	279 (13.7)
Primary	108 (10.0)	851 (13.4)	360 (17.8)
Secondary	312 (28.8)	1,697 (26.6)	856 (42.2)
Technical school	128 (11.8)	1,454 (22.8)	30 (1.5)
University	109 (10.1)	946 (14.8)	336 (16.6)
Don't know	0 (0)	1,124 (17.6)	167 (8.2)
Missing	321 (29.7)	82 (1.3)	0 (0)
Mode of transportation owned			
None	604 (55.8)	3,164 (49.6)	856 (42.2)
Nonmotorized	94 (8.7)	1,089 (17.1)	515 (25.4)
Motorized	198 (18.3)	1,504 (23.6)	587 (28.9)
Both (motorized/nonmotorized)	62 (5.7)	505 (7.9)	70 (3.5)
Missing	124 (11.5)	111 (1.7)	0 (0)

HOH, head of household

HOH employment in agricultural sector

More HOHs work in the agriculture sector in Kenya (30.4%) and Nepal (39.8%) than in Ghana (14.8%). These differences are not surprising given the heavier emphasis on the agricultural industry in Kenya and Nepal and the number of bank branches in rural areas.

HOH employment status

The proportion of self-employed HOHs is highest in Ghana (58.9%), followed by Kenya (39%) and Nepal (31.7%). Approximately 17% of youth in Nepal live in households whose heads are not employed, which is higher than Ghana (1.3%) or Kenya (9.5%). In Nepal, the majority of HOHs are reported as employed (40.6%) or self-employed (31.7%). Similarly, in Kenya, an almost equal proportion of household heads are employed (39%) or self-employed (39%). In Ghana, the majority are self-employed (58.9%).

HOH experience with formal bank accounts

Most HOHs in Kenya (64.2%) and Nepal (64.2%) have had experience with formal banking (Table 3.9). In Ghana, only 49.5% report having a previous account, which could be understated because 24.3% of responses are missing.

Table 3.9. Head of Household Market Participation

	Ghana (N = 1,082)	Kenya (N = 6,373)	Nepal (N = 2,028)
	n (%)	*n* (%)	*n* (%)
Previous formal bank account			
Yes (this or other FIs)	536 (49.5)	4,089 (64.2)	1,396 (68.8)
No	283 (26.2)	945 (14.8)	346 (17.1)
Don't know	0 (0)	1,078 (16.9)	286 (14.1)
Missing	263 (24.3)	261 (4.1)	0 (0)

Work in agricultural sector			
Yes	160 (14.8)	1,937 (30.4)	808 (39.8)
No	814 (75.2)	3,625 (56.9)	1,181 (58.2)
Don't know	0 (0)	692 (10.9)	39 (2.0)
Missing	108 (10.0)	119 (1.9)	0 (0)
Employment status			
Employed	271 (25.0)	2,478 (38.9)	824 (40.6)
Self-employed	637 (58.9)	2,487 (39.0)	643 (31.7)
Not employed	14 (1.3)	608 (9.5)	338 (16.7)
Other	64 (5.9)	393 (6.2)	222 (10.9)
Don't know	0 (0)	336 (5.3)	0 (0)
Missing	96 (8.9)	71 (1.1)	1 (0.1)

Cosignature on account

Across the three countries, approximately half of accounts were opened with someone other than the parent (e.g., relative, other trusted adult, or self) (Table 3.10). In Kenya, the percentage is more than half (56.5%), up from 50% in the first quarter to 58% in the second and third quarters with a corresponding decline in the percentage of parents cosigning on the account (see Table B.3.3 in Appendix B.3). A possible reason is that in Ghana and Kenya, where marketing of accounts often occurs in schools, teachers can be named as the trusted adult, thus facilitating accounts to be opened without additional follow-up with parents or guardians. Also, some parents in Ghana are concerned that youth might start to steal money to make deposits, and in homes where the youth is domestic help, adults do not want to assist in the process. It is also possible that the results reflect the market research findings that youth want the option for a trusted adult other than a parent (Deshpande, 2012). In Nepal, almost half (45.9%) were opened by youth, likely because of the lower majority age of 16 years.

Table 3.10. Cosignatory on Account

	Ghana (*N* = 1,082)	Kenya (*N* = 6,373)	Nepal (*N* = 2,028)
	n (%)	*n* (%)	*n* (%)
Father	186 (17.2)	1,051 (16.5)	527 (26.0)
Mother	334 (30.9)	1,575 (24.7)	494 (24.4)
Other relative	213 (19.7)	944 (14.8)	61 (3.0)
Nonrelative	349 (32.3)	2,660 (41.7)	15 (0.7)
Self	0 (0)	0 (0)	931 (45.9)
Missing	0 (0)	143 (2.2)	0 (0)

How Youth Learned about the Account

Youth account holders in Ghana, Kenya, and Nepal[7] learned about YouthSave accounts from a variety of sources (Table 3.11). There is no consistent pattern across the countries, which may reflect different FI marketing strategies. In Ghana, the majority of youth learned about the account through

[7] Youth in Colombia did not have the opportunity to answer the question.

the HFC Outreach Program bank campaign (73.6%), followed by schools (19.6%). This result likely reflects HFC's heavy marketing in schools that is a focus of the HFC Outreach Program, and in-school banking opportunities implemented by HFC and partnering schools.

Table 3.11. Source for Learning about YouthSave Account

	Ghana (*N* = 1,082)	Kenya (*N* = 6,373)	Nepal (*N* = 2,028)	Total (*N* = 9,483)
Radio/TV/newspaper	32 (2.9)	408 (6.4)	610 (30.1)	1,050 (11.1)
Bank fair/rallies/other campaign	796 (73.6)	1,594 (25.0)	305 (15.0)	2,695 (28.4)
FE workshop/youth club	7 (0.7)	337 (5.3)	298 (14.7)	642 (6.8)
School/college	212 (19.6)	3,091 (48.5)	152 (7.5)	3,455 (36.4)
Church/mosque/temple	0 (0)	127 (2.0)	2 (0.1)	129 (1.4)
Friend/family	26 (2.4)	580 (9.1)	510 (25.1)	1,116 (11.8)
Mobile phone	0 (0)	11 (0.2)	3 (0.2)	14 (0.1)
Internet	0 (0)	31 (0.5)	39 (1.9)	70 (0.7)
Others	9 (0.8)	137 (2.1)	108 (5.4)	311 (3.3)
Missing	0 (0)	57 (0.9)	1 (0.1)	1 (0)

Conversely, Kenyan youth report learning about the account most frequently through schools (48.5%) and bank campaigns (25.0%). Between the first and third quarters, the percentage of youth who learned about the account through a youth savings group increased by over 5%, and the percentage of youth who learned about the account through schools also increased by over 5%, while the percentage who learned through a bank campaign declined by almost 8% (see Table B.3.5 in Appendix B.3). These results are not surprising given Postbank's marketing emphasis in schools.

In Nepal, youth were more likely to be introduced to the account through mass media (30.1%), friends or family (25.1%), bank fairs (15%), or financial education (FE) workshop/youth club (14.7%). Quarterly results show a large increase in the number of youth that reported learning about the account through a youth club (16%) and bank campaigns (6%) with a corresponding 24% decline in the percentage who heard about the account through mass media (See Table B.4.5 in Appendix B.4).

Results show that over 50% of out-of-school youth in Nepal report learning about the account through friends and family (see Table B.4.6 in Appendix B.4). In Kenya, percentages were almost evenly divided among bank ads, school, and friends and family (see Table B.3.6 in Appendix B.3). (It is unclear why out-of-school youth report having heard about the account through school.)

There is little variation between male and female youth. In Ghana, slightly more females learned about the account through bank activities, while slightly more males learned about the account through schools. Both genders were more likely to learn about the Kenyan *SMATA* account through school or a bank advertisement. In addition, more males heard about the product through mass media, while more females heard about the account through a group, family, friends, youth club, or religious institution.

In Nepal, both genders were more likely (approximately 30%) to hear about the CYBY account via mass media (i.e., radio, television, or newspaper) or through friends and family. Female account holders were slightly more likely to learn about the account through FE workshops/youth clubs

(17.3%) and bank fairs (16.6%) than males. Though not as frequently mentioned, males report learning about the account through the Internet more often (2.6%) than females (0.7%) (Table 3.12).

Table 3.12. Source for Learning about YouthSave Account by Gender

	Ghana		Kenya		Nepal	
	Male (*N* = 476)	Female (*N* = 606)	Male (*N* = 3,935)	Female (*N* = 2,438)	Male (*N* = 1,287)	Female (*N* = 741)
	n (%)	*n* (%)	*n* (%)	*n* (%)	*n* (%)	*n* (%)
Radio/TV/ newspaper	12 (2.5)	20 (3.3)	275 (7.0)	133 (5.5)	396 (30.8)	214 (28.9)
Bank fair/rallies/ other campaign	340 (71.4)	456 (75.3)	950 (24.1)	644 (26.4)	182 (14.1)	123 (16.6)
FE workshop/youth club	2 (0.4)	5 (0.8)	206 (5.2)	131 (5.4)	170 (13.2)	128 (17.3)
School/college	108 (22.7)	104 (17.2)	1,949 (49.5)	1,142 (46.8)	98 (7.6)	54 (7.3)
Church/mosque/ temple	0 (0)	0 (0)	69 (1.8)	58 (2.4)	2 (0.2)	0 (0)
Friend/family	8 (1.7)	18 (3.0)	354 (9.0)	226 (9.3)	342 (26.6)	168 (22.7)
Mobile phone	0 (0)	0 (0)	9 (0.2)	2 (0.08)	3 (0.2)	0 (0)
Internet	2 (0.4)	5 (0.8)	23 (0.6)	8 (0.3)	34 (2.6)	5 (0.7)
Other	6 (1.3)	3 (0.5)	69 (1.8)	68 (2.8)	59 (4.6)	49 (6.6)
Missing	0 (0)	0 (0)	31 (0.8)	26 (1.1)	1 (0.1)	0 (0)

Note: Chi-square tests indicate that the source for learning about the account was significantly different for male and female youth at $p<.05$ in Kenya and Nepal. There was no difference in Ghana.

Youth Savings Goals

When asked about reasons for saving at account opening, many youth indicated that they are saving for their own education: 81.7% in Ghana, 38.5% in Kenya, and 63% in Nepal. A large proportion of youth in Kenya (28.3%) and Nepal (26.8%) indicate saving for emergencies (Table 3.13). In Kenya, over 15% indicate saving for day-to-day expenses. From Q1 to Q3, more Kenyan and Nepalese youth indicated saving for their own education, and fewer reported saving for emergencies (see Table B.3.4 in Appendix B.3 and Table B.4.4 in Appendix B.4). Out-of-school youth in Kenya and Nepal most frequently reported saving for emergencies, followed by their own education (see Table B.3.6 in Appendix B.3 and Table B.4.6 in Appendix B.4).

Table 3.13. Youth Savings Goals

	Ghana (*N* = 1,082)	Kenya (*N* = 6,373)	Nepal (*N* = 2,028)	Total (*N* = 9,483)
Emergencies	104 (9.6)	1,806 (28.3)	543 (26.8)	2,453 (25.9)
Business	27 (2.5)	455 (7.1)	27 (1.3)	509 (5.4)
Own education	885 (81.7)	2,456 (38.5)	1,275 (63.0)	4,616 (48.7)
Relative's education	18 (1.7)	59 (1.0)	16 (0.8)	93 (1.0)
Day-to-day expenses	13 (1.2)	989 (15.5)	104 (5.1)	1,106 (11.7)
Trip/vacation	6 (0.6)	84 (1.3)	30 (1.5)	120 (1.3)
Job-related training	1 (0.1)	130 (2.1)	15 (0.7)	146 (1.5)
Other	28 (2.6)	394 (6.2)	18 (0.8)	440 (4.6)

Most male and female account holders in Ghana, Kenya, and Nepal report saving for education or emergencies. In Kenya and Nepal, youth from both genders report saving for day-to-day expenses, but the proportion of youth who report saving for their own education is higher among females than males. Male account holders selected business expenses as a reason for saving more often than females. Females have a slightly higher percentage of saving for job-related training.

Table 3.14. Youth Savings Goal by Gender

	Ghana		Kenya		Nepal	
	Male (*N* = 476)	Female (*N* = 606)	Male (*N* = 3,935)	Female (*N* = 2,438)	Male (*N* = 1,287)	Female (*N* = 741)
	n (%)	*n* (%)	*n* (%)	*n* (%)	*n* (%)	*n* (%)
Emergencies	39 (8.2)	65 (10.7)	1,120 (28.5)	686 (28.1)	376 (29.2)	167 (22.6)
Business	8 (1.7)	19 (3.1)	349 (8.9)	106 (4.4)	25 (1.9)	2 (0.3)
Own education	396 (83.2)	489 (80.7)	1,372 (34.9)	1,084 (44.5)	754 (58.6)	521 (70.3)
Relatives' education	5 (1.1)	13 (2.2)	36 (0.9)	23 (0.9)	12 (0.9)	4 (0.5)
Day-to-day expenses	7 (1.5)	6 (1.0)	662 (16.8)	327 (13.4)	75 (5.8)	29 (3.9)
Trip/vacation	4 (0.8)	2 (0.3)	57 (1.4)	27 (1.1)	26 (2.0)	4 (0.5)
Job-related training	1 (0.2)	0 (0)	80 (2.0)	50 (2.1)	9 (0.7)	6 (0.8)
Other	16 (3.4)	12 (2.0)	259 (6.6)	135 (5.5)	10 (0.9)	8 (1.1)

Note: Chi-square tests indicate that savings goals were significantly different for male and female youth at $p<.05$ in Kenya and Nepal. In Ghana, savings goals were not different between male and female youth.

In Colombia, during the account opening process, youth were not asked their reasons for saving. Instead, they were asked how much they wanted to save, how much time they perceived they would need to reach that goal, and how much their average monthly deposit would be. As shown in Table 3.15, a typical youth in Colombia plans to save USD 664 over 20 months with an average monthly deposit of USD 34. Overall, lower strata youth report higher savings goals (see Table B.1.3 in Appendix B.1). When viewed by gender, the amount of the savings goal and the duration to meet the goal are significantly higher for male than female account holders (Table 3.16).

Table 3.15. *Cuentamiga para Jóvenes* Account Holder Savings Goals

	Mean (*N* = 1,220)
Total amount of savings goal (in PPP-converted USD)	664.00
Total months to reach goal	20.1
Average monthly deposit goal (in PPP-converted USD)	34.12

Note: Seven values are missing for the savings goal variable.

Table 3.16. *Cuentamiga para Jóvenes* Account Holder Savings Goals by Gender

	Male (*N* = 591)	Female (*N* = 629)
Total amount of savings goal (in PPP-converted USD)*	778.00	556.00
Total months to reach goal**	21	19
Average monthly deposit goal (in PPP-converted USD)	40.60	28.00

*$p<0.1$, **$p<0.05$

Note: Seven values are missing for the savings goal variable.

Key Findings

Primary topics addressed in this chapter are the number of youth signing up for accounts, characteristics of these youth, characteristics of the youth's households, and the extent to which these characteristics reflect the target population that the FIs intend to reach.

- Thus far, across all four countries, 19,953 youth have opened YouthSave accounts between product rollout and February 28, 2013. Of these youth, 10,710 (53.6%) are part of the research that is tracking account holder characteristics, savings activity, and financial capability program participation.

- YouthSave savings products have been available for 10 to 12 months, depending on the rollout date in each country. The average length an account has been open ranges from 4.8 to 7.3 months. This time period is relatively short given the emphasis on accruing savings; therefore, results should be viewed with the understanding that patterns in uptake and savings may change over time.

- The typical account holder is between the ages of 13 and 16 enrolled in the equivalent of junior or senior high school (i.e., grades 7–12). Only 2.4% of out-of-school youth are represented across all four countries, which may reflect the difficulty of reaching this population and FI marketing activities which often occurred in schools.

- How youth learned about the account differs by country. In Ghana, for example, most youth (73.6%) reported learning about the opportunity through the HFC Outreach bank campaign. In Kenya and Nepal, the responses were more diverse but the most reported category in Kenya was school/college (48.5%), and in Nepal was mass media (30.1%).

- Although they make up only a small percentage of account holders, out-of-school youth reflect some differences worth mentioning. They tend to be older male youth between ages 16 and 21 years who—contrary to in-school youth—are saving primarily for emergencies, education, and day-to-day expenses. Depending on the country, out-of-school youth are more likely to learn about the account through friends or family, mass media, bank campaigns, or—unexpectedly—school. This is important to consider in developing marketing strategies to reach these youth.

- YouthSave FIs are reaching low-income youth, but the account holder population is less poor than the respective national populations. Based on estimated consumption-based poverty rates, over 40% of account holders in Ghana, Kenya, and Nepal and approximately 10% in Colombia are living below USD 2.50 per day (in 2005 PPP).

- Approximately 90% of youth report not having previous formal bank experience, and 17% of HOHs have not had prior formal banking experience. These results suggest that the YouthSave products are reaching unbanked youth, and in some cases, unbanked households.

- Male youth are opening more accounts than female youth by a ratio of 3:2 in Kenya and Nepal. In Colombia and Ghana, gender is more equally represented. However, an increasing number of female youth are opening accounts in Kenya and Nepal. In the third quarter, for example, Kenya had an almost equal distribution of female and male account openings.

- Across countries, many youth (48.7%) are saving for their own education, although a large proportion indicates that they are saving for emergencies (25.9%) and day-to-day expenses (11.7%).

- Although youth are opening accounts, they are being opened at a declining rate, except in Kenya. In Kenya, an effective promotional campaign, Postbank's extensive branch network, and the ability to open accounts without an initial deposit may explain higher account uptake. In Colombia, low account uptake may reflect competition with *Tuticuenta,* a more transaction-oriented product that has served the same age group for 15 years. In Ghana, developing a product marketing strategy with area schools has taken longer than anticipated because of disruptions in the school calendar, which reduce marketing opportunities. In Ghana and Kenya, school holidays also have limited opportunities to reach youth. In Nepal, temporary regulatory changes in household identification requirements created a barrier to opening accounts across the entire banking sector. In all four countries, it is possible that the intensity of product marketing has waned following product launch.

This chapter provides a picture of who is signing up for YouthSave accounts, how they learned about the savings products, and the stated purposes for their savings. The next chapter describes how much they have saved in YouthSave accounts.

Chapter 4: Savings Outcomes

This chapter presents several measures of savings outcomes. Table 4.1 presents measures of total net savings across all accounts during the reporting period between rollout and February 28, 2013, for each country. Total net savings across all four countries is USD 519,127.[8]

- In Colombia, 1,005 *Cuentamiga para Jóvenes* account holders deposited USD 297,986 and withdrew USD 48,250 over 12 months. Total net savings were USD 249,597.
- In Ghana, 1,082 *Enidaso* account holders deposited USD 34,224 and withdrew USD 4,612 over 10 months. Total net savings were USD 28,543.
- In Kenya, 5,878 youth account holders deposited USD 91,517 and withdrew USD 34,203 over 10 months. Total net savings were USD 56,461.
- In Nepal, 2,028 youth account holders deposited USD 1,020,051 and withdrew USD 840,017 over 11 months. Total net savings were USD 184,525.

Table 4.1 Total Savings in National Currencies (PPP-Converted USD)

	Colombia *N* = 1,005 COP	Ghana *N* = 1,082 GHS	Kenya *N* = 5,878 KES	Nepal *N* = 2,028 NPR	Total PPP-converted USD
Total amount of deposits	368,421,160	30,425	3,630,751	34,461,412	
	(297,986)	(34,224)	(91,517)	(1,020,051)	1,443,778
Total amount of interest	893,991	92	326	159,699	
	(723)	(103)	(8)	(4,727)	5,562
Total amount of withdrawals	59,655,442	4,100	1,356,945	28,379,128	
	(48,250)	(4,612)	(34,203)	(840,017)	927,082
Total amount of service fees/taxes	1,065,716	1,042	34,145	7,984	
	(862)	(1,172)	(862)	(236)	3,131
Total net savings*	308,593,992	25,375	2,239,987	6,233,999	
	(249,597)	(28,543)	(56,461)	(184,525)	519,127

*Net savings = deposits + interest – withdrawals – taxes or service fees

With respect to withdrawals, Nepalese youth who made withdrawals withdrew the most: 82% of total deposits made. Percentages were substantially less in the other countries. Kenyan youth withdrew 37% of total deposits, followed by Colombia with 16% and Ghana with 13%. At the same time, Nepal has the lowest service fees and taxes despite high withdrawal rates, which may reflect that there are no withdrawal restrictions for the product. Colombian and Ghanaian YouthSave products have the most restrictive withdrawal policies compared to those in Kenya and Nepal (see Appendix A for detailed product features).

Findings to date raise a question about fees not in the account holder's control, including tax rate and service fees. In all countries except Nepal, total service fees and taxes are higher than the

[8] The savings data presented in the following sections exclude accounts with no transaction activity from the life of the account. These include the 222 accounts from Colombia that had no available initial deposit record and no subsequent transactions and 495 accounts from Kenya that were allowed to be opened without an initial deposit.

interest earned on the account. This net loss in savings is minimal but does highlight possible negative effects on an account that are not based on savings behavior.

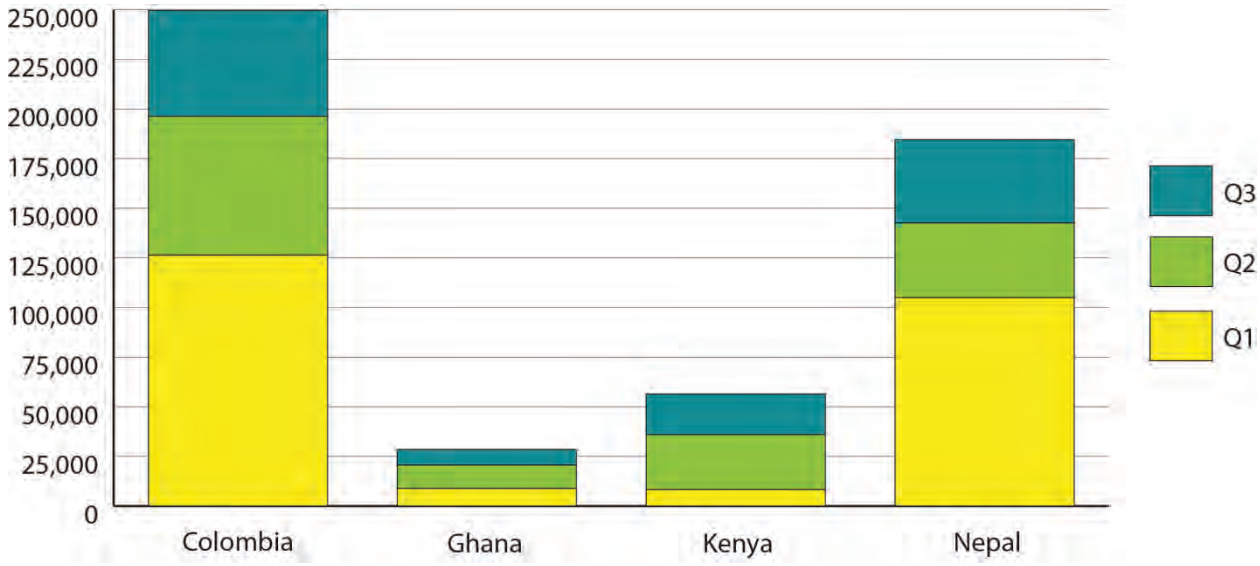
Table 4.2 and Figure 4.1 provide a summary of total net savings by quarter.[9] In all countries except Kenya, the net amount saved is highest in the first quarter (Q1), which reflects the declining trend in account uptake. The exception in Kenya may be due to the spike in number of accounts opened in the second quarter (Q2), after which net savings declined. Nepal showed a small gain in the third quarter (Q3).

Table 4.2. Total Net Savings* by Quarter in National Currencies (PPP-Converted USD)

	Q1	Q2	Q3	Total
Colombia	156,245,066 (126,374)	86,467,653 (69,937)	65,881,273 (53,286)	308,593,992 (249,597)
Ghana	7,890 (8,875)	10,424 (11,726)	7,061 (7,942)	25,375 (28,543)
Kenya	330,313 (8,326)	1,097,715 (27,669)	811,959 (20,421)	2,239,987 (56,416)
Nepal	3,547,837 (105,015)	1,269,052 (37,564)	1,417,110 (41,946)	6,233,999 (184,525)

*Net savings = deposits + interest – withdrawals – taxes or service fees

Figure 4.1. Total Net Savings[a] by Quarter (PPP-Converted USD)



[9] Q1 is the country's product rollout date through August 31, 2012, Q2 is September 1, 2012, to November 30, 2012, and Q3 is December 1, 2012, to February 28, 2013.

Table 4.3 presents measures of total savings *per account* during the entire period for each country. Some account holders have very high amounts of deposits and withdrawals that skew the average (i.e., mean). Therefore, mean and median (i.e., middle point of all values, which helps account for any extreme values) are presented for each country. See Tables B.2.7 and B.2.8 in Appendix B.2 for Ghana, Tables B.3.8 and B.3.9 in Appendix B.3 for Kenya, and Tables B.4.8 and B.4.9 in Appendix B.4 for Nepal for more detail on the minimum and maximum values for each country.

The average total net savings per account (i.e., balance) is USD 248.36 for Colombia, USD 26.38 for Ghana, USD 9.61 for Kenya, and USD 90.99 for Nepal. These amounts differ quite dramatically from the median amounts: USD 80.95 in Colombia, USD 6.75 in Ghana, USD 1.26 in Kenya, and USD 9.22 in Nepal. The differences indicate that some youth savers are saving relatively large amounts, which increases the average.

Table 4.3. Savings per Account in National Currencies (PPP-Converted USD)

	Colombia COP		Ghana GHS		Kenya KES		Nepal NPR	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Average amount of deposits (including interest)	367,478 (297.22)	120,191 (97.21)	28.21 (31.73)	7.00 (7.87)	618.00 (15.57)	50.00 (1.26)	17,072.00 (505.31)	920.00 (27.22)
Average amount of withdrawals	59,359 (48.01)	0 (0)	3.79 (4.26)	0 (0)	231 (5.82)	0 (0)	13,993.65 (414.21)	0 (0)
Average amount of service fees/taxes	1,060 (0.86)	0 (0)	0.96 (1.08)	0 (0)	6.00 (0.15)	0 (0)	4.00 (0.12)	0.28 (0.01)
Average total net savings (balance) per account*	307,059 (248.36)	100,079 (80.95)	23.45 (26.38)	6.00 (6.75)	381.00 (9.61)	50.00 (1.26)	3,074.00 (90.99)	312.00 (9.22)

*Net savings = deposits + interest – withdrawals – taxes or service fees

The product rollout period and length of account holding varies across and within countries. To account for these differences and accurately compare savings performance, researchers calculated net savings per month of participation to obtain AMNS (Schreiner et al., 2001). This variable is the primary dependent variable in the savings analyses conducted in the following chapters.

Measures of AMNS for each country are presented in Table 4.4 and Figure 4.2. AMNS is USD 37.90 in Colombia, USD 17.93 in Nepal, USD 4.99 in Ghana, and USD 2.18 in Kenya. In Colombia, comparing AMNS with youth's reported savings goals at account opening shows an interesting result. The numbers are almost exactly the same, which indicates that youth are keeping up with their reported goals.

Table 4.4 AMNS per Account in National Currencies (PPP-Converted USD)

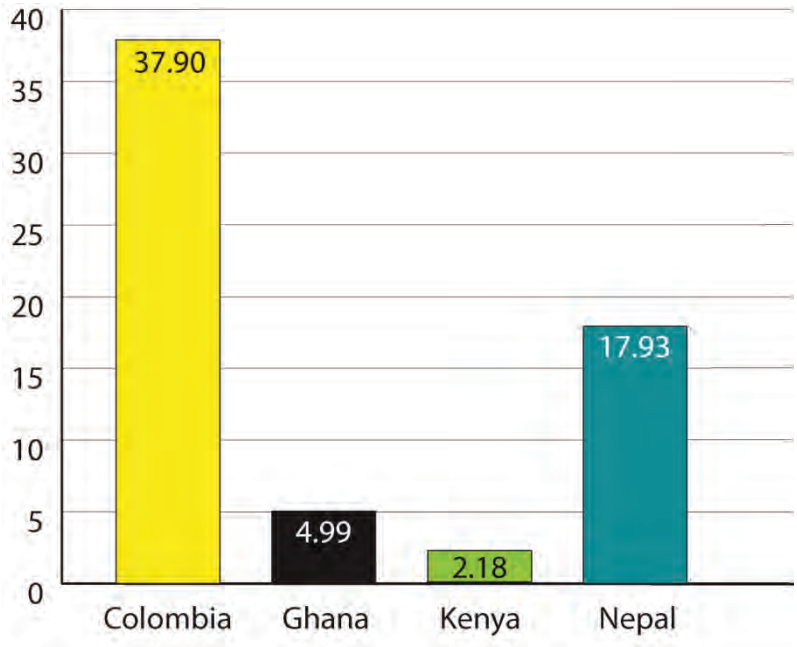
	Colombia COP		Ghana GHS		Kenya KES		Nepal NPR	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Average monthly deposits (including interest)	55,327.99 (44.75)	20,004.34 (16.18)	5.28 (5.94)	1.05 (1.18)	127 (3.21)	17 (0.42)	2,520 (74.5)	151 (4.47)
Average monthly withdrawals (including fees/taxes)	8,255.88 (6.68)	0 (0)	0.69 (0.78)	0 (0)	40 (0.998)	0 (0)	1,914 (56.64)	0 (0)
AMNS*	46,853.09 (37.90)	17,152.64 (13.87)	4.44 (4.99)	1 (1.12)	86 (2.18)	17 (0.42)	606 (17.93)	52 (1.53)

AMNS, average monthly net savings

*AMNS = (deposits + interest – withdrawals – service fees and taxes)/months account has been open

Note: Since interest and fees/taxes are negligible amounts, they are added to overall deposits and withdrawals, respectively.

Figure 4.2. Average Monthly Net Savings (PPP-Converted USD)



Key Findings

- In less than one year, youth have saved USD 519,127 across all four countries with average savings balances of COP 307,059 (USD 248) in Colombia, NPR 3,074 (USD 90.99) in Nepal, GHS 23.45 (USD 26.38) in Ghana, and KES 381 (USD 9.61) in Kenya. Though most accounts have modest balances, it may be more important at this stage that 9,993 youth have positive balances in formal savings accounts that most of them did not have a year ago.
- Nepal and Kenya have the highest number of withdrawals—including the highest withdrawal amounts as a percentage of total deposits—and the lowest fees. These results may reflect their product guidelines, both of which have the least restrictive withdrawal policies.
- Except in Nepal, total service fees and taxes are more than interest earned. This net loss in savings is minimal but highlights possible negative effects on accounts driven by institutional mechanisms rather than personal savings behavior.
- All countries except Kenya show a decline in total net savings between Q1 and Q3, which follows the declining trend in accounts opened. The exception is Kenya, which may be due to the higher number of accounts opened since the balance per account is actually lower than in the other countries. However, Nepal had a slight increase in total net savings between end of Q2 and end of Q3, but the researchers do not know which factor(s) may have affected the increase. In Ghana, school calendar disruptions may have reduced opportunities for youth to make deposits at school.

This chapter presents findings on total savings accrued and average savings amount per account. Savings amounts at this early stage are only suggestive and do not predict later results. Thus, it may be more important to focus on how youth use the accounts. The next chapter offers a more detailed look at account use based on transaction activity.

Chapter 5: Account Transaction Patterns

The previous chapters provide a picture of the characteristics of the youth who open accounts and savings they have accrued. This chapter analyzes account transaction patterns and youth characteristics associated with more or less activity. Attention is also given to those who have closed their accounts. Table 5.1 provides a summary of youth account transactions (e.g., deposits, withdrawals) since accounts were opened and account status.

Table 5.1. Transaction Activity*

	Colombia	Ghana	Kenya	Nepal
Total number of deposits	3,755	2,535	9,871	5,398
Total number of withdrawals	91	22	885	4,829
Number of youth that made deposits	1,005	1,079**	5,878	2,028
Number of youth that made withdrawals	84	17	462	595
Percentage of youth that made withdrawals	8%	2%	8%	29%
Average number of deposits per account	3.7	2.3	1.7	2.7
Average number of withdrawals by those who made a withdrawal	1.1	1.3	1.9	8.1
Average monthly number of deposits per account	0.6	0.4	0.5	0.4
Average monthly number of withdrawals by those who made a withdrawal	0.2	0.3	0.4	1.2

*These data exclude accounts without any transactions for the life of the account.
**All youth made at least one deposit with the exception of three cases in Ghana where there are fees or interest transactions, but no deposits.

Deposits

On average, youth made two deposits during the study period. Colombia and Nepal had the highest average number of deposits with 3.7 and 2.7, respectively (see Table 5.1). The average monthly number of deposits ranges from 0.4 to 0.6. The length of time the average account has been open—7.5 months in Colombia, 6.5 months in Nepal, 6.4 months in Ghana, and 4.8 months in Kenya—suggests that Colombian youth tend to deposit once every two months, and youth in the other three countries tend to deposit about once every three months. Table 5.2 shows youth deposit activity and the proportion of youth who made at least one deposit per month in each country. Over 20% of youth in Colombia and Kenya had an average of one or more deposits per month. The proportion is about 10% in Nepal and Ghana.

Table 5.2. Youth Deposit Activity

	Colombia *n* (%)	Ghana *n* (%)	Kenya *n* (%)	Nepal *n* (%)
Average of one or more deposits per month	221 (22.0)	97 (9.0)	1,227 (20.9)	213 (10.5)
Average of less than one deposit per month	784 (78.0)	401 (91.0)	4,651 (79.1)	1,815 (89.5)
Total	1,005 (100.0)	1,082 (100.0)	5,878 (100.0)	2,028 (100.0)

Tables 5.3 and 5.4 present findings from logistic regression, which examines characteristics associated with being a *frequent depositor* (i.e., youth with average of one or more deposits per month) versus an *infrequent depositor* (i.e., youth with average of less than one deposit per month).

Table 5.3. Characteristics Associated with Deposit Activity in Ghana, Kenya, and Nepal

	Ghana	Kenya	Nepal
	EST (SE)	EST (SE)	EST (SE)
Male	1.20 (0.43)**	-0.10 (0.10)	0.51 (0.20)*
Currently enrolled in school	-	0.11 (0.38)	0.21 (0.38)
School enrollment			
(Primary or below)			
Secondary	0.62 (0.67)	-0.31 (0.17)†	0.75 (0.31)*
Higher secondary or above	0.32 (0.96)	0.26 (0.14)†	1.18 (0.40)**
Age	-0.10 (0.12)	-0.003 (0.009)	-0.09 (0.05)*
Past income	0.09 (0.66)	0.29 (0.17)†	0.20 (0.31)
Past account	0.76 (1.23)	0.22 (0.19)	-0.35 (0.24)
Source of fund			
(Earned income)			
From parents	0.78 (1.25)	0.54 (0.26)*	-0.002 (0.33)
Other source	0.99 (1.60)	0.71 (0.29)*	-1.10 (1.08)
HOH			
(Father)			
Mother	1.37 (0.95)	0.02 (0.17)	0.21 (0.31)
Other	-	-0.85 (1.08)	1.02 (0.69)
Estimated poverty rate	-0.02 (0.02)	-0.004 (0.006)	-0.007 (0.009)
Number of household members	0.04 (0.19)	-0.09 (0.07)	0.02 (0.12)
HOH previous formal bank account	0.90 (0.56)	-0.17 (0.14)	-0.20 (0.23)
HOH education level			
(No formal education)			
Primary	0.14 (0.97)	0.20 (0.29)	0.10 (0.32)
Secondary	0.19 (0.94)	0.08 (0.30)	0.24 (0.33)
Technical school	1.54 (1.04)	0.26 (0.30)	-0.89 (1.08)
University	0.75 (1.17)	-0.30 (0.32)	0.06 (0.40)
HOH employment in agriculture	-0.33 (0.69)	0.14 (0.11)	-0.30 (0.22)
HOH employment			
(Employed)			
Self-employed	1.02 (0.51)*	0.14 (0.12)	0.23 (0.21)
No employment	-	-0.15 (0.25)	0.32 (0.31)
Other	-	-0.01 (0.20)	0.11 (0.34)
Mode of transportation owned			
(None)			
Nonmotorized	-0.81 (0.86)	-0.01 (0.16)	-0.29 (0.28)
Motorized	0.64 (0.46)	-0.06 (0.35)	-0.36 (0.28)
Cosignatory			
(Others)			
Parents	-1.84 (0.48)***	-0.05 (0.10)	-1.00 (0.28)
Reason for saving			
(Emergency)			
Own education	1.52 (0.87)†	0.09 (0.13)	0.04 (0.21)
Others	1.35 (1.04)	-0.04 (0.13)	-0.29 (0.32)

Source for learning about account			
(Bank campaign)			
Radio/TV/news/Internet	2.06 (0.68)**	0.12 (0.24)	-0.29 (0.30)
School/college	-	0.43 (0.14)**	0.31 (0.37)
Friends/family	1.77 (0.72)*	0.24 (0.20)	-0.14 (0.31)
Financial education/youth club	-	0.84 (0.22)***	0.67 (0.33)*
Others	-	0.45 (0.25)†	0.52 (0.40)

EST, parameter estimates; *SE,* standard error; *HOH,* head of household
†p<.10, *p<.05, **p<.01, ***p<.001

Table 5.4. Characteristics associated with Deposit Activity in Colombia

	Colombia
	EST (SE)
Male	0.07 (0.15)
School enrollment	
(Primary or below)	
Secondary	-0.20 (0.20)
Technical/university	0.0005 (0.49)
Age	0.05 (0.04)
Estimated poverty rate	-0.0001 (0.01)

EST, parameter estimates; *SE*, standard error

In Ghana, gender, HOH's employment, cosignatory, and source for learning about the account are significantly associated with deposit activity at p<.05. Male youth are likely to deposit more frequently than female youth, and youth with self-employed HOHs are more likely to be frequent depositors than youth with employed heads. Youth in Ghana are less likely to be frequent depositors if parents cosigned for the account and if they learned about the account through a bank campaign (i.e., the HFC Outreach Program). Though the significance level is lower, youth who are saving for their own education deposit more frequently than those who are saving for emergencies.

In Kenya, source of funds and source for learning about the account are significantly associated with frequency of deposits at p<.05. Youth make more frequent deposits if they receive money for savings from parents or other sources. Kenyan youth who learned about the account through school/college or financial education/youth club are more likely to be frequent depositors than those who learned through a bank campaign. Though the significance level is lower, youth beyond secondary level education appear to save more frequently than youth in lower grade levels, and youth who reported earning income in the past six months deposit more frequently than those without earned income.

In Nepal, male youth are more likely to be frequent depositors than female youth, and the likelihood of being a frequent depositor increases as a youth's education increases. However, the likelihood decreases with age. Findings suggest that an educated older youth is more likely to make frequent deposits than an uneducated older youth. If this assessment is correct, education is an important motivator for making deposits. In addition, Nepali youth who learned about the account through a financial education/youth club are more likely to make more frequent deposits. Whether the financial education or easy depository access is impacting this finding is unknown, but identifying which has more effect will be important for shaping relevant financial products and services.

Withdrawals

As previously noted, Nepal has the most withdrawal activity and high deposit activity, reflecting that some youth are using accounts with a transaction- rather than savings-oriented approach. As shown in Table 5.1, 29% of account holders made withdrawals in Nepal contrasted with youth in Colombia (8%), Kenya (8%), and Ghana (2%). Nepalese youth who made withdrawals were quite active with an average of at least one withdrawal per month, three times the average number of deposits. In contrast, Colombian account holders made three times as many deposits as withdrawals on average. Most withdrawals from *Cuentamiga para Jóvenes* accounts were made by youth who closed their accounts. In Ghana, withdrawal restrictions and limited access may have contributed to the low number of withdrawals. Ghanaian youth cannot make withdrawals in the first three months after account opening and can make withdrawals only at bank branches, which typically are more remote than the schools where they are allowed to make deposits.

Because the products were marketed as savings accounts, there is particular interest in understanding characteristics associated with withdrawers and non-withdrawers. Findings from logistic regression for each country are presented in Tables 5.5 and 5.6. (Analysis was not conducted for Ghana because only 17 of 1,082 account holders made withdrawals.) Characteristics associated with withdrawal activity vary by country but include gender, age, school enrollment status, education level, previous account ownership, earned income in past six months, youth relationship with HOH, HOH employment status, cosignatory, youth savings goal, and source for learning about the account.

In Kenya, youth currently enrolled in school are less likely to withdraw than out-of-school youth. Kenyan youth also are more likely to withdraw if they have earned income in the past six months or learned about the account through radio/TV/news/Internet or friends/family.

In Colombia and Nepal, those who withdrew are more likely to be male and on the upper end of the 12 to 18 age range. In Nepal, youth currently enrolled in school are more likely to withdraw than out-of-school youth. Also, youth who have higher secondary education or above are more likely to withdraw than those who have primary education or below. In Nepal, youth are less likely to withdraw if the HOH is self-employed, parents cosigned on the account, or if they learned about the account through the financial education workshop/youth club.

Table 5.5. Kenya and Nepal: Characteristics Associated with Withdrawal Activity

	Kenya	Nepal
	EST (SE)	EST (SE)
Male	0.52 (0.16)†	0.64 (0.15)***
Currently enrolled in school	-1.02 (0.36)**	0.67 (0.26)**
Education level		
(Primary or below)		
Secondary	-0.30 (0.24)	0.29 (0.27)
Higher secondary or above	0.16 (0.19)	0.69 (0.32)*
Age	0.02 (0.01)†	0.06 (0.04)†

Past income	0.45 (0.21)*	0.32 (0.24)
Past account	0.41 (0.21)†	-0.26 (0.17)
Source of fund		
(Earned income)		
From parents	0.33 (0.30)	0.04 (0.26)
Other source	0.11 (0.38)	0.05 (0.58)
HOH		
(Father)		
Mother	0.07 (0.26)	-0.18 (0.25)
Other	0.96 (0.90)	2.17 (0.88)*
Estimated poverty rate	-0.003 (0.009)	-0.001 (0.007)
Number of household members	-0.05 (0.10)	-0.06 (0.10)
HOH previous formal bank account	-0.04 (0.21)	0.19 (0.19)
HOH education level		
(No formal education)		
Primary	0.36 (0.47)	0.18 (0.25)
Secondary	0.16 (0.48)	0.13 (0.26)
Technical school	0.62 (0.48)	0.25 (0.63)
University	0.42 (0.50)	0.39 (0.31)
HOH employment in agriculture	0.10 (0.15)	0.003 (0.17)
HOH employment		
(Employed)		
Self-employed	0.20 (0.16)	-0.33 (0.16)*
Not employed	-0.42 (0.32)	0.02 (0.27)
Other	-0.13 (0.35)	-0.03 (0.24)
Mode of transportation owned		
(None)		
Nonmotorized	0.09 (0.23)	-0.001 (0.22)
Motorized	-0.24 (0.49)	0.07 (0.22)
Cosignatory		
(Others)		
Parents	0.26 (0.14)†	-1.61 (0.22)***
Reason for saving		
(Emergency)		
Own education	-0.19 (0.18)	0.07 (0.16)
Others	0.13 (0.18)	0.24 (0.22)
Source for learning about account		
(Bank campaign)		
Radio/TV/news/Internet	0.89 (0.25)***	0.60 (0.23)*
School/college	-0.19 (0.19)	0.49 (0.30)
Friends/family	0.78 (0.22)***	0.25 (0.24)
FE workshop/youth club	-0.72 (0.42)†	-0.77 (0.35)*
Others	-0.56 (0.49)	0.69 (0.34)*

Note: *EST,* parameter estimates; *SE,* standard error; *HOH,* head of household
†p<.10, *p<.05, **p<.01, ***p<.001

Table 5.6. Colombia: Characteristics Associated with Withdrawal Activity

	Colombia
	EST (SE)
Male	0.68 (0.25)*
School enrollment	
(Primary or below)	
Secondary	-0.13 (0.31)
Technical/university	-0.03 (0.66)
Age	0.18 (0.06)*
Estimated poverty rate	-0.02 (0.02)

Note: *EST,* parameter estimates; *SE,* standard error
*p<.01

Account Status

Transaction activity ultimately relates to account status (e.g., active, inactive, or closed). The definition of an inactive account varies by country. In Ghana, Kenya, and Nepal, an account is inactive if there has been no transaction activity for 12 months. In Colombia, an account is inactive if there has been no activity for six months. For the purposes of comparability, researchers define "inactive accounts" as those that had no transaction activity in the past six months. As shown in Table 5.7, 18% of accounts are inactive across all countries. Ghana has the highest percentage of inactive accounts (33%), followed by Colombia (23%), Nepal (20%), and Kenya (13%).

Table 5.7. Inactive Accounts

	Colombia	Ghana	Kenya*	Nepal	Total
	n (%)	*n* (%)	*n* (%)	*n* (%)	*n* (%)
Number of active accounts	695 (69)	720 (67)	5,099 (87)	1,618 (80)	8,132 (81)
Number of inactive accounts (past 6 months)	233 (23)	362 (33)	779 (13)	407 (20)	1,781 (18)
Number of closed accounts	77 (8)	0	0	3 (0.1)	80 (1)
Total	1,005 (100)	1,082 (100)	5,878 (100)	2,028 (100)	9,993 (100)

*For Kenya, 495 accounts without any transactions are excluded; one closed account in Kenya is included in these 495 accounts. For Colombia, 222 accounts without any transactions are excluded.

Youth characteristics associated with inactive accounts for Ghana, Kenya, and Nepal are examined using logistic regression (Table 5.8).

Table 5.8. Characteristics Associated with Inactive Account Status in Ghana, Kenya, and Nepal

	Ghana	Kenya	Nepal
	EST (SE)	EST (SE)	EST (SE)
Male	-0.21 (.24)	-0.18 (0.13)	0.10 (0.14)
Currently enrolled in school	-1.09 (1.50)	-0.25 (0.40)	-0.55 (0.27)*
Education level			
(Primary or below)			
Secondary	-1.23 (0.30)***	0.08 (0.21)	0.44 (0.20)*
Higher secondary or above	-0.80 (0.60)**	0.29 (0.17)†	0.13 (0.28)
Age	0.16 (0.07)*	-0.02 (0.01)	-0.05 (0.04)

Past income	-0.20 (0.41)	-0.17 (0.23)	0.10 (0.27)
Past account	-0.18 (0.62)	-0.73 (0.31)*	-0.16 (0.18)
Source of fund			
(Earned income)			
From parents	-0.52 (0.54)	-0.23 (0.27)	0.42 (0.30)
Other source	-2.75 (1.17)*	-0.77 (0.35)*	0.96 (0.53)†
HOH			
(Father)			
Mother	-0.83 (0.51)	-0.07 (0.22)	0.15 (0.23)
Estimated poverty rate	0.02 (.01)	0.02 (0.01)*	0.004 (0.007)
Number of household members	-0.09 (0.12)	0.01 (0.09)	-0.03 (0.10)
HOH previous formal bank account	-0.23 (0.28)	0.28 (0.19)	-0.03 (0.18)
HOH education level			
(No formal education)			
Primary	0.71 (0.51)	-0.75 (0.32)*	0.13 (0.24)
Secondary	0.90 (0.58)	-0.40 (0.33)	-0.19 (0.26)
Technical school	0.68 (0.64)	-0.33 (0.34)	-0.32 (0.68)
University	-0.08 (0.72)	-0.16 (0.35)	-0.05 (0.30)
HOH employment in agriculture	-1.44 (0.48)**	0.05 (0.13)	-0.35 (0.17)*
HOH employment			
(Employed)			
Self-employed	-0.15 (0.30)	0.01 (0.14)	0.30 (0.16)†
Not employed	0.06 (0.49)	-0.23 (0.25)	-0.14 (0.26)
Other	-	0.44 (0.26)†	0.05 (0.25)
Mode of transportation owned			
(None)			
Nonmotorized	-0.23 (0.39)	0.41 (0.20)*	-0.27 (0.22)
Motorized	0.10 (0.29)	1.05 (0.45)*	-0.11 (0.22)
Cosignatory			
(Others)			
Parents	-0.09 (0.25)	0.14 (0.12)	-0.28 (0.22)
Reason for saving			
(Emergency)			
Own education	-0.09 (0.44)	-0.08 (0.16)	0.35 (0.17)*
Others	-0.90 (0.64)	0.10 (0.16)	0.29 (0.24)
Source for learning about account			
(Bank campaign)			
Radio/TV/news/Internet	-1.59 (1.07)	0.0003 (0.27)	0.86 (0.24)***
School/college	-0.27 (0.29)	-0.14 (0.15)	0.33 (0.32)
Friends/family	-0.83 (0.75)	0.06 (0.22)	0.74 (0.25)**
FE workshop/youth club	-	-0.64 (0.33)†	-0.11 (0.30)
Others	-0.18 (1.17)	-0.65 (0.37)†	0.51 (0.34)

EST, parameter estimates; *SE,* standard error; *HOH,* head of household
†p<.10, *p<.05, **p<.01, ***p<.001

Characteristics associated with account status for Colombia are investigated using multinomial logistic regression (Table 5.9).

Table 5.9. Characteristics Associated with Account Status (Colombia)

	Inactive vs. active	Closed vs. active
	EST (SE)	EST (SE)
Male	0.05 (0.15)	0.57 (0.26)*
Education level		
(Primary or below)		
Secondary	0.13 (0.20)	-0.29 (0.32)
Technical school/university	-0.14 (0.53)	-0.49 (0.73)
Age	0.03 (0.04)	0.20 (0.06)**
Estimated poverty rate	0.0005 (0.01)	-0.02 (0.02)

EST, parameter estimates; *SE,* standard error
*p<.05, **p<.001

In Ghana, school enrollment, source of funds, and HOH's employment in the agricultural sector are significantly associated with inactive accounts. Youth enrolled in secondary or higher secondary or above education are less likely to have inactive accounts contrasted with those enrolled in primary or below education. Youth who have money from sources other than parents or earned income are less likely to have inactive accounts, but it is unclear what such sources might be. Youth whose HOH works in the agricultural sector also are less likely to have inactive accounts.

In Kenya, having a past account, poverty status, and mode of transportation ownership are significantly associated with having inactive accounts. Youth who had prior experience with bank accounts are less likely to have inactive accounts, while youth from poor households are more likely to have inactive accounts. Interestingly, youth from households that own a mode of transportation are more likely to have inactive accounts than youth from households that do not own any mode of transportation.

In Nepal, youth currently enrolled in school are significantly less likely to have inactive accounts, but youth in secondary level education are more likely to have inactive accounts than those in primary school or below. Youth whose HOH works in the agricultural sector are less likely to have inactive accounts. Interestingly, youth who save for their own education are more likely to have inactive accounts. Youth who learned about the product from mass media or friends and family have a higher likelihood of having inactive accounts than those who learned about the product from the bank campaign.

In Colombia, there are no significant differences in characteristics between active and inactive account holders. However, male youth are more likely to have closed accounts than female youth. Also, the likelihood of having a closed account increases with age. Reason for closure is not available, but it may be that at least some have reached their savings goals.

What to make of these results? Overall, characteristics of inactive account holders vary by country, and no clear pattern emerges across countries. Again, these are early data in YouthSave, and distinctive patterns may emerge over time.

Key Findings

- On average, Colombian youth tend to deposit every other month, while youth in other countries tend to deposit once every three months.
- The percentage of youth who made an average of one or more deposits per month is 20% in Colombia and Kenya and about 10% in Nepal and Ghana.
- In Ghana, Kenya, and Nepal, some youth and household characteristics are associated with being a frequent depositor, though the characteristics differ in each country. In all three countries, the source for learning about the account has significance. In Ghana, youth who learned about the account through mass media (i.e., television, radio, or newspaper) deposited more frequently, which may be because marketing reached a broader pool of youth with higher socioeconomic status. In Kenya and Nepal, youth who learned about the account through financial education workshops or youth clubs are more likely to average at least one deposit per month. This finding is important in considering product and services to attract youth. These activities included opportunities to open accounts in Kenya and Nepal and to make deposits outside of the bank branch in Nepal. Learning about accounts in the context of explicit savings-related educational messaging also may positively affect deposit activity.
- Nepal has the highest withdrawal activity. The 29% of Nepalese youth who made withdrawals were quite active with an average of at least one withdrawal per month, three times the average number of deposits in one month. Youth in other countries withdrew substantially less: 8% in Colombia, 8% in Kenya, and 2% in Ghana. Product withdrawal restrictions may explain the low number of withdrawals in Colombia and Ghana.
- In Colombia and Nepal, those who withdrew are more likely to be male and on the upper end of the 12 to 18 age range. Withdrawals by Colombian youth are primarily from those who closed their accounts. In Nepal, youth are more likely to withdraw if someone other than the parent is HOH and if they learned about the account through mass media.
- Similar to Colombia and Nepal, Kenyan youth who withdrew are more likely to be male and older, and those who report having earned income within the past six months prior to opening the account or who have previously owned an account also are more likely to withdraw. Kenyan youth who learned about the account through mass media or friends and family also are more likely to make withdrawals than those who learned about the account from some other means.
- In Kenya, in-school youth are significantly less likely to withdraw than out-of-school youth. In Nepal, youth are less likely to withdraw if parents cosigned for the account or if the HOH is self-employed. In Kenya and Nepal, youth are less likely to withdraw if they learned about the account through an FE workshop or youth club. These findings support the relevance of family and peer engagement and reinforce the potential role of financial education and savings groups in encouraging youth to save.
- Approximately 18% of all accounts opened are inactive. Ghana has the highest percentage of inactive accounts relative to the number of accounts opened (33%), followed by Colombia (23%), Nepal 20%), and Kenya (13%).

- In Colombia, 77 accounts have been closed since product rollout a year ago. Older youth and males are more likely to close accounts. Reasons for closure are not available, but at least some youth may have reached their savings goals.

This chapter explores how youth use their savings accounts and characteristics associated with depositing, withdrawing, and not using the account at all. Although it is impossible to predict account usage based on youth characteristics, product features and financial services influence youth's opportunities to deposit and withdraw. Researchers anticipate learning more from these relationships as YouthSave progresses. The next chapter focuses on youth and household characteristics and savings outcomes with a focus on overall savings performance.

Chapter 6: Youth and Household Characteristics and Savings Performance

This chapter presents a series of bivariate and multivariate analyses to examine youth characteristics associated with AMNS, which represents average savings balance per month taking into account the number of months since the account was opened. The sample consists of 1,005 youth account holders in Colombia, 1,082 in Ghana, 5,878 in Kenya, and 2,028 in Nepal. Bivariate tables for each country are provided in Appendices B.1–B.4.

Youth Characteristics and Savings

In Colombia, no significant difference in AMNS is found for any socioeconomic characteristics (see table B.1.9 in Appendix B.1). No difference *is* a finding because it shows that youth are saving similarly, regardless of gender, age, educational level, schooling status, or estimated poverty rate. However, there are significant differences within Ghana, Kenya, and Nepal.

Table B.2.10 in Appendix B.2 addresses youth characteristics and savings in Ghana. Post-hoc tests show that there is a statistically significant difference in AMNS between senior high or above and youth in junior high or primary school, which may not be surprising since older youth may have more opportunities to earn money to save. Parents or guardians also might give more pocket money to senior high students which they could potentially use for their savings. Out-of-school youth also have higher savings, but this result reflects only four youth and should be viewed with caution. Savings also are associated with how Ghanaian youth learned about the account. Youth who learned about the account through family and friends, mass media (i.e., radio/television/newspaper), or other means saved significantly more than those who learned about the account through school or a bank campaign. This is somewhat surprising given that most youth learned about the account through the HFC Outreach Program, a bank campaign targeted primarily to youth in schools.

In Kenya, how youth learned about the account appears to make a significant difference in savings ($p<.001$) (see Table B.3.11 in Appendix B.3). More specifically, youth who learned about the account from the radio, television, or newspaper have higher savings than youth who learned about the account from other sources.

In Nepal, how youth learned about the account also appears to make a significant difference in savings (see Table B.4.11 in Appendix B.4). Post-hoc tests show a statistically significant difference in AMNS between financial education workshops and others. That is, youth who learned about the account through the workshops saved significantly less than those who learned about the account through other means.

Household Demographics and Savings

In Ghana, the HOH's level of education, experience with formal banking, and employment in agriculture are significantly associated with savings (see Table B.2.11 in Appendix B.2). Specifically, youth have significantly higher AMNS when the HOH previously had a formal bank account, is not employed in the agriculture sector, or has technical school or university education. In addition, youth tend to have higher AMNS if the mother cosigned for the account rather than another adult.

In Kenya, HOH employment status and the relationship of the adult cosignatory to the youth are significantly associated with AMNS (see Table B.3.12 in Appendix B.3). Youth whose HOHs are unemployed have more savings than youth whose HOHs are employed or self-employed. Similar to Ghana, youth whose mothers cosigned for the account have higher AMNS than those with a nonparent cosignatory.

In Nepal, HOH employment status is significantly associated with AMNS (see Table B.4.12 in Appendix B.4). That is, youth whose HOH's employment status is "other" has more savings than other youth.

Youth Demographics and Savings across Countries

This section presents results from multiple regressions for each country to examine which characteristics are associated with AMNS. Multiple regressions can control for other factors, observed and unobserved, and are thus a more robust measure to assess relationships between variables than are bivariate associations. Several youth and household characteristics variables were recoded for ease of cross-national comparisons. For all countries, branch-level fixed effects were added to the model to control for unobserved heterogeneity across branches. As discussed in the previous chapter, missing data were imputed using multiple imputation, and findings reported here are combined across five imputed datasets. Findings are presented in Table 6.7. Because of data unavailability, only five independent variables were included in the model for Colombia and are presented separately (see Table 6.8).

Table 6.7. Multivariate Analysis Results (Branch-Level Fixed Effects Model)

	Ghana EST (SE)	Kenya EST (SE)	Nepal EST (SE)
Male	0.82 (0.96)	0.14 (0.43)	-0.22 (7.50)
Currently enrolled in school	-14.17 (7.23)*	-1.31 (1.45)	27.76 (16.09)†
School enrollment			
(Primary or below)			
Secondary	-0.27 (1.32)	0.84 (0.66)	7.40 (11.31)
Higher secondary or above	3.79 (2.62)	-0.65 (0.62)	18.16 (15.79)
Age	-0.03 (0.30)	-0.05 (0.05)	-0.34 (1.98)
Past income	-1.58 (1.57)	-0.72 (0.73)	41.73 (13.53)**
Past account	-0.37 (2.45)	1.81 (0.81)*	-6.51 (9.77)
Source of fund			
(Earned income)			
From parents	-1.30 (2.37)	-1.94 (0.86)*	39.38 (14.36)**
Other source	0.57 (3.20)	-1.55 (1.03)	16.14 (29.44)
HOH			
(Father)			
Mother	-2.00 (1.87)	1.74 (0.66)	-5.65 (12.54)
Other	-2.71 (14.07)	-0.94 (2.87)	-4.68 (39.04)
Estimated poverty rate	0.05 (0.05)	-0.06 (0.02)*	-0.08 (0.37)
Number of household members	-0.51 (0.48)	0.33 (0.28)	-0.54 (4.98)
HOH previous formal bank account	0.55 (1.12)	-0.56 (0.55)	-17.97 (9.69)†
HOH education level			
(No formal education)			
Primary	-1.50 (1.97)	0.37 (1.09)	15.06 (12.32)
Secondary	-0.61 (2.30)	-0.77 (1.13)	-1.72 (13.34)

College	0.42 (2.43)	-0.54 (1.15)	-12.70 (30.43)
University	0.04 (2.89)	-1.38 (1.19)	1.58 (16.19)
HOH employment in agriculture	-2.95 (1.47)*	0.11 (0.46)	10.29 (8.75)
HOH employment			
(Employed)			
Self-employed	0.42 (1.20)	-0.26 (0.45)	-7.99 (8.64)
No employment	-0.84 (2.09)	2.01 (0.76)**	-8.74 (13.12)
Other	1.06 (4.74)	0.22 (0.85)	19.56 (13.14)
Mode of transportation owned			
(None)			
Nonmotorized	0.75 (1.72)	-0.70 (0.64)	10.48 (13.04)
Motorized	0.75 (1.24)	-2.20 (1.35)	5.10 (12.21)
Cosignatory			
(Others)			
Parents	2.47 (1.12)*	-0.09 (0.44)	2.66 (11.35)
Reason for saving			
(Emergency)			
Own education	-0.62 (1.81)	0.87 (0.51)†	-4.54 (8.67)
Others	4.73 (2.34)*	-0.52 (0.51)	-13.16 (12.95)
Source for learning about account			
(Bank campaign)			
Radio/TV/news/Internet	10.45 (2.96)***	2.40 (0.87)**	1.05 (12.76)
School/college	1.01 (1.42)	-0.34 (0.57)	6.16 (15.90)
Friends/family	9.59 (3.18)**	-0.50 (0.82)	2.23 (13.34)
FE workshop/youth club	-6.52 (6.98)	-1.19 (0.99)	4.47 (15.00)
Other	15.79 (4.98)**	0.52 (1.21)	66.59 (19.12)***

EST, parameter estimates; *SE,* standard error; *HOH,* head of household
† p<.10 * p<.05 ** p<.01 *** p< .001
Note: Branch-level fixed effects are added to the model (i.e., the analysis controls for unobserved characteristics associated with the branches).

In Ghana, school enrollment, HOH's employment in the agricultural sector, cosignatory, reason for savings, and source for learning about the account are significantly associated with AMNS. Youth whose accounts were cosigned by parents have higher AMNS (p<.05) than those with other cosignatories, and youth currently enrolled in school have lower AMNS than out-of-school youth (p<.05). However, very few account holders are not enrolled in school in Ghana. Youth whose HOHs are employed in the agricultural sector have lower AMNS (p<.05), and those who save for emergencies or their own education have significantly lower AMNS than those who save for other reasons. Youth who learned about the product from mass media (p<.001), friends and family (p<.01), or other (p<.01) have higher AMNS than those who learned about the product from a bank campaign.

In Kenya, past account, source of funds, estimated poverty rate, HOH employment status, source for learning about the account, and reason for saving are significantly associated with AMNS. Youth who previously owned a bank account show higher AMNS than first-time account holders (p<.05). Youth who report parents as their source of funds have lower AMNS than those who use earned income (p<.05). The estimated poverty rate also is negatively associated with AMNS (p<.05); that is, youth from poorer families have lower AMNS. Youth whose HOHs are not employed have higher AMNS compared to those whose HOHs are employed (p<.01). Youth who learned about the savings product through mass media have higher AMNS than those who learned from other sources

(p<.01). Though the confidence level is only 90%, AMNS is higher for youth saving for their own education than for those saving for emergencies (p<.10).

In Nepal, past income, source of funds, school enrollment, HOH past account, and source for learning about savings account are significantly associated with AMNS. Youth who had earned income in the six months prior to account opening have higher AMNS than those who did not (p<.01), and those who receive money from their parents have higher AMNS than those who save earned income (p<.01). Though the confidence factor is lower, youth enrolled in school have higher AMNS than out-of-school youth (p<.10), and youth whose HOHs have had a previous formal account have lower AMNS (p<.10). Youth who learned about the savings account through "other" sources have higher AMNS (p<.001).

As discussed in Chapter 5, additional tests examined whether the relationships between youth and household characteristics and AMNS differ across countries. Findings indicate that regression coefficients for several variables are significantly different across Ghana, Kenya, and Nepal, including current enrollment in school, past income, source of funds (from parents), HOH past account use, HOH employment in agriculture, HOH employment (other), and source for learning about the account (other). This further indicates that characteristics associated with savings performance may vary across countries, but at this point researchers are unable to say why.

Table 6.8 presents results from multivariate analysis for Colombia. There are no characteristics associated with AMNS. That is, youth are as equally likely to save regardless of any particular youth or household characteristic including age, gender, poverty status or level of education.

Table 6.8. Colombia Multivariate Analysis Results (Branch-Level Fixed Effects Model)

	Colombia EST (SE)
Male	-8.24 (7.54)
Currently enrolled in school	-11.69 (55.40)
School enrollment	
(Primary or below)	
Secondary	-8.08 (9.99)
Higher secondary or above	-8.72 (27.97)
Age	1.37 (1.77)
Estimated poverty rate	-0.56 (0.58)

EST, parameter estimates; *SE,* standard error

Note: Branch-level fixed effects are added to the model (i.e., the analysis controls for unobserved characteristics associated with the branches).

Key Findings

- In Colombia, no significant differences in savings are found across socioeconomic characteristics. Nevertheless, considering the YouthSave population, no difference in saving performance is a finding of importance. Youth are saving similarly, regardless of gender, age, education level, schooling status, or poverty level. While this may seem surprising, it is consistent with an institutional view that the combined features of the savings product and service may be a stronger predictor of savings performance than individual characteristics (Sherraden, 1991; Sherraden, Schreiner, & Beverly, 2003; Schreiner & Sherraden, 2007). This

result is hopeful in that it suggests a focus on policy, program, and financial services solutions rather than solutions that focus on individual level improvement.

- In Ghana, the only youth demographic characteristic associated with savings (as measured by AMNS) is school enrollment. That is, out-of-school youth save more than youth who are in school. Although this finding suggests that savings accounts may be useful for out-of-school youth and a good market for FIs, caution is advised in interpreting findings because of the very low number of out-of-school account holders.
- One household demographic characteristic is associated with AMNS in Ghana. Youth whose HOHs are employed in the agriculture sector have lower AMNS.
- Other youth characteristics associated with AMNS in Ghana are related to use of the savings product. Accounts cosigned by the mother have higher AMNS than those cosigned by a nonparent. Youth saving for emergencies or their own education have lower AMNS than those saving for other reasons. Youth who learned about the savings product through mass media, friends and family, or other have higher AMNS than those who learned about the account from a bank campaign. The last finding is somewhat surprising since most youth learned about the account through the HFC Outreach Program bank campaign in schools. However, the campaign targets financially disadvantaged youth specifically, whereas other marketing efforts may attract youth who live in households with more resources.
- In Kenya, two household characteristics are associated with AMNS. Youth living in poorer households have lower AMNS, and those whose HOHs are not employed have higher AMNS than youth whose HOHs are employed. While the first finding is expected, the second finding is somewhat counterintuitive. It is possible that youth may be more motivated to save knowing that the unemployed HOH may not be able to contribute.
- Youth characteristics associated with AMNS in Kenya are related to use of savings accounts. Youth who previously used a formal financial product have significantly higher AMNS than first-time account users. This finding validates previous research that suggests financial experience can increase the incidence of saving (Sherraden, 2010). Youth who plan to use earned income as the source for their savings have higher AMNS than those who plan to use money from their parents. Those saving for their own education have higher AMNS than those saving for emergencies.
- In Kenya, how youth learned about the account also affects AMNS. Youth who learned about the savings product from the radio, television, or newspaper have higher savings than youth who learned about the account from other sources. As in Ghana, marketing via mass media likely drew a more diverse socioeconomic group than the bank's other targeted marketing to lower income youth.
- In Nepal, youth demographic characteristics associated with AMNS are school enrollment and participation in the labor market. Youth enrolled in school have higher AMNS than out-of-school youth, and youth who had earned income in the six months before opening the savings account have higher savings than those who did not have earned income.
- The only household characteristic associated with AMNS in Nepal is the HOH's prior experience with a formal financial account. Youth in these households have lower AMNS than those whose HOH has not had prior experience with formal financial services.

- Other youth characteristics associated with AMNS in Nepal are related to use of savings accounts. Youth who indicate parents as the source of their savings funds have higher AMNS than those whose source is earned income. Youth who learned about the CYBY account through financial education workshops have lower AMNS than those who learned about the account through other means. This latter result reflects effects of targeted marketing found in Ghana and Kenya. Financial education workshops target lower income youth who may have less resources to save than those who learn about the account in some other way.

The only consistent youth or household characteristic in three countries that is associated with savings performance is how the youth learned about the YouthSave product. This generalized result may provide insight into the value of marketing and what attracts youth to open an account and save. Some marketing efforts intersect with on-the-ground financial capability programs offered by SC and its local partners in collaboration with FIs. The next chapter describes these programs and associations with account uptake and savings.

Chapter 7: Financial Capability Participation

In addition to a financial product offered by the financial institutions, YouthSave also includes financial capability (FC) programming comprised of both financial education and financial services. SC and local program partners host and track participation in financial education workshops and youth savings clubs, facilitate financial education text messaging, and conduct street theater. Collaborating with these partners, FIs provide opportunities to open accounts and make deposits outside of bank branches. Many activities are located at or near schools.

In Colombia, Kenya, and Nepal, SC and its partners provide financial education workshops or youth clubs to selected youth in particular regions "where SC was working or had an interest in working because of the existence of poor/marginalized populations, and where the partner bank had a presence. Within this overlap, SC also aimed for regional diversity" (Deshpande, 2012). Though there is some overlap in the financial education and financial services provided, it is very possible that youth may have one experience or the other but not necessarily both. That is, a youth may participate in a financial education workshop or youth club but never open an account, or a youth may open an account but never have the opportunity to participate in the financial education. To control for effects on account uptake and savings performance, researchers used branch-level analysis based on locations where FC activities took place.

Since June 2012, youth in three cities in Colombia attended a one-time, four-hour workshop. In Nepal, youth attended a one-time, three-hour workshop and were given opportunities to make deposits at participating schools (see Table B.4.14 in Appendix B.4). In Kenya, youth participated in weekly, one-hour sessions over a period of six months, and adults in the community were invited to participate in a half-day financial education seminar. In Ghana, HFC bank representatives developed a structured in-school banking program with 25 schools across the country. Table 7.1 provides a summary of FC program activity in all four countries.

Table 7.1. FC Program Activity by Country

	Colombia	Ghana	Kenya	Nepal
Youth club or workshop length	4 hours	NO	15 hours	3 hours
Youth club or workshop duration	1 time	NO	Weekly/six months	1 time
Adult seminar	NO	NO	10 hours/week (1 time)	
In-school/aggregation point deposit locations	NO	25	NO	7

FC, financial capability; *NO,* not offered

Colombia Financial Capability Program

During 2012 and 2013, SC conducted and tracked participation in financial education workshops in 14 different schools in Cali, Pasto, and Medellín. Workshops were conducted as one-time, four-hour sessions in the area schools.

Colombia findings

When comparing the roster of workshop attendees with their YouthSave customers, BCS identified only one youth with a *Cuentamiga para Jóvenes* account who also attended the workshop. A similar situation occurs in attempting to match neighborhoods where the workshop took place and BCS branches. No bank branch coincides with the neighborhood of the school where the workshops were held.

Because researchers were unable to match accounts holders with specific schools where workshops took place, the analysis contrasts savings outcomes of all youth who have opened an account in the three cities where a workshop took place with savings outcomes of all other *Cuentamiga para Jóvenes account holders* in the country.[10] However, the analysis presented cannot establish any causality, and researchers cannot evaluate the impact that these workshops have had on those who attended them. As shown in Table 7.2, 94 accounts have been opened in cities where the workshops took place, while the remaining 911 accounts were opened in other cities.

Table 7.2. Distribution of Accounts in Colombia by City with FE Workshop

	Opened accounts *n* (%)
Cities with FE workshops	94 (9.3)
Other cities	911 (90.7)

In general, youth who opened *Cuentamiga para Jóvenes* accounts in cities where workshops occurred have higher savings goals (Table 7.3) and more savings (Table 7.4) than youth who opened accounts in other Colombian cities. However, the differences are not statistically significant and do not control for effectiveness of the workshops. Presented results are descriptive only.

Table 7.3. Colombia Youth Savings Goals in COP (PPP-Converted USD) by FE Workshop Location

	Mean	Median	Minimum	Maximum
Cities with FE workshops (*n* = 91)	1,016,046	500,000	240,000	30,000,000
	(821.80)	(404.41)	(194.12)	(24,264.58)
Other cities (*n* = 908)	898,088	480,000	240,000	84,000,000
	(726.39)	(388.23)	(194.12)	(67,940.83)
Total (*n* = 999)	908,833	480,000	240,000	84,000,000
	(735.08)	(388.23)	(194.11)	(67,940.83)

Table 7.4. Colombia AMNS (PPP-converted USD) by FE Workshop Location

	Mean (SD)	Median	Minimum	Maximum	Test statistic
Cities with FE workshops	47.22 (127.66)	16.18	0	1,053.11	F(1,1003)=0.66
Other cities	36.93 (116.09)	13.87	0	1,960.62	

SD, standard deviation

[10] For the analysis presented in this section, researchers report on those accounts that have had at least one transaction since the accounts were opened, hence, report only on the 1,005 opened accounts.

Ghana Financial Capability Program

Financial capability activities are conducted by HFC bank through an in-school banking program and bank visits. As part of the YouthSave experiment, HFC provides two sets of services in 50 randomly selected area schools across seven regions of the country. In 25 schools, HFC offers in-school banking, which comprises financial education, account enrollment, and periodic depository services with youth serving as bank tellers. In the other 25 schools, HFC is intensively marketing the *Enidaso* account through informational visits to schools with opportunity to open an account and make an initial deposit but no financial education or subsequent depository services.

As of February 28, 2013, HFC had started in-school banking with 11 of the first 25 schools, and bank visits with 21 of the second 25 schools.

Ghana findings

Comparing schools that receive marketing from HFC, in-school banking, or no activities from HFC reveals significance associated with schools implementing in-school banking. That is, as Table 7.5 shows, in-school banking is associated with a strong and positive link to account uptake compared to schools without in-school banking which may be a positive early indication of future experimental results. Table 7.6 indicates that, although account uptake is higher for schools receiving bank visits than those with no bank visits, the difference is not statistically significant. Tracking over the next year and eventual comparison between treatment and control schools will yield greater understanding.

Table 7.5. School-Level Analysis of In-School Banking in Ghana (N = 175)

	Account uptake* mean (SD)	AMNS GHS (PPP-converted USD)
Schools with in-school banking (n = 11)	15.81 (16.89)	6.51 (3.80)
Schools without in-school banking (n = 164)	5.21 (11.25)	13.40 (20.36)

*p<.001; *GHS,* Ghana cedis; *SD,* standard deviation

Table 7.6. School-Level Analysis of Bank Visits in Ghana (N = 175)

	Account uptake mean (SD)	AMNS GHS (USD PPP-converted)
Schools receiving bank visits (n = 21)	11.11 (9.89)	7.14 (4.90)
Schools not receiving bank visits (n = 154)	5.92 (12.28)	13.07 (19.99)

GHS, Ghana cedis; *SD,* standard deviation

Kenya Financial Capability Program

Kenya's FC program includes youth and adult financial education. The youth component includes mentoring and youth training from SC identified and trained community resource persons. Community buy-in events are held by mentors to create awareness of YouthSave and *SMATA* among parents, guardians, and other community leaders. Each mentor establishes five youth savings clubs with 25 youth each for in- and out-of-school youth. Clubs meet for approximately one hour per week for 14 weeks with more than half the time spent on financial education topics.

A community outreach program also led by SC offers adults two-hour educational sessions for five days about YouthSave and the benefits of saving and to garner interest in supporting financial education for young people in their households and community.

Postbank has limited participation in the financial capability program. A bank representative may speak at a youth club meeting and open a SMATA account for an interested youth. Separate from the FC program, Postbank representatives visit schools as part of marketing efforts to inform youth about the *SMATA* product and open accounts.

From June 2012 to April 2013, SC conducted and tracked participation in youth clubs at 17 schools across the country. Of these, nine were held in two towns, Meru and Chuka, in Mt. Kenya Province, and eight were held in four towns, Mombasa, Ukunda, Mtwapa, and Mazeras, in Coast Province.

Kenya findings

As of February 28, 2013, six youth opened accounts in three towns where youth clubs were conducted. Three of these accounts were opened in in Meru in Mt. Kenya Province. Three other accounts were opened in Ukunda in Coast Province. The effect of youth clubs on account uptake or savings appears to be minimal. Branches in provinces where there was no youth club activity—the Western and Nairobi regions—had higher uptake and savings than those where there was youth club activity. However, Western and Nairobi regions also have the most branches. In Western Province, uptake was 32% of all SMATA accounts, followed by Nairobi with 30%, Mt. Kenya with 12.8%, Coast with 12.6%, and Rift Valley with 12.2%. Within a province, findings were similar. The branches located in the same towns as youth clubs had lower account uptake and AMNS than branches in towns where youth clubs did not occur.

Using statistical analysis to assess effect of youth clubs on account uptake and savings resulted in no significant difference between branches in the same or different regions where the youth clubs occurred (Table 7.7). Given the slow rollout of activities and the short amount of time that the savings product has been available, this result is not surprising.

Table 7.7. Branch-Level Analysis of FC Activity in Kenya (N = 72)

	Account uptake mean (SD)	AMNS KES (USD PPP-converted)
FC intervention	83.33 (17.62)	2.20 (1.67)
No intervention	81.57 (132.39)	5.42 (12.78)

KES, Kenya shillings; *SD,* standard deviation

Nepal Financial Capability Program

SC, their local partners, and BOK provide 3-hour financial education workshops for youth, financial orientations for adults, community street dramas, and booster financial education sessions at nonbranch depository locations (i.e., aggregation points). BOK also implements its own financial education workshops and offers other opportunities to conduct transactions at aggregation points (e.g., schools and savings clubs).

Between June 1, 2012, and February 28, 2013, SC and its partners conducted youth financial education workshops and adult orientation activities in eight towns across the country with at least one in each region and two towns in each of the Eastern, Western, and Mid-Western Regions. Street dramas were performed in one town in each region with the exception of the Mid-Western Region, which had street dramas in two towns.

Independent of SC activities, BOK provided financial education in four towns in the Eastern Region, three in the Central Region, four in the Western Region, and one each in the Mid- and Far-Western Regions. In the Eastern and Central Regions, most of these activities occurred twice in two consecutive months between July 2012 and January 2013.

Aggregation point transactions for account holders take place in schools with a bank representative who records a handwritten transaction and later enters it electronically at the branch office. Eighteen branches are conducting aggregation point transactions, 12 in collaboration with SC and six independently. Aggregation point delivery during product rollout occurred in four towns across the Central, Mid-Western, and Far-Western Regions in June, September, and October of 2012.

Nepal findings

Results suggest that the effect of financial education classes alone is not enough to enhance account uptake or AMNS. Several branches have higher account uptake and higher AMNS even though they did not participate in financial education workshops. Among branches that assisted in providing financial education, Birtamode has the highest AMNS of USD 58.05. Some branches, despite participating in financial education workshops, have lower AMNS (see Tables B.4.13 and B.4.14 in Appendix B.4).

Branch analysis also shows no significance among individual types of FC programming (Table 7.8). The number of participating branches in each type is small, which could reduce the potential to find significance. However, when testing all FC activities against no activity, account uptake shows significance. In other words, a branch involved in multiple FC activities that includes providing financial services is likely to improve its account uptake.

Table 7.8 Branch-Level Analysis of FC Activity in Nepal (*N* = 44)

	Account uptake mean (SD)	AMNS NPR (USD PPP-converted)
SC only (*n* = 9 [7 include aggregation point delivery])	70.78 (29.23)	8.57 (5.40)
SC and BOK FE (*n* = 2)	107.50 (14.85)	32.06 (36.75)
Only BOK FE (*n* = 6)	45.00 (65.78)	26.35 (31.55)
BOK FE and aggregation point (*n* = 5)	50.60 (29.60)	15.16 (9.12)
No intervention (*n* = 22)	29.68 (21.72)	23.99 (10.54)
	Account uptake* mean (SD)	AMNS NPR (USD PPP-converted)
Yes	62.50 (43.32)	17.05 (20.15)
No	29.68 (21.72)	23.99 (10.54)

*p<.01; *FC,* financial capability; *SD,* standard deviation; *AMNS,* average monthly net savings; *NPR,* Nepalese rupees; *USD,* U. S. dollar; *PPP,* purchasing power parity

Note: Analysis includes financial education activities that began during product piloting to control for accounts opened after financial education participation.

Key Findings

- In Colombia, SC conducted financial education workshops in 14 different schools in Cali, Pasto, and Medellín. Although 94 accounts were opened in those cities, BCS identified only one youth with a *Cuentamiga para Jóvenes* account who attended a workshop.
- In Ghana, HFC started an in-school banking experiment with 11 of an expected 25 schools, and effects are significantly positive on account uptake. This is potentially a promising early finding. Continued tracking will yield greater understanding about possible effects of in-school banking.
- In Kenya, from June 2012 to April 2013, SC conducted youth clubs at 17 schools across the country. Six youth opened accounts in three of the towns where youth clubs were conducted. There was no significant difference in account uptake or savings between branches based on regional proximity to the youth club locations. Given the limited number of schools and youth involved contrasted with the wide reach of the financial product, this result is perhaps not surprising.
- In Nepal, SC, BOK, and its local NGO partners conducted youth financial education workshops, adult orientation activities, and depository services. Although it is not possible to isolate the effect of particular FC activities, results indicate that a branch involved in them is more likely to increase its account uptake.

Overall, there is not a strong overlap in who receives FC programming and who opens an account, and therefore researchers cannot claim a good test of this question. Where the best data exists to experimentally test effects—in-school banking in Ghana—there is evidence of a positive relationship. Through the YouthSave Ghana Experiment, researchers will be able to report robust results in the future. Going forward, other questions should be explored more fully to identify factors (e.g., timing of financial education workshops/savings clubs, length of participation, location of activity, and type of activity) associated with developing FC. Chapter 8 includes a larger discussion of the implications of all findings in this report.

Chapter 8: Discussion and Conclusions

Youth-focused savings accounts developed in YouthSave are in the early stages of rollout. Savings products have been available for less than one year in most countries and the average account has been open for only about six months. FIs continue to evaluate and refine product features and marketing strategies to provide attractive savings accounts for youth and retain them as long-term customers.

Despite its early stage, first-year findings for savings performance are positive. Even though few youth had previous formal financial experience, the cross-country total of USD 519,127 saved shows that youth are saving in formal savings products. On an individual level, the average total balance per account ranges from USD 248 in Colombia, USD 91 in Nepal, and USD 26 in Ghana to approximately USD 10 in Kenya. Interestingly, while Kenya has the most accounts, it has the lowest average balance. One possible reason is rapid account growth, and another is that accounts can be opened without an initial deposit, which may facilitate account uptake but may not necessarily encourage saving.

YouthSave is moving toward its goal of youth financial inclusion. Partner FIs are reaching their target population of low-income youth. The majority is between the ages of 12 and 18, and approximately 40% live below USD 2.50 per day. For most youth, the YouthSave account is their first experience with formal savings. With a reported 17% of HOHs having no prior formal banking experience, the products also may be reaching a portion of unbanked households. These initial results suggest that low income youth will save in formal financial savings products marketed and tailored to their needs.

Not as fully represented, however, are the very poor and out-of-school youth. In Kenya and Nepal, female youth are also under-represented. Although a large proportion of the youth signing up for accounts is low-income, the YouthSave accountholder population has a higher percentage of nonpoor youth compared to the general population in each country. Because commercial financial products generally serve people from diverse income levels, this finding is not surprising but it provides context and highlights an opportunity to further refine product offerings that may attract low-income clients. A reasonable objective would be to aim for financial products and services that are inclusive of the whole population.

Only 2.4% of out-of-school youth are represented across all four countries, which might reflect the difficulty of reaching this population, as well as reflect the marketing strategies the FIs have been using in YouthSave (which often occur in schools). Out-of-school youth tend to be male and older, and a higher percentage has participated in the labor market contrasted with in-school youth. Out-of-school youth most often cite emergencies as the reason for saving, while the vast majority of in-school youth are saving primarily for their own education. In addition, almost half of out-of-school youth signed for the account on their own. Based on the characteristics of those who signed up for the YouthSave product, out-of-school youth may have different needs and thus require different product features than those who are in school. Less restrictive savings products that are accessible where these youth work and congregate or through mobile devices may better suit their needs. Policies regarding account signatory authorization also may need to be reviewed to accommodate them.

Gender differences sometimes are reflected in number of accounts opened, but there is no difference in amount of savings. There is almost equal representation in number of accounts opened in Colombia and Ghana, but male account holders outnumber female account holders by a ratio of 3:2 Kenya and Nepal. These latter differences may reflect social norms or FI marketing efforts.

In terms of social norms, a Nepali male youth is more likely to go independently to a bank branch to open an account, while female youth typically are restricted from traveling alone, which reduces their level of mobility and access. Also, parents may see a son's needs and future prospects as more important than a daughter's. In terms of marketing in Nepal, BOK's primary strategy for product rollout was to employ mass media, whereas during product piloting, they worked with SC conducting financial education workshops in lower income public and government schools. During the product piloting phase, 72% learned about the account through financial education workshops (Johnson, Lee, Osei-Akoto, Njenga, Sharma, 2012), and gender was nearly equal (51% female, 49% male) contrasted with the current ratio (63.5% male, 36.5% female).

In Kenya, 61.7% of account holders are male and 38.3% are female, which may reflect that most *SMATA* account marketing was conducted at secondary boys' schools. According to Postbank staff, it is easier to access boys' schools because society views females as more vulnerable, and girls' schools are more cautious about external visitors.

One characteristic that does affect savings performance is how youth learned about the account. In Ghana, youth who learned about the account through a friend or family member or through mass media saved significantly more than those who learned about the account in other ways. In Kenya, youth who learned about the account through mass media saved significantly more than those who learned in other ways. This mass media approach is likely to attract a more socioeconomically diverse population that can afford to make larger deposits. In Nepal, an initially surprising result is that youth who learned about the account through financial education workshops—who one might expect to be more motivated to save—saved less than those who learned about the account through some other means. Workshops targeted youth from lower socioeconomic households, while mass media likely attracted youth from higher socioeconomic levels who may have more resources to save.

In all countries, the most accounts were opened in Q1 of product launch. Since then, account uptake has declined each quarter except for a spike in Kenya in Q2 and very small gain in Q3. In Kenya, these increases may reflect the effectiveness of FI marketing and the scale of Postbank's branch network. Youth also can open accounts without an initial deposit.

In all four countries, FIs identified gaps in product marketing strategies. A key lesson was that education of and incentives for branch staff are necessary to build understanding of and support for products. In Colombia, the longstanding youth *Tuticuenta* transaction account was competing with the newer *Cuentamiga para Jóvenes* YouthSave account. The *Tuticuenta* account appeared to have more flexible product features desired by youth and more lucrative internal staff incentives to promote the *Tuticuenta* product. In Ghana, HFC experienced initial challenges from school officials in marketing to schools, disruptions to school calendars, and access to youth when school is not in session. In Nepal, regulatory officials were slow in allowing depository access points outside of BOK branches. BOK realized that being more involved in financial education and adding depository locations nearer to youth could increase the account uptake and savings amounts. In all cases, seasonal

activities and national and local events (e.g., festivals, school holidays, and national elections) limited access to financial services, particularly those offered at schools.

Participation in FC activities is significantly associated with account uptake in Ghana and Nepal, where FIs are involved in delivery of financial education and depository services outside of branches. In Colombia and Kenya, these types of FC activities have been limited, which raises the question of the return on investment of financial services. Based on findings in this report, an FI that extends services beyond the branch likely will gain more account holders. While providing traditional financial education may not be cost-effective, facilitating access to financial services and information may be. Providing services at schools or youth organizations may be beneficial for youth and the FI. Going forward, experiments in Ghana, Colombia, and Kenya will explore the role of FIs in in-school banking and test the effectiveness of financial education text messages, which may be more viable and scalable than traditional financial education.

Account usage varies across countries, but most youth have made approximately two deposits since they opened their account which calculates to about one deposit every three months. Colombian youth tend to deposit more frequently than youth in the other countries. Although it is not possible to determine a statistical correlation, the *Cuentamiga para Jóvenes* product is the only one that asks youth to set a savings goal amount and timeframe, which may influence deposit behavior.

A common factor associated with being a frequent depositor in Ghana, Kenya, and Nepal is the source for learning about the account. In Ghana, youth who learned about the account through mass media (i.e., television, radio, or newspaper) deposited more frequently, which may be a result of reaching a broader pool of youth from various socioeconomic backgrounds. In Kenya, youth who learned about the account through school or college are more likely to be frequent depositors. In Kenya and Nepal, youth who learned about the account through financial education workshops or youth club are more likely to average at least one deposit per month. What particular factors are associated with this finding cannot be distinguished but, at least in Nepal, these youth had depository access at financial education workshops or school and reminders and encouragement to make deposits through these sources which could influence deposit activity.

Being a frequent depositor is not necessarily associated with being a high saver. For example, in Kenya, youth who learned about the account through mass media are associated with higher monthly savings, but those who learned about the account through financial education workshops or youth clubs make more deposits. Youth who learned about the account through financial education workshops or youth clubs may be more motivated and enthusiastic about saving but have less to save than those who learned about the accounts in other ways. Ongoing tracking of YouthSave activities will help researchers determine which factors have more influence, and experiments in Ghana, Colombia, and Kenya will provide opportunities to identify particular effects.

The number of withdrawals youth make appears to be largely a reflection of FI product restrictions. For example, where YouthSave products have restrictions on withdrawals (i.e., Colombia and Ghana), the number of withdrawals is much lower. From a savings perspective, the low number of withdrawals may be viewed positively. However, as previously mentioned, the uptake rate on the accounts is also lower, especially in Colombia, and restrictive withdrawal rules may affect account uptake negatively. Other product incentives or fewer restrictions may be necessary to attract more youth.

While deposits and withdrawals are generally within the control of the account holder, service fees, taxes, and interest rates are not. In all countries except Nepal, total service fees and taxes are higher than the interest earned on accounts. This net loss in savings is minimal but highlights how institutional mechanisms, not personal savings behavior, can affect savings performance and discourage participation in formal savings.

So what do these findings say to FIs that want to offer products and services for youth in general and low-income youth specifically? Although it may not be possible to alter regulatory policy, owning a savings account independently at a younger age may be desirable. In Nepal, the majority age is 16 years, which may contribute to more active account holders and higher savings amounts. In Ghana and Kenya, over half of account holders open accounts with a cosignatory who is someone other than a parent which also suggests that independent ownership at a younger age may be more efficient and desirable than co-ownership, especially for out-of-school youth who may not have easy access to a parent or trusted adult.

Access to services continues to play an important role in uptake and usage as evidenced by the positive response to marketing and depository activities at schools. Since youth are not always able to go to a branch, bringing the bank to the youth wherever the youth are, whether through a school, youth organization, or through a technology medium, may be a key strategy for reaching and retaining youth clients. One possible drawback to a school-based strategy is the multiple disruptions that impact school attendance. Alternative access points should be considered.

Reaching especially low-income youth may necessitate targeted, more direct services in communities where youth from low-income households live, work, or go to school.

Finally, savings products should be attractive to and beneficial for youth with incentives that exceed the cost of fees and taxes.

Assessment of the YouthSave Intervention Model

If provided an opportunity to save via formal financial services, youth will participate. But how many? Which marketing strategies and types of financial products would attract more youth? This report highlights common issues across countries and unique strengths and limitations in each.

Across all the countries, access continues to be an important issue for in-school and out-of-school youth, which suggests that increasing account uptake and savings rates may necessitate taking the bank to the youth. However, there is no single location (e.g., school) where one can easily market to out-of-school youth and, in the case of a minor opening an account, obtain trusted adult cosignature. Given the popularity of technology among youth, leveraging the Internet as a marketing tool—even if products are not themselves technology-based—may be one effective strategy for reaching youth. Taking the bank to the youth may involve providing banking services in market places, as part of apprenticeships, through technology, or during mandatory school years before dropout begins.

The decreasing number of accounts opened by quarter suggests a need to intensify and diversify marketing strategies and review product features. Some FIs already have identified and are in the process of making changes to product features. Strategies differ by country and are discussed below.

Colombia

Cuentamiga para Jóvenes has reached low-income youth in Colombia, who are willing and able to save. However, slow uptake and the decreasing rate of account opening is a cause of concern. BCS identified limitations in marketing strategy and product features, particularly in comparison to its popular counterpart *Tuticuenta*. For example, staff incentives were not equitable and have been restructured, and BCS plans to loosen some of the restrictive features of the product. Though prior market research indicated that youth wanted restrictions to encourage saving, the limit on withdrawals may have been a disincentive. Planned product feature changes effective July 2013 include the following:

- Opening initial deposit reduced from COP 20,000 to COP 10,000
- Accounts opened at schools can be opened with zero deposit
- One-per-year withdrawal restriction eliminated
- Withdrawal fee of COP 5,000 still applies, but account holders allowed one free withdrawal per year
- Minimum balance to make withdrawals reduced from COP 60,000 to COP 10,000
- Cost to close account (originally COP 11,000) reduced to COP 5,000

BCS also has strategized how to make products more easily accessible to youth, and several ideas have emerged. BCS is considering selling *Tuticuenta* and *Cuentamiga para Jóvenes* as joint accounts in which youth can transfer money from one account to the other easily using the Internet. BCS and the Country Advisory Board for YouthSave Colombia also discussed providing alternative access points for youth to open accounts and conduct transactions. Although previously discouraged from school involvement, BCS plans to go to schools with SC and provide financial education workshops and account opening opportunities. In this way, BCS aims to add value to its services and reach more youth.

Ghana

In Ghana, HFC is marketing to schools strategically through its Outreach Program and in-school banking. However, these efforts have been slow to roll out, and the frequency of school visits has varied across participating branches. HFC has added sales agents at underperforming branches to provide more resources and serve schools more effectively.

Of all *Enidaso* account holders, only four reported not being enrolled in school. HFC originally expected to reach this population and is planning new strategies to reach them. For example, during school vacations, HFC will refocus its direct sales agents from in-school to out-of-school youth.

With increased marketing to senior high schools, HFC realized that restricting withdrawals for the first three months after account opening is problematic for students—especially those in boarding school—because they require regular withdrawals to take care of basic needs while in school. Therefore, the restriction has been lifted for SHS students, many of whom are in boarding school. Thus far, the number of withdrawals has been low, but researchers will track this change over the next year to assess withdrawal patterns.

Kenya

Findings suggest that youth are interested in the YouthSave *SMATA* account, and those who previously did not have a formal account have now been able to access a formal financial institution. Many of these youth are from low-income households. Because of the lower account uptake by females, Postbank will work to establish relationships with organizations that focus on programs for adolescent females to increase their opportunities for participation.

Almost half of youth indicated learning about the account through school, while only 5% learned about the account through a youth club. Thus it appears that the marketing strategy for opening accounts through school visits is effective, but researchers understand less about successful strategies to increase savings amounts. Researchers are planning a text message experiment with Postbank to assess whether reminders and educational messages will motivate youth to save more. The experiment will target primary schools with mixed gender populations, which may increase female participation. For Postbank, this practice could be a cost-effective, efficient, and scalable approach to communicating with account holders on a regular basis.

Nepal

Findings indicate that CYBY is reaching targeted youth but with less representation from females and out-of-school youth. Given the association of FC activities (i.e., financial education and financial services outside branches) with account uptake and usage, expanding the number of schools where financial education and financial services occur may increase financial inclusion. Expanding financial education, account enrollment, and depository services in government/public schools—which serve primarily low-income youth—and girls' schools may be especially important for increasing participation among low-income and female youth. Expanding aggregation point locations outside branches may increase account uptake and savings performance for all youth.

Mass media is the most frequently cited source for learning about CYBY for all youth and the second most commonly reported source by out-of-school youth. To reach a wider audience more effectively, playing the CYBY television commercial and radio jingles more frequently may attract more youth, particularly underrepresented out-of-school youth (the television commercial was discontinued on certain channels because of electrical power restrictions during the dry season). In addition, leveraging word-of-mouth networks and expanding programs aimed at parents and adults may help encourage greater youth participation.

Recommendations for Additional Inquiry

Based on current findings and planned implementation changes, this section offers brief recommendations for additional testing and continued learning.

Colombia

An experiment to test the effect of financial education and deposit reminder text messages is being conducted with *Tuticuenta* accounts, and researchers are considering a similar experiment with *Cuentamiga para Jóvenes* accounts. The *Cuentamiga para Jóvenes* account offers an opportunity to test a savings product with explicit savings goals and product features designed to motivate low-income youth to save. However, implementing such an experiment necessitates a substantial increase in the

number of *Cuentamiga para Jóvenes* accounts opened each month. Other learning opportunities include the following:

- Analyze in detail how youth respond to different account features. One option is to analyze *Cuentamiga para Jóvenes* and *Tuticuenta* and compare youth characteristics and savings patterns.
- Analyze youth response to financial education workshops and text message reminders. This is not possible for the *Cuentamiga para Jóvenes* account because the workshops carried out by SC are not specifically directed toward account holders but rather to the youth population in general.

Ghana

The YouthSave Ghana Experiment aims to document and explain the various factors that affect youth savings and social development. Additional research that could augment the experiment include:

- collecting data on variations in duration, exposure, and intensity of in-school banking,
- assessing the possible impacts of using sale agents versus bank staff,
- conducting longer term follow-up with qualitative interviews of participants and stakeholders for deeper understanding of results,
- exploring regional (or rural/urban) variations,
- differentiating between the impact of mass media marketing (i.e., radio advertisements) and micro targeting of schools, and
- assessing where deposits occur to better understand access points used most by youth.

Kenya

Two experiments in planning with Postbank will leverage knowledge gained from YouthSave. The first tests the effect of financial education and deposit reminder text messages on savings performance, which is cost-effective and easily scalable, and the second assesses the impact of savings and asset accumulation on developmental outcomes of primary school youth. Other potential learning opportunities include the following:

- The *SMATA* account targets youth aged 12 to 18 years. Those 18 years and older transition to other accounts. It may be useful to study these youth to understand and compare savings patterns and other outcomes of youth with *SMATA* accounts and the post-*SMATA* group.
- The majority of youth indicate that their parents or relatives as the primary source of funds for their *SMATA* account. While one of the features of the account is to give youth more control, additional research may explore the role of the parent related to youth accounts.
- Postbank is planning to convert to a full-fledged commercial bank. It may be a unique opportunity for researchers to study the effects of this conversion on account uptake and savings in *SMATA* accounts and other products newly available to *SMATA* account holders.

Nepal

In Nepal, BOK has a larger proportion of out-of-school youth account holders relative to the other YouthSave countries. This may offer an opportunity for further study. Follow-up through case studies and additional analysis of branches where these youth opened accounts may help to better understand and serve the needs of these youth.

The role of BOK includes financial education and financial services outside of bank branches. Implementing an experiment to isolate and test the impact of each of these components independently on account uptake and savings performance would further help FIs identify and incorporate the most critical services needed for greater youth financial inclusion.

YouthSave Going Forward

In the broader context, this report offers many insights on youth financial inclusion and capability. The short amount of time that has passed since product launch limits the potential to draw strong conclusions, but initial findings provide direction for refining product features and marketing strategies. Researchers will continue to track YouthSave participation as FIs develop innovative and efficient ways to provide greater access to formal savings opportunities. Other studies in progress will assess effects of financial education and savings reminders through text messaging in Colombia and Kenya and outcomes of in-school banking in Ghana.

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Appendix A – YouthSave Account Features at Product Rollout

	Colombia	Ghana	Kenya	Nepal
Financial institution	Banco Caja Social (BCS)	HFC Bank	Postbank	Bank of Kathmandu (BOK)
Product name	*Cuentamiga para Jóvenes*	*Enidaso*	*SMATA*	*Chetanshil Yuva Bachat Yojana* (CYBY)
Type of account	Programmed savings	Regular savings	Regular savings	Regular savings
Eligible youth	7–17 years	12–18 years	12–18 years	10–22 years
Owner	• Youth	• Custodian is primary signatory and can be any trusted adult. • Youth also must sign account opening forms.	• Custodian is primary signatory and can be any trusted adult. • Youth also must sign account opening forms.	• Age 16 • Under age 16: Parent/guardian
Account opening requirements	• Account opening form completed by youth • Child ID	• Account opening and KYC form completed and signed by adult and youth • Youth and adult photos taken at branch • ID for adults include national ID, voter ID, passport, driver's license, or health insurance card. • ID for youth include national ID, NHIS card, school ID, letter from local government official, or letter from school.	• Account opening form • Youth and adult photos taken at branch • ID for parent/guardian • ID for youth include birth certificate, birth notification, baptism card, school leaving certificate, or letter from provincial administration to introduce youth with no ID. • For savings club accounts, youth need an introduction letter from the school, a minimum of two adult signatories, and two youth representatives.	• Account opening form • ID for minors (youth younger than 16) include a photocopy of parent's or guardian's citizenship and documentation of youth's data of birth (e.g., birth registration certificate or school registration certificate). • ID for majors (youth 16 and older) include a photocopy of citizenship or passport. • Youth photo • Parent or guardian photo (for minors)

	Colombia	Ghana	Kenya	Nepal
Deposit/ withdrawal requirements	• Youth can withdraw and deposit independently. • In the savings plan, monthly deposits must total COP 20,000; however, there is no penalty for missing monthly goal.	• Youth can deposit independently. • An adult must be present for youth to make a withdrawal.	• Youth can deposit independently. • An adult and youth must be present for youth to make a withdrawal, (but not legally required for youth to be present). Policy applies to club accounts as well.	• Minors can deposit but adult and child presence and signature required for withdrawal. • Majors can withdraw and deposit independently.
Interest rate	• 0.25% per year for up to COP 500,000 • 0.5% per year for up to COP 1,000,000 • 0.75% per year for up to COP 2,000,000 • 1% per year for over COP 2,000,000	• 1.25% per year subject to Asset and Liability Management Committee (ALCO) which meets monthly to set rate, minimum GHS 20 to earn interest	• Minimum interest earning amount: KES 15,000. • Interest compounds daily and is capitalized annually • Interest rate based on current market rates	• 5% on savings
Fees	• Withdrawal: COP 5,000 • Account closure (if savings goal not achieved): COP 11,000	• Withdrawal: GHS 3.50 • ATM card: GHS 2.50 • Withdrawal booklet: GHS 3.50 • Paper statements: GHS 2	• Withdrawal: KES 30 • Replacement of lost/ stolen debit card: KES 300 • Replacement of lost/ stolen money wallet: KES 100 • Replacement of lost/ stolen savings diary: KES 100 • Account closure fee: KES 50	• Account closure: NPR 100 (charge waived for accounts open for at least two years)
Minimums	• Opening balance: COP 20,000 • Balance to earn interest: COP 1	• Opening balance: GHS 2 • Operating balance: GHS 5 • Balance to earn interest: GHS 20	• Opening balance: KES 50 • Operating balance: KES 200 • Minimum deposit: KES 50 • Balance for interest: KES 20,000	• Opening: NPR 100 • Operating: NPR 100 • Balance to earn interest: NPR 1

	Colombia	Ghana	Kenya	Nepal
Withdrawal restrictions	• One withdrawal per year • Withdrawals allowed after balance reaches COP 60,000.	• No withdrawals for first three months • Monthly withdrawals are allowed thereafter.	• None	• Transactions (deposits and withdrawals) are capped at NPR 5,000 per transaction at aggregation points (e.g., schools, youth clubs). • There are no transaction limits in branches.
Incentives	• A special kit with a bracelet, card, and piggy bank is offered at account opening as incentives.	• Account holders are offered a free piggy bank, T-shirt, or pen.	• Account holders are given a free money wallet for use as piggy bank, a free savings diary, and a free debit card.	• Account holders are given a free piggy bank. Majors have the option to receive a Visa debit card instead with the first year issuance charge waived.
Other features	• Youth sets up savings plan of 12–60 months and plan to deposit at least COP 20,000 per month. • Statements are sent by email on a quarterly basis.	• Youth receive an ATM card to check balances (fee-free). • Statements are given every six months.	• Youth receive a debit card that enables withdrawals only at a teller and to use as a bank ID.	• Youth receive a free customer ID card.
Delivery strategy	• Branches for all transactions and agents for deposits	• Branches and Boafo agents • In-school delivery in certain locations	• Branches for deposits and withdrawals • Postbank agents for deposits only • Mobile phone for deposits only • School collection of checks only by branch staff when requested by school	• Branches • Periodic service at aggregation points (e.g., schools, youth savings clubs) in certain locations
Marketing Strategies	• Event tickets were offered at promotional events in 14 schools in Bogotá and 10 schools in Medellín.	• Prizes were offered during promotional campaigns. • Direct marketing occurred during school visits and through print and electronic media.	• Prizes were offered during promotional campaigns. • Direct marketing occurred during school visits and through print and electronic media.	

	Colombia	Ghana	Kenya	Nepal
Conversion upon majority	• No automatic conversion • BCS offers adult products into which youth can be migrated.	• No automatic conversion • HFC offers adult products into which youth can be migrated. KYC will be upgraded to reflect new status. Same account code will apply, but a new account number is assigned.	• No automatic conversion • Youth can continue to operate account for one year after turning 18 while awaiting adult ID and transition to STEP account thereafter.	• Once youth turn 16, withdrawals are frozen until they submit a citizenship certificate to continue operations. • Account can be retained.

Data provided Save the Children.

Appendix B.1 – Colombia Country Brief

Program Description

The youth savings product offered by BCS, *Cuentamiga para Jóvenes,* means "friendly account for youth" and is targeted to youth between 7 and 17 years of age.

Account Uptake

A total of 1,227[11] accounts were opened between February 29, 2012, and February 28, 2013, and have been open for an average of 7.3 months. Ninety accounts were closed during that time, and 340 were declared dormant (i.e., had no financial movement for six months) by BCS (Table B.1.1). Most of the accounts closed were opened during the first quarter.

Of note is the decreasing trend in quarterly opening rates. Discussion with BCS revealed internal competition with a preexisting youth product, *Tuticuenta,* which has been in place for 16 years and serves the same age population. *Tuticuenta* is less restrictive and more transaction-oriented than *Cuentamiga para Jóvenes'* longer term saving emphasis.

Table B.1.1. Colombia Account Information by Quarter*

	Q1	Q2	Q3	Total
Total accounts opened (as reported by SC/BCS)	774	248	205	1,227
Number of total accounts closed	83	3	4	90
Number of total dormant accounts (includes those with no transactions since account opening)	339	1	0	340

*Q1 is February 29, 2012, to August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Q3 is December 1, 2013, to February 28, 2013.

Account Holder Characteristics

Table B.1.2 presents detailed demographic characteristics of account holders by quarter, and highlights are as follows:

- *Cuentamiga* account holders are divided almost evenly between females (51.67%) and males (48.33%).
- The average age of account holders is 12.8 years. Ages of youth are relatively balanced with approximately 30% between 10 and 12 and between 13 and 15. There are similar percentages of youth younger than 10 years old (19.4%) and those between 16 and 18 years of age (18.4%). As expected given the characteristics of this product, none are older than 18 years of age.

[11] This number includes 222 accounts treated as having no transaction activity from life of account because the initial deposit record was not available and there were no subsequent transactions on the account.

- The majority of account holders (99.7%) are enrolled in school. Among them, 44.2% attend primary school, and 53.1% attend secondary school. Thirty-two youth attend a higher education institution: 18 in technical school and 14 at a university.
- In the Colombia YouthSave population, 9.5%—contrasted with 17% of the general population—live on less than USD 2.50 per day PPP.
- A similar but alternative approach to assessing the percentage of low-income youth in Colombia is to use the national stratum, which defines socioeconomic levels based on housing and public infrastructure characteristics in a geographic region. The majority report being in strata 3 or lower with most in strata 2 and 3.
- Overall, account holder characteristics varied little across quarters with the exception of gender and age. In Q2 and Q3, more females opened accounts with 61.3% in Q2 and 61.0% in Q3 compared to 46.1% in Q1. Less males opened accounts in Q3 than Q1 by a similar percentage to the increase in females.

Table B.1.2. Colombia Account Holder Characteristics by Quarter*

	Q1 *n* = 774 (%)	Q2 *n* = 248 (%)	Q3 *n* = 205 (%)	Total *N* = 1,227 (%)
Gender				
Female	357 (46.1)	152 (61.3)	125 (61.0)	634 (51.7)
Male	417 (53.9)	96 (38.7)	80 (39.0)	593 (48.3)
Age (years)				
Younger than 10	157 (20.3)	58 (23.4)	35 (17.1)	250 (20.4)
10–12	229 (29.6)	72 (29.0)	65 (31.7)	366 (29.8)
13–15	245 (31.6)	85 (34.3)	60 (29.3)	390 (31.8)
16–18	143 (18.5)	33 (13.3)	45 (21.9)	221 (18.0)
19–21	0 (0)	0 (0)	0 (0)	0 (0)
22–24	0 (0)	0 (0)	0 (0)	0 (0)
25–30	0 (0)	0 (0)	0 (0)	0 (0)
Older than 30	0 (0)	0 (0)	0 (0)	0 (0)
Missing	0 (0)	0 (0)	0 (0)	0 (0)
Education level				
Not in school	3 (0.4)	1 (0.4)	0 (0)	4 (0.3)
Primary	336 (43.4)	114 (46.0)	91 (44.4)	541 (44.1)
Secondary	408 (52.7)	131 (52.8)	111 (54.1)	650 (53.0)
Technical school	15 (1.9)	1 (0.4)	2 (1.0)	18 (1.5)
University	12 (1.6)	1 (0.4)	1 (0.5)	14 (1.1)
School status				
In school	771 (99.6)	247 (99.6)	205 (100)	1,223 (99.7)
Not in school	3 (0.4)	1 (0.4)	0 (0)	4 (0.3)
Socioeconomic strata**				
Strata 1	57 (7.4)	10 (4.0)	14 (6.8)	81 (6.6)
Strata 2	282 (36.5)	117 (47.2)	72 (35.1)	471 (38.4)
Strata 3	323 (41.7)	93 (37.5)	83 (40.5)	499 (40.7)
Strata 4	61 (7.9)	18 (7.3)	19 (9.3)	98 (8.0)

Strata 5	22 (2.8)	2 (0.8)	6 (2.9)	30 (2.4)
Strata 6	8 (1.0)	4 (1.6)	2 (1.0)	14 (1.1)
Missing/don't know	21 (2.7)	4 (1.6)	9 (4.4)	34 (2.8)

*Q1 is February 29, 2012, to August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Q3 is December 1, 2013, to February 28, 2013.
**Researchers imputed values for 253 accounts (25.2%) with missing values for stratum provided by BCS.
Note: Researchers imputed stratum values following specific rules. Those with missing values were matched with youth who specified the same neighborhood as their residence and imputed the strata as the mode of the group of kids who reported living in that neighborhood. If no other youth in the database reported living in the same neighborhood, the researchers searched a spatial database containing the strata of all Bogota's neighborhoods (using ArcGIS) and imputed the value. For other cities, they searched online real estate sales sites and imputed the strata of any property found in the same neighborhood. If such information could not be found (especially in small towns) they imputed it as the mode in the city or town. Finally, if there were no other youth in a given city or town, researchers imputed stratum as the mode in the country. There were 26 cases shown as missing. According to BCS, the addresses were previously parks or an area in the city without any strata.

Savings Goal

This section shows reported savings goals by quarter and socioeconomic strata. There is variation between quarters, but it is unclear what might explain differences and whether this is a meaningful pattern. Continued tracking will help assess and explain patterns. In terms of savings goal amounts, lower strata youth who signed up in Q3 have higher savings goals than their counterparts in Q1 (Table B.1.3). Conversely, higher strata youth who signed up in Q3 have lower savings goals than their counterparts in Q1. Overall, lower strata youth have higher savings goals. In terms of timeframe to achieve savings goals, many youth across strata in Q3 have longer timeframes than their counterparts in Q1. The overall monthly savings goals based on amount and timeframe reveal that youth who opened accounts in Q3 have higher monthly savings targets than their counterparts who opened accounts in Q1 and higher strata youth who opened accounts in Q3.

Table B.1.3 Colombia Savings Goals by Quarter*

	Q1* mean	Q2 mean	Q3 mean	Total mean
Savings goal amount (PPP-converted USD)				
Strata 1	708.16	315.76	1,027.2	715.12
Strata 2	520.74	648.68	660.98	573.65
Strata 3	539.57	670.04	965.41	672.26
Strata 4	1,666.30	339.70	532.96	1,198.14
Strata 5	370.58	299.26	601.22	411.96
Strata 6	582.34	351.83	299.26	476.05
Missing	370.51	630.87	551.79	449.13
Total	*623.41*	*688.27*	*787.31*	*664.03*
Savings goal timeframe (months)				
Strata 1	25.88	13.4	28.35	24.73
Strata 2	20.41	18.76	21.01	20.1
Strata 3	19	18.51	23.39	19.65
Strata 4	18.28	17	23.63	19.09
Strata 5	16.36	18.5	32.16	19.66
Strata 6	19.5	21.75	18.5	20
Missing	16.04	27	24.11	19.47
Total	*19.80*	*18.50*	*23.16*	*20.1*

Monthly savings goal (PPP-converted USD)				
Strata 1	28	24.42	49.68	31.44
Strata 2	26.63	28.62	31.47	27.86
Strata 3	29.39	35.02	37.12	31.74
Strata 4	127.55	21.56	24.47	87.70
Strata 5	23.52	16.71	22.91	22.92
Strata 6	26.28	16.17	16.17	21.95
Missing	25.42	24.26	18.87	23.55
Total	*35.63*	*29.98*	*33.40*	*34.12*

*Q1 is February 29, 2012, to August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Q3 is December 1, 2013, to February 28, 2013.

Savings Outcomes

For savings outcomes, the sample size consists of 1,005 account holders instead of 1,227. The analysis excludes 222 accounts with no initial deposit record or subsequent transactions. Total net savings across these 1,005 accounts is COP 308,593,992 (USD 249,597) (Table B.1.4). Since rollout, there have been only 91 withdrawals, but the withdrawals have been large in magnitude. Total withdrawals amount to COP 59,655,442 (USD 48,250), which is equivalent to approximately 16% of total deposits.

Table B.1.4. Colombia Total Savings in COP (PPP-Converted USD)

	COP (USD)
Total amount of deposits	368,421,160 (297,986)
Total amount of interest	893,991 (723.08)
Total amount of withdrawals	59,655,442 (48,250)
Total amount of service fees/taxes	1,065,716 (861.97)
Total net savings	308,593,992 (249,597)

COP, Colombian peso; *PPP,* purchasing power parity; *USD,* U.S. dollar

Average net savings per account is COP 307,059 (USD 248.36), while the median value is COP 100,079 (USD 80.95) (Table B.1.5). The minimum amount is zero, which corresponds to accounts that have been closed. The maximum value of total net savings reflects the highest average balance in an account: COP 29,088,678 (USD 23,527). The median value of withdrawals is 0, which shows that the account's restrictions have encouraged saving.

Table B.1.5. Colombia Average Total Savings per Account in COP (PPP-Converted USD)

	Mean	Median	Minimum	Maximum
Average amount of deposits (including interest)	367,478	120,191	5,009	29,088,678
	(297.22)	(97.21)	(4.05)	(23,527)
Average amount of withdrawals	59,359	0	0	24,095,970
	(48.01)	(0)	(0)	(19,489)
Average amount of service fees/taxes	1,060	0	0	72,019
	(0.86)	(0)	(0)	(58.25)
Average net savings (balance) per account	307,059	100,079	0	29,088,678
	(248.36)	(80.95)	(0)	(23,527)

COP, Colombian peso; *PPP,* purchasing power parity; *USD,* U.S. dollar

Table B.1.6 shows that the average monthly net savings per account is COP 46,853.09 (USD 37.90). The median however, is again much smaller reaching only to COP 17,152.64 (USD 13.87). The maximum value of monthly net savings reaches COP 2,424,057 (USD 1,960.62). Comparing the average monthly net savings with the savings goals reported by youth at account opening shows an interesting result. The monthly mean savings goal was USD 37, exactly the same as the one obtained with the balances and transaction information provided by BCS. This shows that, on average, the youth are actually keeping up with their reported goals.

Table B.1.6. Colombia AMNS per Account in COP (PPP-Converted USD)

	Mean	Median	Minimum	Maximum
Average monthly amount of deposits (including interest)	55,327.99 (44.75)	20,004.34 (16.18)	417.79 (0.34)	2,424,057.00 (1,960.62)
Average monthly amount of withdrawals (including fees/taxes)	8,474.89 (6.86)	0 (0)	0 (0)	2,423,552.23 (1,960.22)
AMNS*	46,853.09 (37.90)	17,152.64 (13.87)	0 (0)	2,424,057.00 (1,960.62)

AMNS, average monthly net savings; *COP,* Colombian peso; *PPP,* purchasing power parity; *USD,* U.S. dollar
*AMNS = (deposits + interest – withdrawals – service fees and taxes)/months account has been open

Transaction Activity

Table B.1.7 presents the *Cuentamiga para Jóvenes* transactions for the 1,005 accounts with activity. All youth have made at least one deposit since account opening, and the total average number of deposits per account is 3.7. Only 8.36% of youth have withdrawn money, and withdrawals are more likely due to closing accounts (Table B.1.8).

Table B.1.7. Colombia Transaction Activity

	N
Total number of deposits	3755
Total number of withdrawals	91
Number of youth that made deposits	1005
Number of youth that made withdrawals	84
Average number of deposits per account	3.7
Average number of withdrawals per account of those that took a withdrawal	1.1
Average monthly number of deposits per account	0.6
Average monthly number of withdrawals per account of those that took a withdrawal	0.2

Table B.1.8. Colombia Transaction Activity by Account Status

	Mean	Median	Minimum	Maximum
Cumulative number of deposits*				
Active (*n* = 695)	4.39	4.00	1.00	14.00
Closed (*n* = 77)	4.16	4.00	1.00	20.00
Inactive (*n* = 233)	1.64	1.00	1.00	6.00
Total (*N* = 1,005)	3.74	3.00	1.00	20.00
Cumulative number of withdrawals*				
Active (*n* = 695)	0.01	0	0	1.00
Closed (*n* = 77)	1.09	1.00	1.00	2.00
Inactive (*n* = 233)	0.01	0	0	1.00
Total (*N* = 1,005)	0.09	0	0	2.00

*p<0.01

Youth Characteristics and Savings

Table B.1.9 shows the mean AMNS (PPP-converted USD) by demographic characteristics for Colombia (described in Chapter 6).

Table B.1.9. Colombia AMNS in COP (PPP-Converted USD) by Youth Characteristics

	Mean (SD)	Test statistic
Gender		F(1,1003)=2.15, p=0.14
Male	32.27 (70.76)	
Female	43.11 (147.69)	
Age (years)		F(3,1001)=.85, p=0.46
Younger than 10	46.42 (150.43)	
10–12	37.69 (105.16)	
13–15	39.12 (133.25)	
16–18	27.28 (42.95)	
Education level		F(4,1000)=0.94, p=0.44
No formal education	40.06 (45.29)	
Primary	45.63 (143.10)	
Secondary	32.30 (93.81)	
Technical school	22.41 (39.68)	
University	19.89 (24.83)	
Currently in school		F(1,1003)=0.00, p=0.97
Yes	37.88 (117.4)	
No	40.06 (45.29)	
Estimated poverty rate		F(1,976)=0.14, p=0.71
High (> average)	37.07 (116.25)	
Low (< average)	39.93 (120.96)	

AMNS, average monthly net savings; *COP,* Colombian peso; *PPP,* purchasing power parity; *USD,* U.S. dollar
*AMNS = (deposits + interest – withdrawals – service fees and taxes)/months account has been open

Branch-Level Account Uptake and Savings

BCS has 263 branches across the five geographic regions of Colombia: Andina, Amazónica, Caribe, Orinoquia, and Pacifica. The Andina region has the largest number of inhabitants with almost 75% of the country's population and includes the two largest cities, Bogotá and Medellín. Caribe and

Pacifica are the second most populated regions, and Orinoquia and Amazónica are the least populated regions. The highest concentration of BCS branches (76.4%) is in Andina, followed by Pacifica with 12.4% and Caribe with 8.5%. Orinoquia and Amazonia have only six branches each.

The number of accounts opened by region reflects the concentration of the branches (Table B.1.10). Approximately 62% of all *Cuentamiga para Jóvenes* accounts were opened in Andina, followed by 24% in Pacifica and 6% in Caribe. Only 7% of the accounts were opened in Amazónica and Orinoquia combined.

Table B.1.10. Colombia Regional-Level Account Uptake and Savings

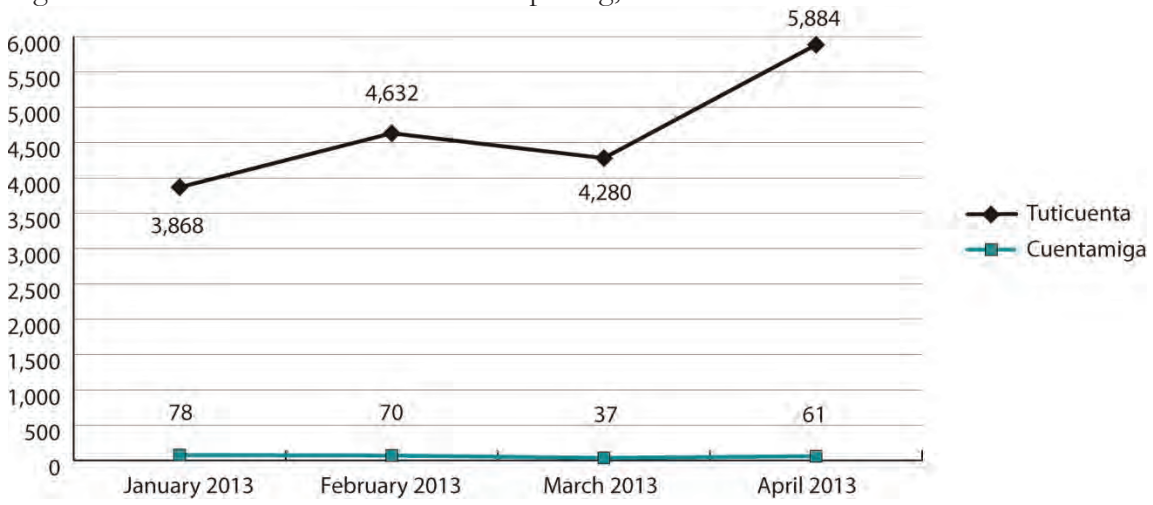
	Total accounts opened *n* (%)	AMNS (PPP-converted USD)*
Amazónica	40 (3.2)	27.1
Andina	766 (62.4)	41.0
Caribe	71 (5.8)	16.4
Orinoquia	49 (4.0)	43.2
Pacifica	301 (24.5)	35.0
Total	1,227	37.9

AMNS, average monthly net savings; *PPP,* purchasing power parity; *USD,* U.S. dollar
*Excludes 222 accounts without any transaction activity from life of account.

A Comparison of *Cuentamiga para Jóvenes* and *Tuticuenta*

The number of *Cuentamiga para Jóvenes* accounts opened and active is low and in a declining pattern, which seems strange given the strong performance of *Tuticuenta,* the youth transactional account from BCS that has been available for the past 16 years (Figure B.1.1). During 2013, the total number of *Cuentamiga* accounts opened represents only 1.32% of the total number of *Tuticuenta* accounts opened. Between January and April 2013, a total of 61 *Cuentamiga* accounts were opened, while 4,666 *Tuticuenta* accounts were opened. At least two factors may account for this difference in account uptake. First, the *Cuentamiga* account was less flexible and had more withdrawal rules. Second, BCS staff were more familiar with *Tuticuenta* and had incentives for opening those accounts. Changes to withdrawal restrictions and staff incentives have since been made, and effects on account uptake will continue to be tracked.

Figure B.1.1. Colombia Youth Account Opening, 2013



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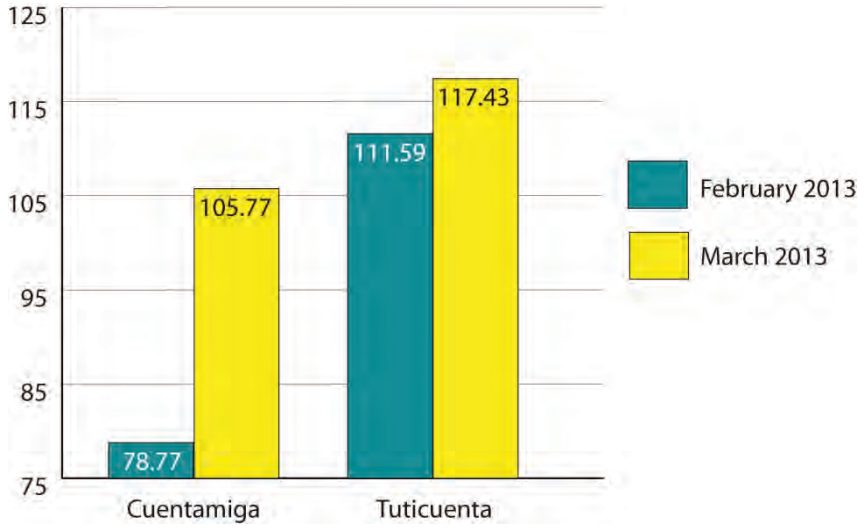
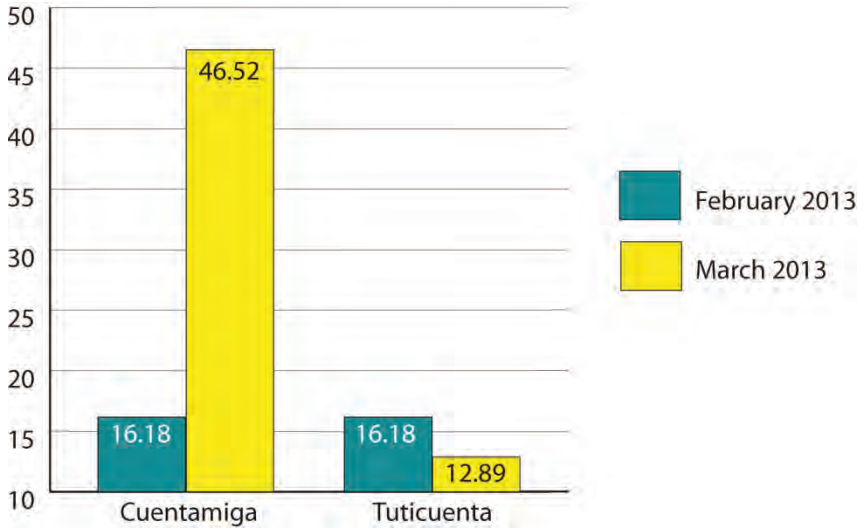
Though data are available for only two months, it is interesting to note that total mean balance per *Tuticuenta* account is higher than that of the *Cuentamiga para Jóvenes* account (Figure B.1.2), but the median balance per *Cuentamiga para Jóvenes* account is higher than that of the *Tuticuenta* account (Figure B.1.3). This suggests that the amount of money available for youth savings in Colombia is higher than expected and is a segment worth developing.

Figure B.1.2. Colombia Mean Balance Total per Account* in PPP-Converted USD



*Data based on 8,500 *Tuticuenta* and 148 *Cuentamiga para Jóvenes* accounts opened in January and February 2013.

Figure B.1.3. Colombia Median Balance Total per Account* in PPP-Converted USD



*Data based on 8,500 *Tuticuenta* and 148 *Cuentamiga para Jóvenes* accounts opened in January and February 2013.

Appendix B.2 – Ghana Country Brief

Program Description

The YouthSave account offered by HFC is *Enidaso*. It is a regular savings account targeted to youth between 12 and 18 years of age.

Account Uptake

HFC Bank opened 1,477 *Enidaso* accounts between May 11, 2012, and February 28, 2013. Of those, 1,082 account holders agreed to participate in YouthSave. Research accounts opened during the first 10 months have been open for an average of 6.4 months. Table B.2.1 shows the number of accounts opened each quarter since product rollout. Over half were opened in Q1 (May to August 2012) with a decreasing trend in accounts opened in Q2 and Q3 (September 2012 through February 2013).

Table B.2.1. Ghana Account Information by Quarter*

	Q1	Q2	Q3	Total
Total accounts opened since rollout (as reported by FI)	820	403	254	1,477
Number of research accounts	638	283	161	1,082
Number of research accounts closed	0	0	0	0

FI, financial institution

*Q1 is May 11, 2012, and August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Q3 is December 1, 2013, to February 28, 2013.

Account Holder Characteristics

Table B.2.2 presents detailed demographic characteristics of account holders by quarter, and highlights are as follows:

- Of the total 1,082 research account holders, 606 are female (56%) and 476 are male (44%).
- The majority of account holders (57.5%) are ages 13 to 15, followed by those ages 16 to 18 years (28.1%) and those ages 10 to 12 years (12.6%). Only twenty account holders are older than 18 years, and the average age is 14.6.
- All but four youth are enrolled in school, which likely is a result of HFC's targeted marketing to schools through the HFC Outreach Program.
- The age distribution of account holders suggests that most are in either primary school or junior high school (JHS). The majority are in JHS 1 (30.1%), followed by those in JHS 2 (26.5%), primary 4 to primary 6 (19%), and JHS 3 (14.2%). Few are in senior high school (SHS) (8.5%) or primary 1 to primary 3 (1.2%). Between Q1 and Q3, more youth in the upper grades of JHS 3 and SHS opened accounts than youth in primary school and JHS 1.
- In the Ghana YouthSave population, 40%—contrasted with 58% of the general population—live on less than USD 2.50 per day PPP.
- Only 15% of account holders indicate that they have earned income in the past six months.

- Almost all account holders (94%) have had no experience with formal banking before opening an *Enidaso* account.
- Most youth (87.7%) report that funds for saving come from parents, while a small percentage (6.8%) report using earned income.

Table B.2.2. Ghana Account Holder Characteristics by Quarter*

	Q1 *n* = 638	Q2 *n* = 283	Q3 *n* = 161	Total *N* = 1,082
	n (%)	*n* (%)	*n* (%)	*n* (%)
Gender				
Female	359 (56.0)	162 (57.0)	85 (53.0)	606 (56.0)
Male	279 (44.0)	121 (43.0)	76 (47.0)	476 (44.0)
Age (years)				
Younger than 10	0 (0)	0 (0)	0 (0)	0 (0)
10–12	73 (11.4)	39 (13.8)	24 (15.0)	136 (12.6)
13–15	361 (56.6)	170 (60.1)	91 (56.5)	622 (57.5)
16–18	188 (29.5)	71 (25.1)	45 (28.0)	304 (28.1)
19–21	13 (2.04)	3 (1.0)	0 (0)	16 (1.5)
22–24	3 (0.50)	0 (0)	1 (0.6)	4 (0.4)
Older than 24	0 (0)	0 (0)	0 (0)	0 (0)
Education level				
Lower primary (1–3)	13 (2.0)	0 (0)	0 (0)	13 (1.2)
Upper primary (4–6)	152 (23.8)	43 (15.2)	11 (6.8)	206 (19.0)
JHS 1	208 (32.6)	75 (26.5)	43 (26.7)	326 (30.1)
JHS 2	152 (23.8)	89 (31.4)	46 (28.6)	287 (26.5)
JHS 3	62 (9.7)	50 (17.7)	42 (26.1)	154 (14.2)
SHS	48 (7.5)	25 (8.8)	19 (11.8)	92 (8.5)
Other	3 (0.5)	1 (0.3)	0 (0)	4 (0.4)
School status				
In school	636 (99.7)	282 (99.7)	160 (99.4)	1,078 (99.6)
Not in school	2 (0.3)	1 (0.3)	1 (0.6)	4 (0.4)
Income in past six months				
Yes	104 (16.3)	31 (11.0)	25 (15.5)	160 (14.8)
No	520 (81.5)	245 (86.6)	129 (80.1)	894 (82.6)
Don't know	14 (2.2)	7 (2.5)	7 (4.4)	28 (2.6)
Previous formal bank account				
Yes	20 (3.1)	10 (3.5)	7 (4.3)	37 (3.4)
No	599 (93.9)	267 (94.3)	148 (91.9)	1,014 (93.7)
Don't know	19 (3.0)	6 (2.1)	6 (3.7)	31 (2.9)
Source of funds				
Earned income	56 (8.8)	14 (5.0)	3 (1.9)	73 (6.8)
From family	555 (87.0)	252 (89.0)	142 (88.2)	949 (87.7)
Other	27 (4.2)	17 (6.0)	16 (9.9)	60 (5.5)

*Q1 is May 11, 2012, and August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Q3 is December 1, 2013, to February 28, 2013.

Household Characteristics

Table B.2.3 presents detailed account holders' household and HOH characteristics by quarter, and highlights are as follows:

- Most account holders (70.1%) report fathers as the HOH, while 21.6% report mothers. About 7.3% of youth head their household or live in a household in which an individual other than a parent is the HOH.
- Most youth live in households with five or more members. About 32% have a household size of seven or more, 16% live in households of five or six, and 27% live in households with four or fewer members. Only 4% did not know the number of members in their household.
- Approximately half of youth (49.5%) indicate that the HOH had prior experience with formal banking, either with HFC or another FI, while 26.2% indicate that the HOH had no experience with formal banking, and 24.4% did not provide any information. From Q1 to Q3, there was a 10% increase in the number of youth who report that their HOH had prior banking experience.
- Many account holders (29.7%) did not know their HOH's education level. Those who did report the following: 28.8% secondary school, 21.9% technical, college, or university education, 10% primary education, and 9.6% no formal education.
- The majority of youth (75.2%) indicate that their HOH is not employed in the agricultural sector, while 14.8% are employed in the agricultural sector. About 10% provided no information.
- The majority of HOHs are reported as being self-employed (58.9%), and 25% are salaried. Only 1.3% indicate not being employed.
- Over half of households (55.8%) own no means of transportation. Among those who do own a mode of transportation, 24% are motorized and 8.7% are nonmotorized (e.g., bicycle).
- Over half of youth (52%) had someone other than a parent cosign for the account. Of those whose cosignatory was a parent, the mother (30.9%) signed more often than the father (17.2%).

Table B.2.3. Ghana Household/HOH Characteristics by Quarter*

	Q1 *n* = 638	Q2 *n* = 283	Q3 *n* = 161	Total *N* = 1,082
	n (%)	*n* (%)	*n* (%)	*n* (%)
HOH				
Father	448 (70.2)	189 (66.8)	121 (75.2)	758 (70.1)
Mother	132 (20.7)	74 (26.1)	28 (17.4)	234 (21.6)
Self or other	51 (8.0)	19 (6.7)	9 (5.6)	79 (7.3)
Missing	7 (1.1)	1 (0.3)	3 (1.9)	11 (1.0)

Number of household members				
3 or fewer	114 (17.9)	36 (12.7)	32 (19.9)	182 (16.8)
4	96 (15.0)	44 (15.5)	25 (15.5)	165 (15.3)
5	104 (16.3)	41 (14.5)	28 (17.4)	173 (16.0)
6	95 (14.9)	54 (19.1)	26 (16.1)	175 (16.2)
7 or more	213 (33.4)	95 (33.6)	38 (23.6)	346 (31.9)
Missing	16 (2.5)	13 (4.6)	12 (7.5)	41 (3.8)
HOH previous formal bank account				
Yes (HFC or other FI)	285 (44.7)	162 (57.2)	89 (55.3)	536 (49.5)
No	182 (28.5)	72 (25.4)	29 (18.0)	283 (26.2)
Don't know	171 (26.8)	49 (17.3)	43 (26.7)	263 (24.3)
HOH education level				
No formal education	53 (8.3)	32 (11.3)	19 (11.8)	104 (9.6)
Primary	67 (10.5)	29 (10.2)	12 (7.4)	108 (10.0)
Secondary	201 (31.5)	69 (24.4)	42 (26.1)	312 (28.8)
Technical school	68 (10.7)	42 (14.8)	18 (11.2)	128 (11.8)
University	47 (7.4)	38 (13.4)	24 (14.9)	109 (10.1)
Missing	202 (31.7)	73 (25.8)	46 (28.6)	321 (29.7)
HOH employment in agricultural sector				
Yes	106 (16.6)	32 (11.3)	22 (13.7)	160 (14.8)
No	489 (76.7)	207 (73.1)	118 (73.3)	814 (75.2)
Missing	43 (6.7)	44 (15.6)	21 (13.0)	108 (10.0)
HOH employment status				
Salaried	150 (23.5)	78 (27.6)	43 (26.7)	271 (25.0)
Self-employed	406 (63.6)	147 (51.9)	84 (52.2)	637 (58.9)
Pensioner/retired	12 (1.9)	3 (1.1)	3 (1.9)	18 (1.7)
Not employed	8 (1.2)	5 (1.8)	1 (0.6)	14 (1.3)
Other	25 (3.9)	15 (5.3)	6 (3.7)	46 (4.2)
Don't know	37 (5.8)	35 (12.4)	24 (14.9)	96 (8.9)
Mode of transportation owned				
None	334 (52.3)	182 (64.3)	88 (54.7)	604 (55.8)
Nonmotorized	51 (8.0)	23 (8.1)	20 (12.4)	94 (8.7)
Motorized	101 (15.8)	59 (20.8)	38 (23.6)	198 (18.3)
Both	32 (5.0)	15 (5.3)	15 (9.3)	62 (5.7)
Missing	120 (18.8)	4 (1.4)	0 (0)	124 (11.5)
Cosignatory				
Father	129 (20.2)	45 (15.9)	12 (7.4)	186 (17.2)
Mother	212 (33.2)	95 (33.6)	27 (16.8)	334 (30.9)
Other relative	127 (19.9)	44 (15.6)	42 (26.1)	213 (19.7)
Nonrelative	170 (26.7)	99 (35.0)	80 (49.7)	349 (32.3)

*Q1 is May 11, 2012, and August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Q3 is December 1, 2013, to February 28, 2013.

Savings Goals

The majority of youth (81.7%) are saving for their own education, 9.6% are saving for emergencies, and 2.5% are saving for a business (Table B.2.4). Very few are saving to finance a trip or vacation (0.6%) or for job-related training (0.1%). In Q3, a much higher percentage of youth reports saving for emergencies (20.5%, an increase of 12.5% from Q1).

Table B.2.4. Ghana Savings Goals by Quarter*

	Q1 *n* = 638	Q2 *n* = 283	Q3 *n* = 161	Total *N* = 1,082
	n (%)	*n* (%)	*n* (%)	*n* (%)
Emergencies	45 (7.0)	26 (9.2)	33 (20.5)	104 (9.6)
Business	17 (2.7)	4 (1.4)	6 (3.7)	27 (2.5)
Own education	543 (85.1)	229 (80.9)	113 (70.2)	885 (81.7)
Relative's education	10 (1.6)	5 (1.8)	3 (1.9)	18 (1.7)
Day-to-day expenses	7 (1.1)	4 (1.4)	2 (1.2)	13 (1.2)
Trip/vacation	2 (0.3)	4 (1.4)	0 (0)	6 (0.6)
Job-related training	0 (0)	1 (0.4)	0 (0)	1 (0.1)
Other	14 (2.2)	10 (3.5)	4 (2.5)	28 (2.6)

*Q1 is May 11, 2012, and August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Q3 is December 1, 2013, to February 28, 2013.

How Youth Learned about the Account

HFC's Outreach Program has been very helpful in informing the youth about the benefits of operating a formal bank account. About 73.6% learned about the account through the program (Table B.2.5). An additional 19.6% learned in their school or college. The number of account holders who learned about the account through HFC's Outreach Program decreased in Q2 as other market outreach strategies (e.g., mass media) were used. In Q3, HFC intensified their outreach program efforts, which is reflected in the increased number of youth who learned of the account through the program.

Table B.2.5. Ghana Account Holder Source for Learning about Account by Quarter*

	Q1 *n* = 638	Q2 *n* = 283	Q3 *n* = 161	Total *N* = 1,082
	n (%)	*n* (%)	*n* (%)	*n* (%)
Radio/television/newspaper	4 (0.6)	15 (5.3)	13 (8.1)	32 (2.9)
HFC Outreach Program	517 (81.0)	153 (54.1)	126 (78.3)	796 (73.6)
Youth club	2 (0.3)	1 (0.3)	1 (0.6)	4 (0.4)
FE workshop	1 (0.2)	1 (0.3)	1 (0.6)	3 (0.3)
School/college	99 (15.5)	99 (35.0)	14 (8.7)	212 (19.6)
Friend/family	11 (1.7)	11 (3.9)	4 (2.5)	26 (2.4)
Other	4 (0.6)	3 (1.1)	2 (1.2)	9 (0.8)

*Q1 is May 11, 2012, and August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Q3 is December 1, 2013, to February 28, 2013.

Savings Outcomes

Total net savings across all 1,082 accounts as of February 28, 2013, is GHS 1,013.13 (USD 1,138.08) (Table B.2.6).

Table B.2.6. Ghana Total Account Savings across Accounts in GHS (PPP-Converted USD)

	GHS (USD)
Total amount of deposits	30,425 (34,224)
Total amount of interest	92 (103)
Total amount of withdrawals	4,100 (4,612)
Total amount of service fees/taxes	1,042 (1,172)
Total net savings	25,375 (28,543)

GHS, Ghanaian cedi; *PPP,* purchasing power parity; *USD,* U.S. dollar

As shown in Table B.2.7, average net savings per account is GHS 23.45 (USD 26.38), and median savings per account holder is GHS 6.00 (USD 6.75). The negative minimum likely is due to a fee charged to an account with a zero balance. The maximum average in an account is GHS 1,013.13 (USD 1,139.63).

Table B.2.7. Ghana Average Total Savings per Account in GHS (PPP-Converted USD)

	Mean	Median	Minimum	Maximum
Average amount of deposits (including interest)	28.20	7.00	0	1,107.83
	(31.73)	(7.87)	(0)	(1,246.15)
Average amount of withdrawals	3.79	0	0	1,000.00
	(4.26)	(0)	(0)	(1,124.86)
Average amount of service fees/taxes	0.96	0	0	11.00
	(1.08)	(0)	(0)	(12.37)
Average net savings (balance) per account	23.45	6.00	-3.00	1,013.13
	(26.38)	(6.75)	(-3.37)	(1,139.63)

GHS, Ghanaian cedi; *PPP,* purchasing power parity; *USD,* U.S. dollar

AMNS per account is GHS 4.44 (USD 4.99), and the median is GHS 1.00 (USD 1.12) (Table B.2.8). The maximum AMNS in an account is GHS 200.34 (USD 225.35).

Table B.2.8. Ghana AMNS per Account in GHS (PPP-Converted USD)

	Mean	Median	Minimum	Maximum
Average monthly amount of deposits (including interest)	5.28	1.04	0	369.28
	(5.94)	(1.18)	(0)	(415.38)
Average monthly amount of withdrawals (including fees/taxes)	0.85	0	0	335.33
	(0.95)	(0)	(0)	(377.20)
AMNS*	4.44	1.00	-0.38	200.34
	(4.99)	(1.12)	(-0.42)	(225.35)

AMNS, average monthly net savings; *GHS,* Ghanaian cedi; *PPP,* purchasing power parity; *USD,* U.S. dollar
*AMNS = (deposits + interest – withdrawals – service fees and taxes)/months account has been open

Transaction Activity

Table B.2.9 presents transactions for the 1,082 accounts with activity. Youth made approximately two deposits since accounts were opened, and only 17 made withdrawals.

Table B.2.9. Ghana Transaction Activity

Number of deposits/withdrawals	*N*
Total number of deposits	2,535
Total number of withdrawals	22
Number of youth that made deposits	1,079
Number of youth that made withdrawals	17
Average number of deposits per account	2.3
Average number of withdrawals per account by those that took a withdrawal	1.3
Average monthly number of deposits per account	0.4
Average monthly number of withdrawals per account by those that took a withdrawal	0.2

Youth Characteristics and Savings

Table B.2.10 shows the mean AMNS (PPP-converted) by demographic characteristics for Ghana (described in Chapter 6).

Table B.2.10. Ghana AMNS in GHS (PPP-Converted USD) by Youth Characteristics

	Mean (SD)	Test statistic
Gender		F(1,1080)=.23, p=.63
Male	5.22 (14.08)	
Female	4.81 (13.76)	
Age		F(3,1078)=2.41, p=0.06
12 or younger	6.52 (17.67)	
13–15	4.13 (9.30)	
16–18	6.24 (19.16)	
19 or older	2.40 (3.17)	
School enrollment		F(2,1079)=21.72, p<.001**
Primary (1–6)	3.35 (11.17)	
JHS 1–3	4.37 (10.99)	
SHS 1–3/4 or above	13.65 (29.16)	
Currently in school		F(1,1080)=7.62, p=0.006*
Yes	6.73 (13.45)	
No	25.56 (42.83)	
Estimated poverty rate		F(1,697)=0.47, p=.49
High (> average)	6.81 (15.95)	
Low (< average)	7.58 (13.59)	
Source of fund		F(2,1079)=0.50, p=0.60
Earned income	6.21 (11.20)	
From parents/relatives	6.94 (14.11)	
Other	5.24 (8.23)	

Past income		F(1,1052)=1.54, p=0.21
Yes	3.79 (8.40)	
No	5.29 (14.84)	
Past account		F(1,1049)=0.14, p=0.70
Yes	4.15 (8.38)	
No	5.04 (14.15)	
Reason for saving		F(4,1077)=8.76, p<.001**
Emergency	7.59 (12.89)	
Business	15.48 (45.84)	
Own education	4.03 (10.62)	
Day-to-day expenses	16.30 (37.36)	
Other	7.81 (16.33)	
Source for learning about account		F(5,1076)=13.48, p<.001**
Radio/television/newspaper	13.80 (28.03)	
Bank campaign	4.29 (12.43)	
School/college	3.77 (8.68)	
Friend/family	20.83 (31.70)	
FE workshop/youth club	1.25 (1.25)	
Other	21.59 (32.08)	

AMNS, average monthly net savings; *GHS,* Ghanaian cedi; *PPP,* purchasing power parity; *USD,* U.S. dollar; JHS, junior high school; SHS, senior high school
*p<.01, **p<.001
Note: AMNS are not significantly different by reason for saving and currently in school at p<.05 when alternative tests robust to unequal variances are used. For school enrollment, post-hoc tests show that there is a statistically significant difference in AMNS between (a) SHS or above and primary and (b) SHS or above and JHS. For source for learning, post-hoc tests show that there is a statistically significant difference in AMNS between (a) radio/television/newspaper and bank campaign, (b) radio/television/newspaper and school/college, (c) bank campaign and friend/family, (d) bank campaign and other, (e) school/college and friend/family, and (f) school/college and other.

Household Characteristics and Savings

Table B.2.11 presents the mean AMNS (PPP-converted) by household characteristics for Ghana (described in Chapter 6).

Table B.2.11. Ghana AMNS by Household/HOH Demographic Composition in GHS (PPP-converted USD)

	Mean (SD)	Test statistic
HOH		F(2,1068)=1.21, p=.30
Father	5.01 (14.46)	
Mother	5.11 (12.34)	
Self or other	2.58 (3.19)	
HOH previous formal bank account		F(1,817)=7.65, p=.006**
Yes	6.52 (17.55)	
No	3.47 (8.14)	

HOH education level		F(4,756)=2.94, p=.02*
No formal education	5.14 (22.23)	
Primary	4.12 (8.59)	
Secondary	3.75 (9.33)	
Technical school	7.43 (17.89)	
University	8.38 (18.20)	
Number of household members		F(2,1079)=3.23, p=.04*
1–3	6.36 (17.18)	
4–5	5.95 (17.75)	
6 or more	3.97 (9.23)	
HOH employment in agriculture		F(1,972)=5.55, p=.02*
Yes	2.63 (5.73)	
No	5.56 (15.50)	
HOH employment		F(3,982)=0.96, p=.41
Employed	6.06 (15.11)	
Self-employed	4.69 (14.13)	
No employment	4.27 (4.35)	
Other	3.32 (5.19)	
Mode of transportation owned		F(3,954)=2.51, p=.06
None	4.84 (13.91)	
Nonmotorized	3.30 (6.83)	
Motorized	7.38 (17.93)	
Both	3.78 (7.40)	
Cosignatory		F(2,1079)=4.20, p=.02*
Father	6.21 (17.09)	
Mother	6.29 (14.10)	
Self or other	3.81 (12.44)	

AMNS, average monthly net savings; *HOH,* head of household; *GHS,* Ghanaian cedi; *PPP,* purchasing power parity; *USD,* U.S. dollar
*p<.05, **p<.01, ***p<.001
Notes: AMNS are not significantly different by number of household member at p<.05 when alternative tests that are robust to unequal variances are used.

Branch-Level Account Uptake, Savings, and Financial Capability Participation

HFC has 26 branches in 11 districts across seven geographic regions of Ghana, and *Enidaso* was marketed in 24 of the 26 branches. The majority of accounts were opened in Greater Accra (686) and Central (150) regions, followed by Western (81), Ashanti (47), Northern (23), and Brong Ahafo (10) regions (Table B.2.12).

Table B.2.12 Ghana Branch Participation

Region	District	Branch	Number of research accounts	AMNS	In-school banking	In-school marketing
Greater Accra	Accra Metro	Abossey Okai	91	4.73	1 school	1 school
Greater Accra	Accra Metro	Accra Central	38	16.55		
Greater Accra	Accra Metro	Adabraka	71	3.56		1 school
Greater Accra	Ashaiman Municipal	Ashaiman	45	2.32	1 school	
Greater Accra	Accra Metro	Baastonaa (Spintex Road)	109	7.00	1 school	
Greater Accra	Accra Metro	Ebankese (Head Office)	7	41.27		
Greater Accra	Accra Metro	Legon	46	10.43		
Greater Accra	Accra Metro	Post Office Square	172	7.09		
Greater Accra	Accra Metro	Ridge	63	4.24		2 schools
Greater Accra	Accra Metro	South Industrial (Boafo)	11	11.90		
Greater Accra	Tema Metro	Tema, Harbour City	21	5.17	1 school	
Greater Accra	Accra Metro	Tudu (Boafo)	12	4.96		
Ashanti	Kumasi Metro	KNUST	7	8.68	1 school	1 school
Ashanti	Kumasi Metro	Kumasi Main Branch	40	6.64	1 school	2 schools
Central	Awutu Effutu Senya	Kasoa	101	3.47		
Central	Agona West Municipal	Swedru	49	2.99		1 school
Western	Sekondi Takoradi Metro	Takoradi	81	10.37	1 school	1 school
Northern	Tamale Metropolitan	Tamale	23	4.43	1 school	
Brong Ahafo	Techiman Municipal	Techiman	10	8.36	2 schools	1 school
Central	Kumasi Metro	Winneba	22	14.17	1 school	1 school
Ashanti		Magazine	27	10.32		
Central		Cape Coast	36	5.02		

Appendix B.3 – Kenya Country Brief

Program Description

The youth savings account product offered by Postbank is called *SMATA*. It is a regular savings account targeted to youth between 12 and 18 years of age.

Account Information

Postbank opened 15,058 *SMATA* accounts between May 7, 2012, and February 28, 2013. Of those, 6,373 account holders agreed to participate in Youth Save. A unique feature among YouthSave accounts is that youth can open an *Enidaso* account without an initial deposit. These include 495 accounts. In the 10 months after rollout, accounts were open for an average of 4.8 months.

Table B.3.1 shows the number of accounts opened each quarter. The number of accounts opened in Q2 is almost three times higher than the number opened in Q1.

Table B.3.1. Kenya Account Information by Quarter*

	Q1	Q2	Q3	Total
Total accounts opened since rollout (as reported by FI)	2,726	8,369	3,963	15,058
Number of research accounts	1,354	3,647	1,372	6,373
Number of accounts closed	0	0	1	1

*Q1 is May 7, 2012, to August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Quarter 3 is December 1, 2013, to February 28, 2013.

Account Holder Characteristics

Table B.3.2 presents detailed demographic characteristics of account holders by quarter, and highlights are as follows:

- In all three quarters, males dominated account uptake. In total, 61.7% of account holders are male and 38.3% are female.
- The mean age of account holders is 16.23. The majority of youth are ages 13 to 15 years (33.5%) and 16 to 18 years (45%).
- In terms of school enrollment, most youth (96.7%) are enrolled with 50% at the secondary level. This reflects FI marketing efforts targeted to secondary schools. The number of youth in primary grade levels decreased in Q3, which could be misleading because the number of missing values increased by 10%.
- In all three periods, only 8% of youth indicate receiving work income.
- In all three quarters, the proportion of youth who previously held a formal account was low (less than 8%).
- In the Kenya YouthSave population, 52%—contrasted with 68% of the general population—live on less than USD 2.50 per day PPP.
- The majority of youth (80.8%) fund savings with money from their parents.

Table B.3.2. Kenya Account Holder Characteristics by Quarter*

	Q1 *n* = 1,354 (%)	Q2 *n* = 3,647 (%)	Q3 *n* = 1,372 (%)	Total *N* = 6,373 (%)
Gender				
Female	462 (34.1)	1,314 (36.0)	662 (48.3)	2,438 (38.3)
Male	892 (65.9)	2,333 (64.0)	710 (51.7)	3,935 (61.7)
Age (years)				
Younger than 10	18 (1.3)	16 (0.4)	3 (0.2)	37 (0.6)
10–12	118 (8.7)	472 (12.9)	162 (11.8)	752 (11.8)
13–15	443 (32.7)	1,197 (32.8)	493 (35.9)	2,133 (33.5)
16–18	682 (50.4)	1,571 (43.1)	612 (44.6)	2,865 (45.0)
19–21	51 (3.8)	168 (4.6)	70 (5.1)	289 (4.5)
22–24	3 (0.2)	13 (0.4)	5 (0.4)	21 (0.4)
25–30	10 (0.7)	71 (2.0)	4 (0.3)	85 (1.3)
Older than 30	23 (1.8)	112 (3.1)	16 (1.2)	151 (2.3)
Missing	6 (0.4)	27 (0.7)	7 (.5)	40 (0.6)
Education level				
No formal education	1 (0.1)	1 (0.03)	3 (0.2)	5 (0.1)
Preschool	9 (0.7)	180 (4.9)	9 (0.7)	198 (3.4)
Lower primary (Standard 1–6)	323 (23.9)	771 (21.1)	227 (16.5)	1,321 (20.7)
Upper primary (Standard 7–8)	225 (16.6)	590 (16.2)	158 (11.5)	973 (15.3)
Secondary (Form 1–4)	768 (56.7)	1,750 (48.1)	702 (51.2)	3,220 (50.5)
Other	6 (0.4)	15 (0.4)	3 (0.2)	24 (0.4)
Missing	22 (1.6)	340 (9.3)	270 (19.7)	632 (9.9)
School status				
In school	1,258 (92.9)	3,566 (91.8)	1,341 (97.7)	6,165 (96.7)
Not in school	25 (1.9)	66 (1.8)	24 (1.8)	115 (1.8)
Missing	71 (5.2)	15 (0.4)	7 (0.5)	93(1.5)
Income in past six months				
Yes	109 (8.0)	306 (8.4)	90 (6.6)	505 (8.0)
No	1,206 (89.1)	3,254 (89.2)	1,187 (86.5)	5,647 (88.6)
Don't know	19 (1.4)	45 (1.2)	72 (5.3)	136 (2.1)
Missing	20 (1.5)	42 (1.2)	23 (1.7)	85 (1.3)
Previous formal bank account				
Yes	74 (5.4)	225 (6.2)	100 (7.3)	399 (6.3)
No	1,260 (93.1)	3,335 (91.5)	1,228 (89.5)	5,823 (91.3)
Don't know	10 (0.7)	41 (1.1)	23 (1.7)	74 (1.2)
Missing	10 (0.7)	46 (1.3)	21 (1.5)	77 (1.2)
Source of funding				
Earned income	61 (4.5)	217 (6.0)	58 (4.2)	336 (5.3)
Money from family	999 (73.8)	3,027 (83.0)	1,124 (81.9)	5,150 (80.8)
Other	87 (6.4)	356 (9.8)	164 (12.0)	607 (9.5)
Missing	207 (15.3)	47 (1.3)	26 (1.9)	280 (4.4)

*Q1 is May 7, 2012, to August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Quarter 3 is December 1, 2013, to February 28, 2013.

Household Characteristics

Table B.3.3 presents detailed account holders' household and HOH characteristics by quarter, and highlights are as follows:

- A majority of youth (70%) live in households headed by fathers. Over 70% have households with five or more members, while less than 10% of households have three or fewer members.

- A majority (64.2%) have HOHs who have had a formal account at an FI. Almost 15% indicated no prior experience.

- Almost half (49.4%) of HOHs have secondary or technical school level education and approximately 15% have university education. Seventeen percent have primary education or less. The percentage with secondary level education rose by about 6% between Q1 and Q3.

- Only 30.4% of HOHs are employed in agricultural sectors. The percentage increased by 5% between Q1 and Q3. An almost equal proportion of HOHs (39% each) are employed or self-employed.

- Almost half (49.6%) indicated that their household owns no mode of transportation. The proportion of households with nonmotorized transportation (e.g., bicycle) was 17.1% compared to 23.6% with motorized transportation (e.g., motorcycle, car).

- More than half (56.5%) used a trusted adult other than a parent as cosignatory. Only 41.2% indicated that a parent was the cosignatory in the account opening process. Between Q1 and Q3, the percentage of parents signing for accounts went down 7%, while those signed by a nonrelative increased by 16%.

Table B.3.3. Kenya Household/HOH Characteristics by Quarter*

	Q1 *n* = 1,35	Q2 *n* = 3,64	Q3 *n* = 1,37	Total *N* = 6,373
	N (%)	*N* (%)	*N* (%)	*N* (%)
HOH				
Father	911 (67.3)	2,590 (71.0)	956 (69.7)	4,457 (70.0)
Mother	343 (25.3)	843 (23.1)	327 (23.8)	1,513 (23.7)
Self or other	61 (4.5)	159 (4.4)	60 (4.4)	280 (4.4)
Don't know	17 (1.3)	20 (0.6)	7 (0.5)	44 (0.7)
Missing	22 (1.6)	35 (1.0)	22 (1.6)	79 (1.2)
Number of household members				
3 or fewer	119 (8.8)	309 (8.5)	123 (9.0)	551 (8.7)
4	195 (14.4)	613 (16.8)	226 (16.5)	1,034 (16.2)
5	283 (20.9)	762 (20.9)	276 (20.1)	1,321 (20.7)
6	252 (18.6)	772 (21.2)	290 (21.1)	1,314 (20.6)
7 or more	403 (29.8)	989 (27.1)	349 (25.4)	1,741 (27.3)
Don't know	54 (4.0)	46 (1.3)	38 (2.8)	138 (2.2)
Missing	48 (3.6)	156 (4.3)	70 (5.1)	274 (4.3)

HOH previous formal bank account				
Yes (Postbank or other FI)	977 (72.2)	2,312 (63.4)	800 (58.3)	4,089 (64.2)
No	172 (12.7)	527 (14.5)	246 (17.9)	945 (14.8)
Don't know	161 (11.9)	677 (18.6)	240 (17.5)	1,078 (16.9)
Missing	44 (3.3)	131 (3.6)	86 (6.3)	261 (4.1)
HOH education level				
No formal education	63 (4.7)	115 (3.2)	41 (3.0)	219 (3.4)
Primary	164 (12.1)	487 (13.4)	200 (14.6)	851 (13.4)
Secondary	297 (21.9)	1,013 (27.8)	387 (28.2)	1,697 (26.6)
Technical school	338 (25.0)	774 (21.2)	342 (24.9)	1,454 (22.8)
University	208 (15.4)	572 (15.7)	166 (12.1)	946 (14.8)
Don't know	272 (20.1)	644 (17.7)	208 (15.2)	1,124 (17.6)
Missing	12 (0.9)	42 (1.1)	28 (2.0)	82 (1.3)
HOH employment in agricultural sector				
Yes	360 (26.6)	1,140 (31.3)	437 (31.9)	1,937 (30.4)
No	820 (60.6)	2,070 (56.8)	735 (53.6)	3,625 (56.9)
Don't know	143 (10.6)	377 (10.3)	172 (12.5)	692 (10.9)
Missing	31 (2.3)	60 (1.7)	28 (2.0)	119 (1.9)
HOH employment status				
Employed	492 (36.3)	1,496 (41.0)	490 (35.7)	2,478 (38.9)
Self-employed	517 (38.2)	1,410 (38.7)	560 (40.8)	2,487 (39.0)
Pensioner/retired	106 (7.8)	92 (2.5)	39 (2.8)	237 (3.7)
Not employed	95 (7.0)	380 (10.4)	133 (9.7)	608 (9.5)
Other	29 (2.1)	85 (2.3)	42 (3.1)	156 (2.4)
Don't know	79 (5.8)	158 (4.3)	99 (7.2)	336 (5.3)
Missing	36 (2.7)	26 (0.7)	9 (0.7)	71 (1.1)
Mode of transportation owned				
None	684 (50.5)	1,802 (49.4)	678 (49.4)	3,164 (49.6)
Nonmotorized	219 (16.2)	612 (16.8)	258 (18.8)	1,089 (17.1)
Motorized	329 (24.3)	875 (24.0)	300 (21.9)	1,504 (23.6)
Both	100 (7.4)	298 (8.2)	107 (7.8)	505 (7.9)
Missing	22 (1.6)	60 (1.7)	29 (2.1)	111 (1.7)
Cosignatory				
Father	214 (15.8)	608 (16.7)	229 (16.7)	1,051 (16.5)
Mother	424 (31.3)	829 (22.7)	322 (23.5)	1,575 (24.7)
Other relative	253 (18.7)	546 (15.0)	145 (10.6)	944 (14.8)
Nonrelative	428 (31.6)	1,580 (43.3)	652 (47.5)	2,660 (41.7)
Missing	35 (2.6)	84 (2.3)	24 (1.7)	143 (2.2)

*Q1 is May 7, 2012, to August 31, 2012; Q2 is September 1, 2012, to November 30, 2013; Quarter 3 is December 1, 2013 to February 28, 2013.

Savings Goals

When asked their reason for saving, youth most often indicated saving for their own education (38.5%) (Table B.3.4). The proportion of participants saving for emergencies is 28.3%, while the proportion of those saving for day-to-day expenses is 15.5%. By Q3, the percentage of those saving for their own education increased by 7%, with a comparative decrease in saving for emergencies.

Table B.3.4. Kenya Savings Goals by Quarter*

	Q1 *n* = 1,354	Q2 *n* = 3,647	Q3 *n* = 1,372	Total *N* = 6,373
	N (%)	*N* (%)	*N* (%)	*N* (%)
Emergencies	408 (30.1)	1,070 (29.3)	328 (23.9)	1,806 (28.3)
Business	90 (6.7)	289 (7.9)	76 (5.5)	455 (7.1)
Own education	467 (34.5)	1,417 (38.9)	572 (41.7)	2,456 (38.5)
Relative's education	19 (1.4)	27 (0.7)	13 (1.0)	59 (1.0)
Day-to-day expenses	252 (18.6)	517 (14.2)	220 (16.0)	989 (15.5)
Trip/vacation	14 (1.0)	46 (1.3)	24 (1.8)	84 (1.3)
Job-related training	20 (1.5)	71 (1.9)	39 (2.8)	130 (2.1)
Other	84 (6.2)	210 (5.8)	100 (7.3)	394 (6.2)

*Q1 is May 7, 2012, to August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Quarter 3 is December 1, 2013, to February 28, 2013.

How Youth Learned about the Account

When asked how they learned about the *SMATA* account, the majority (48.5%) indicated school/college. Other sources include bank campaign (25%), family/friend (9.1%), and radio/television/newspaper (6.4%) (Table B.3.5).

Table B.3.5. Kenya Account Holder Source for Learning about Account by Quarter*

	Q1 *n* = 1,354	Q2 *n* = 3,647	Q3 *n* = 1,372	Total *N* = 6,373
	N (%)	*N* (%)	*N* (%)	*N* (%)
Radio/television/newspaper	90 (6.7)	252 (6.9)	66 (4.8)	408 (6.4)
Bank campaign	352 (26.0)	990 (27.2)	252 (18.4)	1,594 (25.0)
Youth savings group	58 (4.3)	155 (4.3)	124 (9.0)	337 (5.3)
School/college	633 (46.8)	1,740 (47.7)	718 (52.3)	3,091 (48.5)
Church/mosque/temple	4 (0.3)	74 (2.0)	49 (3.6)	127 (2.0)
Friend/family	171 (12.6)	300 (8.2)	109 (7.9)	580 (9.1)
Cell phone	1 (0.07)	8 (0.2)	2(0.2)	11 (0.2)
Internet	3 (0.2)	25 (0.7)	3 (0.2)	31 (0.5)
Other	35 (2.6)	66 (1.8)	36 (2.6)	137 (2.1)
Missing	7 (0.5)	37 (1.0)	13 (1.0)	57 (0.9)

*Q1 is May 7, 2012, to August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Quarter 3 is December 1, 2013, to February 28, 2013.

Out-of-School Youth

Out-of school youth account for only 1.8% of those who opened *SMATA* accounts. As shown in Table B.3.6, the gender ratio is the same as for the in-school population with more males than females, but out-of-school youth tend to be older than the in-school population. In terms of how they learned about the account, the most frequently cited source was bank campaign (31.3%), followed by school/college (24.3%) and friend/family (21.7%). In contrast with the in-school youth, most reported saving for emergencies, followed by their own education and day-to-day expenses.

Table B.3.6 Kenya Out-of-School Youth Characteristics

	Total *N* = 115 (%)
Gender	
Female	44 (38.3)
Male	71 (61.7)
Age (years)	
Younger than 10	1 (0.9)
10–12	19 (16.5)
13–15	24 (20.9)
16–18	52 (45.2)
19–21	5 (4.3)
22–24	1 (0.9)
25–30	3 (2.6)
Older than 30	10 (8.7)
Missing	0 (0)
Education level	
No formal education	1 (0.9)
Preschool	4 (3.5)
Lower primary (Standard 1–6)	27 (23.5)
Upper primary (Standard 7–8)	27 (23.5)
Secondary (Form 1–4)	41 (35.6)
Other	8 (6.9)
Missing	7 (6.1)
Income in past six months	
Yes	24 (20.9)
No	88 (76.5)
Don't know	2 (1.7)
Missing	1 (0.9)
Previous formal bank account	
Yes	12 (10.4)
No	100 (87.0)
Don't know	1 (0.9)
Missing	2 (1.7)
Reason for saving	
Emergencies	39 (33.9)
Business	13 (11.3)
Own education	32 (27.8)
Relative's education	6 (5.2)
Day-to-day expenses	12 (10.4)
Trip/vacation	6 (5.2)
Job-related training	1 (0.9)
Other	4 (3.5)
Missing	2 (1.7)

Source for learning about account	
Radio/television/newspaper/Internet	14 (12.2)
Bank campaign	36 (31.3)
Youth savings group	4 (3.5)
School/college	28 (24.3)
Church/mosque/temple	4 (3.5)
Friend/family	25 (21.7)
Cell phone	0 (0)
Other	3 (2.6)
Missing	1 (0.9)

Savings Outcomes

For savings outcomes, the sample size consists of 5,878 account holders instead of 6,373. The analysis excludes 495 accounts with no initial deposit or any transactions since account opening. Table B.3.7 presents total deposits, interest, withdrawals, and service fees or taxes, and net savings across the 5,878 accounts with activity. Youth deposited a total of KES 3,630,751 (USD 91,517) and withdrew KES 1,356,945 (USD 34,203). Total net savings across all accounts is KES 2,239,987 (USD 56,461).

Table B.3.7. Kenya Total Savings in KES (PPP-converted USD)

	KES (USD)
Total amount of deposits	3,630,751 (91,517)
Total amount of interest	326 (8.23)
Total amount of withdrawals	1,356,945 (34,203)
Total amount of service fees/taxes	34,145 (860.66)
Total net savings	2,239,987 (56,461)

KES, Kenyan shilling; *PPP,* purchasing power parity; *USD,* U.S. dollar

Table B.3.8 presents measures of average savings outcomes per account. Mean total deposits are KES 617.74 (USD 15.57). The minimum balance is KES 40 (USD 1.01), and the maximum balance is KES 205,300 (USD 2,177.80). The mean total amount of withdrawals was KES 86,400 (USD 2,177.80). Average net savings was a maximum of KES 194,740 (USD 4,908.63).

Table B.3.8. Kenya Average Total Savings per Account in KES (PPP-Converted USD)

	Mean	Median	Minimum	Maximum
Average amount of deposits	617.74	50	40	205,300
(including interest)	(15.57)	(1.26)	(1.01)	(5,174.80)
Average amount of withdrawals	230.85	0	0	86,400
	(5.82)	(0)	(0)	(2,177.80)
Average amount of service fees/taxes	5.81	0	0	1,000
	(0.15)	(0)	(0)	(25.21)
Average net savings (balance) per account	381.08	50	0	194,740
	(9.61)	(1.26)	(0)	(4,908.63)

KES, Kenyan shilling; *PPP,* purchasing power parity; *USD,* U.S. dollar

To facilitate comparisons of savings performance and account for length of time accounts have been open, researchers calculated measures of AMNS (Table B.3.9) (Schreiner, 2001). The mean AMNS per account was KES 86.48 (USD 2.18) with the minimum and maximum average monthly net savings being KES 0 and KES 32,456.67 (USD 818.10), respectively.

Table B.3.9. Kenya AMNS per Account in KES (PPP-Converted USD)

	Mean	Median	Minimum	Maximum
Average monthly amount of deposits (including interest)	127.19	16.67	5	34,216.67
	(3.21)	(0.42)	(0.13)	(862.47)
Average monthly amount of withdrawals (including fees/taxes)	40.7	0	0	17,350
	(1.03)	(0)	(0)	(437.32)
AMNS*	86.48	16.67	0	32,456.67
	(2.18)	(0.42)	(0)	(818.10)

AMNS, average monthly net savings; *KES,* Kenyan shilling; *PPP,* purchasing power parity; *USD,* U.S. dollar
*AMNS = (deposits + interest – withdrawals – service fees and taxes)/months account has been open

Table B.3.10 presents the number of deposits and withdrawals by quarter. In total, 5,878 participants made 9,871 deposits. There were 885 withdrawals by 462 youth.

Table B.3.10. Kenya Transaction Activity

	N
Total number of deposits	9,871
Total number of withdrawals	885
Number of youth that made deposits	5,878
Number of youth that made withdrawals	462
Average number of deposits per account	1.7
Average number of withdrawals per account by those that took a withdrawal	1.9
Average monthly number of deposits per account	0.5
Average monthly number of withdrawals per account by those that took a withdrawal	0.4

Youth Characteristics and Savings

Table B.3.11 shows the mean AMNS (PPP-converted) by youth characteristics for Kenya (described in Chapter 6).

Table B.3.11 Kenya AMNS in KES (PPP-Converted USD) by Youth Characteristics

	Mean (SD)	Test statistic
Gender		F(1,5876)=.001, p=.98
Male	2.18 (16.24)	
Female	2.17 (9.99)	
Age		F(3,5836)=1.48, p=0.22
12 or younger	3.12 (16.04)	
13–15	2.32 (20.43)	
16–18	1.89 (8.05)	
19 or older	1.92 (4.74)	

School enrollment		F(3,5298)=2.08, p=0.10
Preschool or below	1.66 (3.67)	
Lower primary (Standard 1–6)	2.80 (15.87)	
Upper primary (Standard 7–8)	3.02 (28.58)	
High school (Form 1–4) or above	1.87 (6.86)	
Currently in school		F(1,5783)=1.19, p=.275
Yes	2.17 (14.35)	
No	3.68 (14.46)	
Estimated poverty rate		F(1,4567)=0.97, p=.0.32
High (> average)	1.96 (10.21)	
Low (< average)	2.41 (19.46)	
Source of fund		F(2,5597)=4.03, p=0.02*
Earned income	4.47 (46.53)	
From parents/relatives	2.08 (10.13)	
Other	1.99 (6.55)	
Past income		F(1,5675)=0.07, p=0.78
Yes	1.99 (6.26)	
No	2.17 (14.90)	
Past account		F(1,5734)=10.15, p=0.002**
Yes	4.47 (42.60)	
No	2.03 (9.71)	
Reason for saving		F(4,5854)=1.19, p=0.31
Emergency	2.03 (10.20)	
Business	1.97 (4.89)	
Own education	2.61 (20.52)	
Day-to-day expenses	1.47 (4.22)	
Other	2.16 (6.80)	
Source for learning about account		F(7,5818)=6.58, p<.001***
Radio/television/newspaper	6.31 (46.06)	
Bank campaign	2.15 (12.00)	
Youth savings group	1.77 (6.02)	
School/college	1.55 (5.48)	
Church/mosque/temple	0.54 (1.16)	
Friends/family	2.86 (8.75)	
Internet	1.28 (2.96)	
Other	4.65 (16.17)	

AMNS, average monthly net savings; *KES,* Kenyan shilling; *PPP,* purchasing power parity; *USD,* U.S. dollar
*p<.05, **p<.01, ***p<.001.
Note: AMNS are not significantly different by past account and source of fund at p<.05 when alternative tests robust to unequal variances are used. For source for learning about account, post-hoc tests show a statistically significant difference in AMNS between radio/television/newspaper and each of four other categories: bank campaign, youth savings group, school/college, and church/mosque/temple.

Household Characteristics and Savings

Table B.3.12 shows the mean AMNS (PPP-converted) by household characteristics for Kenya (described in Chapter 6).

Table B.3.12. Kenya AMNS by Household/HOH Demographic Composition in KES (PPP-Converted USD)

	Mean (SD)	Test statistic
HOH		F(2,5759)=2.30, p=0.10
Father	1.94 (9.03)	
Mother	2.89 (24.35)	
Other	2.08 (6.91)	
HOH previous formal bank account		F(1,4658)=1.29, p=0.26
Yes	2.21 (10.02)	
No	2.89 (30.64)	
HOH education level		F(4,4756)=0.52, p=0.72
No formal education	3.17 (19.71)	
Primary	2.77 (30.18)	
Secondary	2.21 (10.63)	
Technical school	2.43 (11.89)	
University	1.87 (5.68)	
Number of household members		F(2,5495)=5.87, p=0.003**
1–3	4.27 (39.56)	
4–5	2.04 (8.68)	
6 or more	1.86 (8.98)	
HOH employment in agriculture sector		F(1,5090)=0.01, p=0.90
Yes	2.24 (21.85)	
No	2.18 (9.70)	
HOH employment		F(3,5490)=1.59, p=0.19
Employed	2.21 (11.48)	
Self-employed	1.90 (6.24)	
Not employed	3.23 (31.79)	
Other	2.08 (8.90)	
Mode of transportation owned		F(3,5768)=1.12, p=.0.34
None	1.98 (9.31)	
Nonmotorized	1.96 (9.91)	
Motorized	2.79 (23.87)	
Both	2.16 (8.50)	
Cosignatory		F(2,5741)=4.36, p=0.01*
Father	2.14 (9.80)	
Mother	3.11 (14.35)	
Self/other	1.79 (15.55)	

AMNS, average monthly net savings; *HOH,* head of household; *KES,* Kenyan shilling; *PPP,* purchasing power parity; *USD,* U.S. dollar

*p<.05, **p<.01

Note: AMNS are not significantly different by number of household members at p<.05 when alternative tests robust to unequal variances are used. For cosignatory, post-hoc tests showed that there is a statistically significant difference in AMNS between mother and self/other.

Branch-Level Account Uptake, Savings, and Financial Capability Program Participation

SMATA accounts were opened in 74 of Postbank's 99 branches across five regions of Kenya (i.e., Coast, Mt. Kenya, Nairobi, Rift Valley, and Western). As presented in Table B.3.13, Nairobi and Western regions have the most branches—25 and 21, respectively—and the most accounts opened. Western region had 2,046 (32%) accounts opened, and Nairobi region had 1,920 accounts opened

(30%). Mt. Kenya region opened 819 accounts, the Coast region opened 807 accounts, and Rift Valley opened 781. Accounting for the difference in number of branches per region, Rift Valley has the highest average of accounts opened per branch with 213 accounts per branch. As previously noted, patterns in account uptake may reflect branch-level resources available to provide data to researchers.

In terms of savings, Nairobi has the highest AMNS, with an average of USD 10 per account, and Rift Valley has the second highest with an average of USD 3.07 per account. They are followed by Western region with USD 2.61, Mt. Kenya with USD 2.54, and Coast with USD 2.01.

Table B.3.13. Kenya Account Uptake by Branch

Region	Branch	Number of research accounts	AMNS (PPP-converted USD)	Branch near youth club?
Coast	Chaani	212	1.55	
	Kisauni	129	1.76	
	Likoni	12	5.04	
	Mombasa	208	1.17	
	Taveta	160	1.09	
	Ukunda	86	1.58	Yes
	SUBTOTAL	807	2.03	
Mt. Kenya	Chuka	102	0.94	Yes
	Embu	54	2.15	
	Karatina	7	1.47	
	Kenol_Kangema Ag. Lt	1	3.47	
	Kerugoya	149	0.75	
	Kiambu	40	1.1	
	Magomano_Kangema Agencies	1	0	
	Meru	68	4.1	Yes
	Muranga	50	0.38	
	Nanyuki	5	10.33	
	Nyeri	20	5.69	
	Thika	58	3.65	
	Wanguru	264	1.48	
	SUBTOTAL	819	2.54	
Nairobi	Afya Centre	1	28.99	
	Athi River	7	2.34	
	Canon House	13	71.63	
	Central	4	6.44	
	Dandora	5	77.72	
	Eastleigh	625	1.67	
	Enterprise Road	2	2.15	
	Githurai	12	7.2	
	Karen	15	2.21	
	Kariobangi	129	1.87	
	Kenyatta Market	96	4.65	
	Kitale	2	5.25	
	Makueni	34	0.51	
	Mathare-Supalex Uniform & Ente	7	1	
	Ngara Road	7	4.01	

	Ngong Hills	43	2.98
	Ongata Rongai	4	4.89
	Ruiru	14	2.79
	Tom Mboya Street	1	0.25
	Uchumi Adams Arcade	53	3.37
	Uthiru	6	2.97
	Kangundo	7	12.05
	Kibwezi	159	0.65
	Kitui	670	1.92
	Matuu	4	0.86
	Subtotal	1920	10.01
Rift Valley	Eldama Ravine	397	2.38
	Kabarnet	34	1.24
	Kapsabet	20	6.55
	Kericho	27	1.7
	Molo	20	1.34
	Naivasha	129	2.77
	Nakuru	75	7.85
	Nandi Hills	75	2.05
	Bomet	4	1.76
	SUBTOTAL	781	3.07
Western	Bungoma	8	0.67
	Busia Market	650	0.94
	Homa-Bay	21	1.91
	Kahancha	42	3.14
	Keroka	56	2
	Kimilili-Jaribu Stores	1	0.42
	Kisii	23	0.86
	Kisumu	30	10.98
	Luanda	11	1.75
	Lumakanda Lumakanda Chemist	29	0.37
	Lwandeti Pamoja Supermarket	2	14.14
	Matete-Pamoja Supermarket	5	0.25
	Mbale	355	1.19
	Mumias	149	2.66
	Nyamira	35	1.93
	Oyugis	53	2.59
	Rodi Kopany-Ramam Enterprises	2	0
	Sare	225	1.07
	Sega-Msafiri General Marchants	2	1.41
	Suna	291	4.58
	Webuye	56	1.88
	SUBTOTAL	2046	2.61
	GRAND TOTAL	6373	2.18

AMNS, average monthly net savings; *PPP,* purchasing power parity; *USD,* U.S. dollar

Appendix B.4 – Nepal Country Brief

Program Description

The youth savings account product offered by BOK is *Chetanshil Yuva Bachat Yojana* (CYBY), translated as "conscientious youth savings scheme." The product is targeted to youth between 10 and 22 years of age.

Account Uptake

BOK opened a total of 2,191 CYBY accounts between April 26, 2012, and February 28, 2013 (Table B.4.1). Of those, 2,028 account holders agreed to participate in YouthSave. On average, accounts have been open for 6.5 months. Since product rollout, seven accounts have closed: four in Q1, two in Q2, and one in Q3. Almost half of accounts were opened in Q1, with a decreasing trend in accounts opened from Q1 to Q3.

Table B.4.1. Nepal Account Information by Quarter*

	Q1	Q2	Q3	Total
Total accounts opened since rollout (as reported by FI)	1,010	847	334	2,191
Number of accounts opened with consent	976	824	228	2,028
Number of accounts closed	4	2	1	7

*Q1 is April 26, 2012, to August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Q3 is December 1, 2013, to February 28, 2013.

Account Holder Characteristics

Table B.4.2 presents detailed demographic characteristics of account holders by quarter, and highlights are as follows:

- Although there was slight increase in the proportion of female account holders opening the CYBY account in Q3, the proportion of females overall is only one third (36.5% female, 63.5% male).
- The mean age of account holders is 15.5 years. Almost half (47.2%) were minors (i.e., 15 years of age or younger) when they opened the account. The highest participation by category is among the 16–18 age group (29.4%).
- The majority of youth (93.6%) are in school. Almost half (47.0%) reported being in secondary level education.
- In the Nepal YouthSave population, 58%—contrasted with 69% of the general population—live on less than USD 2.50 per day PPP.
- Most youth (83.7%) reported having not worked in the past six months.
- Data suggest that CYBY is the first experience of having a formal bank account for the majority of youth. Only 16.6% had a formal bank account in the past.
- The majority of youth (83.6%) fund their savings with money from parents, and only 14.4% indicated that they will use earned income.

- Approximately 30% were represented in each of the Indigenous, Brahmin, and Chhetri classifications. Dalit and others were 5.2% and 6.4% of account holders, respectively.

Table B.4.2. Nepal Account Holder Characteristics by Quarter*

	Q1 *n* = 976	Q2 *n* = 824	Q3 *n* = 228	Total *N* = 2028
	n (%)	*n* (%)	*n* (%)	*n* (%)
Gender				
Male	634 (65.0)	520 (63.1)	133 (58.3)	1,287 (63.5)
Female	342 (35.0)	304 (36.9)	95 (41.7)	741 (36.5)
Age (years)				
Younger than 10	6 (0.6)	3 (0.4)	2 (0.9)	11 (0.5)
10–12	234 (24.0)	199 (24.1)	66 (28.9)	499 (24.6)
13–15	217 (22.2)	184 (22.3)	47 (20.6)	448 (22.1)
16–18	275 (28.2)	260 (31.6)	61 (26.8)	596 (29.4)
19–21	243 (24.9)	175 (21.2)	49 (21.5)	467 (23.0)
22–24		3 (0.4)	3 (1.3)	6 (0.3)
25–30	1 (0.1)			1 (0.1)
Education level				
No formal education	1 (0.1)	2 (0.2)		3 (0.2)
Preprimary	8 (0.8)	4 (0.5)	3 (1.3)	15 (0.7)
Primary	141 (14.4)	203 (24.6)	42 (18.4)	386 (19.0)
Secondary	460 (47.1)	392 (47.6)	101 (44.3)	953 (47.0)
Higher secondary	310 (31.8)	191 (23.2)	69 (30.3)	570 (28.1)
Technical school	7 (0.7)	6 (0.7)	1 (0.4)	14 (0.7)
College/university	49 (5.0)	26 (3.2)	12 (5.3)	87 (4.3)
School status				
In school	901 (92.3)	777 (94.3)	221 (96.9)	1,899 (93.6)
Not in school	75 (7.7)	47 (5.7)	7 (3.1)	129 (6.4)
Income in the past six months				
Yes	188 (19.3)	111 (13.5)	31 (13.6)	330 (16.3)
No	788 (80.7)	713 (86.5)	197 (86.4)	1,698 (83.7)
Previous formal bank account				
Yes	151 (15.5)	163 (19.8)	24 (10.5)	338 (16.6)
No	813 (83.3)	627 (76.1)	202 (88.6)	1,642 (81.0)
Don't know	12 (1.2)	34 (4.1)	2 (0.9)	48 (2.4)
Source of funds				
Earned income	143 (14.6)	121 (14.7)	29 (12.7)	293 (14.4)
Money from family	812 (83.2)	685 (83.1)	198 (86.8)	1,695 (83.6)
Other	21 (2.2)	18 (2.2)	1 (0.4)	40 (2.0)
Caste				
Indigenous group	260 (26.6)	243 (29.5)	86 (37.7)	589 (29.0)
Dalit	47 (4.8)	43 (5.2)	16 (7.0)	106 (5.2)
Brahmin	316 (32.4)	244 (29.6)	55 (24.1)	615 (30.3)
Chhetri	287 (29.4)	247 (30.0)	55 (24.1)	589 (29.0)
Other	66 (6.8)	47 (5.7)	16 (7.0)	129 (6.4)

*Q1 is April 26, 2012, to August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Q3 is December 1, 2013, to February 28, 2013.

Household Characteristics

Table B.4.3 presents detailed account holders' household and HOH characteristics by quarter, and highlights are as follows:

- A large majority of youth (84.4%) reported the father as HOH. From Q1 to Q3, about 5% more youth reported fathers as the HOH.
- The majority of youth (58.8%) live in households with five or more family members.
- About 70% of HOHs had participated in formal banking services. The percentage was highest in Q1 and declined by 5% by Q3.
- Approximately 37% of HOHs have primary or lower level of education, and 43.7% have secondary level or technical schooling. Over 16% of HOHs have university level education. In terms of change across quarters, Q3 has a higher percentage of HOHs with less education.
- About 40% reported being employed in the agriculture sector, which is consistent across quarters.
- The majority of HOHs are employed (40.6%) or self-employed (31.7%). Approximately 17% are not employed, and 5% are retired.
- In terms of household assets as measured by mode of transportation ownership, 28.9% indicated owning motorized transportation. The majority reported no motorized means of transportation with 25.4% indicating ownership of nonmotorized transportation and an additional 42.2% reported owning no mode of transportation at all. From Q1 to Q3, the number who owned nonmotorized transportation increased by 20%, while the number reporting motorized decreased by a similar amount.
- Approximately half of accounts were opened in the presence of a parent, and 45.9% were opened by the youth themselves. Q2 and Q3 show a small increase in the number of parents opening accounts with the youth.

Table B.4.3. Nepal Household/HOH Characteristics by Quarter*

	Q1 *n* = 976	Q2 *n* = 824	Q3 *n* = 228	Total *N* = 2028
	n (%)	*n* (%)	*n* (%)	*n* (%)
HOH				
Father	809 (82.9)	703 (85.3)	199 (87.3)	1,711 (84.4)
Mother	128 (13.1)	98 (11.9)	25 (11.0)	251 (12.4)
Self or others	39 (4.0)	23 (2.8)	4 (1.7)	66 (3.2)
Number of household members				
3 or fewer	80 (8.2)	52 (6.3)	18 (7.9)	150 (7.4)
4	347 (35.6)	275 (33.4)	63 (27.6)	685 (33.8)
5	253 (25.9)	250 (30.3)	60 (26.3)	563 (27.8)
6	145 (14.9)	123 (14.9)	41 (18.0)	309 (15.2)
7 or more	151 (15.5)	124 (15.0)	46 (20.2)	321 (15.8)

HOH previous formal bank account				
Yes	705 (72.2)	539 (65.4)	152 (66.7)	1,396 (68.8)
No	152 (15.6)	140 (17.0)	54 (23.7)	346 (17.1)
Don't know/Missing	119 (12.2)	145 (17.6)	22 (9.6)	286 (14.1)
HOH education level				
No formal education	122 (12.5)	114 (13.8)	43 (18.9)	279 (13.8)
Primary	162 (16.7)	143 (17.4)	55 (24.1)	360 (17.8)
Secondary	260 (26.6)	246 (29.8)	62 (27.2)	568 (28.0)
Higher secondary	138 (14.1)	120 (14.6)	30 (13.2)	288 (14.2)
Technical school	13 (1.3)	16 (1.94)	1 (0.4)	30 (1.5)
University	196 (20.1)	114 (13.8)	26 (11.4)	336 (16.6)
Don't know	85 (8.7)	71 (8.6)	11 (4.8)	167 (8.2)
HOH employment in agricultural sector				
Yes	354 (36.3)	367 (44.5)	87 (38.2)	808 (39.8)
No	604 (61.9)	440 (53.4)	137 (60.1)	1,181 (58.2)
Don't know/Missing	18 (1.8)	17 (2.1)	4 (1.7)	39 (2.0)
HOH employment status				
Employed	400 (41.0)	343 (41.6)	81 (35.5)	824 (40.6)
Self-employed	339 (34.7)	233 (28.3)	71 (31.1)	643 (31.7)
Pensioner/retired	67 (6.9)	32 (3.9)	7 (3.1)	106 (5.2)
Not employed	121 (12.4)	177 (21.5)	40 (17.5)	338 (16.7)
Other	48 (4.9)	39 (4.7)	29 (12.7)	116 (5.7)
Missing	1 (0.1)	0 (0)	0 (0)	1 (0.1)
Mode of transportation owned				
None	402 (41.2)	371 (45.0)	83 (36.4)	856 (42.2)
Nonmotorized	216 (22.1)	203 (24.6)	96 (42.1)	515 (25.4)
Motorized	319 (32.7)	223 (27.1)	45 (19.7)	587 (28.9)
Both (motorized/nonmotorized)	39 (4.0)	27 (3.3)	4 (1.8)	70 (3.5)
Cosignatory				
Father	221 (22.6)	250 (30.3)	56 (24.6)	527 (26.0)
Mother	231 (23.7)	201 (24.4)	62 (27.2)	494 (24.4)
Other relative	34 (3.5)	20 (2.4)	7 (3.1)	61 (3.0)
Nonrelative	11 (1.1)	3 (0.4)	1 (0.4)	15 (0.7)
Self	479 (49.1)	350 (42.5)	102 (44.7)	931 (45.9)

*Q1 is April 26, 2012, to August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Q3 is December 1, 2013, to February 28, 2013.

Savings Goals

When asked about reasons for saving, 63% of youth indicated saving for their own education (Table B.4.4). The second most reported reason was saving for emergencies. By Q3, a greater percentage of youth (an increase of 9%) indicated saving for their own education and a lower percentage reported saving for emergencies and day-to-day expenses.

Table B.4.4. Nepal Savings Goals by Quarter*

	Q1 *n* = 976	Q2 *n* = 824	Q3 *n* = 228	Total *N* = 2028
	n (%)	*n* (%)	*n* (%)	*n* (%)
Emergencies	264 (27.1)	230 (27.9)	49 (21.5)	543 (26.8)
Business	9 (0.9)	13 (1.6)	5 (2.2)	27 (1.3)
Own education	592 (60.7)	524 (63.6)	159 (69.7)	1,275 (63.0)
Relative's education	7 (0.7)	6 (0.7)	3 (1.3)	16 (0.8)
Day-to-day expenses	60 (6.2)	37 (4.5)	7 (3.1)	104 (5.1)
Trip/vacation	20 (2.0)	7 (0.8)	3 (1.3)	30 (1.5)
Job-related training	12 (1.2)	3 (0.4)	0 (0)	15 (0.7)
Other	12 (1.2)	4 (0.5)	2 (0.9)	18 (0.8)

*Q1 is April 26, 2012, to August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Q3 is December 1, 2013, to February 28, 2013.

How Youth Learned about the Account

As presented in Table B.4.5, the most frequently reported source for hearing about the account was TV, radio, and newspaper (30.1%), which may reflect BOK's emphasis on using mass media for CYBY publicity. Family or friends was the second most frequently cited source. The proportion of those who heard about CYBY through financial education workshops or youth clubs jumped from 7.7% in Q1 to 24.1% in Q3. This increase may reflect the expansion of SC and BOK's financial education workshops in schools.

Table B.4.5. Nepal Account Holder Source for Learning about Account by Quarter*

	Q1 *n* (%)	Q2 *n* (%)	Q3 *n* (%)	Total *N* (%)
Radio/TV/newspaper	388 (39.7)	186 (22.6)	36 (15.8)	610 (30.1)
Comic book	5 (0.5)	0 (0)	1 (0.4)	6 (0.3)
Bank fair/rallies/mass meeting/other campaign	104 (10.6)	164 (19.9)	37 (16.2)	305 (15.0)
FE workshop/youth club	75 (7.7)	168 (20.4)	55 (24.1)	298 (14.7)
School/college	64 (6.6)	61 (7.4)	27 (11.8)	152 (7.5)
Church/mosque/temple	1 (0.1)	1 (0.1)	0 (0)	2 (0.1)
Friend /family	271 (27.8)	181 (22.0)	58 (25.4)	510 (25.1)
Internet	21 (2.2)	15 (1.8)	3 (1.3)	39 (1.9)
Mobile phone	0 (0)	2 (0.2)	1 (0.4)	3 (0.2)
Others	46 (4.7)	46 (5.6)	10 (4.4)	102 (5.0)
Missing	1 (0.1)	0 (0)	0 (0)	1 (0.1)

*Q1 is April 26, 2012, to August 31, 2012, Q2 is September 1, 2012, to November 30, 2013, and Q3 is December 1, 2013, to February 28, 2013.

Out-of-School Youth

Table B.4.6 presents characteristics of out-of-school youth who represent only 6.4% of all CYBY account holders. The gender ratio is higher than for the in-school population (i.e., there are more males than females), and out-of-school youth tend to be older than those in school. In terms of how they learned about the account, over 50% reported learning about the account through friends/family. In contrast with the in-school youth, most reported saving for emergencies, followed by their own education and day-to-day expenses.

B.4.6. Nepal Out-of-School Youth Characteristics

	Total *N* = 129 (%)
Gender	
Female	35 (27.1)
Male	94 (72.9)
Age (years)	
Younger than 10	0 (0)
10–12	1 (0.8)
13–15	3 (2.3)
16–18	45 (34.9)
19–21	80 (62.0)
Older than 21	0 (0)
Education level	
No formal education	0 (0)
Preschool	0 (0)
Primary (Standard 1–6)	5 (3.9)
Secondary (Form 1–4)	39 (30.2)
Higher secondary	71 (55.0)
Technical school	1 (0.8)
College/university	11 (8.5)
Income in past six months	
Yes	58 (45.0)
No	71 (55.0)
Previous formal bank account	
Yes	38 (29.5)
No	88 (68.2)
Don't know	3 (2.3)
Reason for saving	
Emergencies	57 (44.2)
Business	3 (2.3)
Own education	31 (24.0)
Relative's education	3 (2.3)
Day-to-day expenses	24 (18.6)
Trip/vacation	6 (4.7)
Job-related training	2 (1.6)
Other	3 (2.3)
Source for learning about account	
Radio/television/newspaper	38 (29.4)
Comic book	0 (0)
Bank fair/rallies/other campaign	12 (9.3)
FE workshop/youth club	1 (0.8)
School/college	4 (3.1)
Church/mosque/temple	1 (0.8)
Friend/family	66 (51.1)
Internet	0 (0)
Cell phone	1 (0.8)
Other	6 (4.7)

Savings Outcomes

Table B.4.7 shows total amount of deposits, interest, withdrawals, service fees, and total net savings per account. Total net savings across all accounts is NPR 6,233,999 (USD 184,529 PPP-converted).

Table B.4.7. Total Savings in NPR (PPP-Converted USD)

	NPR (USD)
Total amount of deposits	34,461,412 (1,020,051)
Total amount of interest	159,699 (4,727)
Total amount of withdrawals	28,379,128 (840,017)
Total amount of service fees/taxes	7,984 (236)
Total net savings	6,233,999 (184,525)

NPR, Nepalese rupee; *PPP,* purchasing power parity; *USD,* U.S. dollar

As shown in Table B.4.8, the average total net savings per account is NPR 3,073.96 (USD 90.99). Given high variation by account—for example, the maximum is NPR 23,4347.70 (USD 6,936.65)—it is important to consider the median amount: NPR 311.63 (USD 9.22).

Table B.4.8. Nepal Average Total Savings per Account in NPR (PPP-Converted USD)

	Mean	Median	Minimum	Maximum
Average amount of deposits (including interest)	17,071.55	919.75	100.00	1,843,489.65
	(505.31)	(27.22)	(2.96)	(54,566.94)
Average amount of withdrawals	13,993.65	0	0	1,841,637.50
	(414.21)	(0)	(0)	(54,512.12)
Average amount of service fees/taxes	3.94	0.28	0	824.43
	(0.12)	(0.01)	(0)	(24.40)
Average net savings (balance) per account	3,073.96	311.63	100.00	234,347.70
	(90.99)	(9.22)	(2.96)	(6,936.65)

NPR, Nepalese rupee; *PPP,* purchasing power parity; *USD,* U.S. dollar

Table B.4.9 shows the average monthly amount of deposits and withdrawals. The mean average monthly amount of deposits is NPR 2,519.94 (USD 74.59), and the mean average for withdrawals is NPR 1,913.67 (USD 56.64). However, the maximum values are quite high, which suggests that median values may be a better indicator of the majority of the youth. In fact, a few account holders made very large deposits and withdrawals. The median average monthly deposit was NPR 151.15 (USD 4.47) and no withdrawals. The net difference between deposits and withdrawals is the average monthly amount of savings in a given account. The mean is NPR 605.77 (USD 17.93), and the median is NPR 51.70 (USD 1.53).

Table B.4.9. Nepal AMNS per Account in NPR (PPP-Converted USD)

	Mean	Median	Minimum	Maximum
Average monthly amount of deposits (including interest)	2,519.94	151.15	9.43	200,100.00
	(74.59)	(4.47)	(0.28)	(5,922.92)
Average monthly amount of withdrawals (including fees/taxes)	1,914.17	0.05	0	184,246.24
	(56.65)	(0.001)	(0)	(5,453.65)
AMNS*	605.77	51.70	9.41	200,100.00
	(17.93)	(1.53)	(0.28)	(5,922.92)

AMNS, average monthly net savings; *NPR,* Nepalese rupee; *PPP,* purchasing power parity; *USD,* U.S. dollar
*AMNS = (deposits + interest – withdrawals – service fees and taxes)/months account has been open

Transaction Activity

As shown in Table B.4.10, all youth made at least one deposit and averaged a total of 2.7 deposits. The 595 youth who made withdrawals (29%) averaged a total of 8.1 withdrawals per account.

Table B.4.10. Nepal Transaction Activity

	N
Total number of deposits	5,398
Total number of withdrawals	4,829
Number of youth that made deposits	2,028
Number of youth that made withdrawals	595
Average number of deposits per account	2.7
Average number of withdrawals per account by those that took a withdrawal	8.1
Average monthly number of deposits per account	0.4
Average monthly number of withdrawals per account by those that took a withdrawal	1.4

Youth Characteristics and Savings

Table B.4.11 presents the mean AMNS (PPP-converted) by youth characteristics for Nepal (described in Chapter 6).

Table B.4.11. Nepal AMNS in NPR (PPP-Converted USD) by Youth Characteristics

	Mean (SD)	Test statistic
Gender		F(1,2026)=0.07, p=.79
Male	18.58 (175.53)	
Female	16.80 (55.66)	
Age		F(3,2024)=1.78, p=.15
12 or younger	16.21 (51.65)	
13–15	12.90 (57.95)	
16–18	12.76 (45.24)	
19 or older	31.03 (282.43)	

School enrollment		F(3,2024)=1.63, p=.18
Not in school	11.16 (34.07)	
Primary	14.15 (54.90)	
Secondary	28.90 (258.93)	
Technical school/university	18.71 (57.40)	
Currently in school		F(1,2026)=0.50, p=.48
Yes	18.52 (148.45)	
No	9.30 (24.65)	
Estimated poverty rate		
High (> average)	14.16 (67.22)	F(1,1880)=1.01, p=.32
Low (< average)	21.12 (187.52)	
Source of fund		F(2,2025)=0.20, p=0.82
Earned income	15.26 (57.58)	
From parents/relatives	18.66 (155.44)	
Other	6.49 (14.36)	
Past income		F(1,2026)=4.39, p=.04*
Yes	33.10 (329.92)	
No	14.98 (59.54)	
Past account		F(1,1978)=0.22, p=.64
Yes	14.66 (55.84)	
No	18.75 (157.74)	
Reason for saving		F(4,2020)=0.30, p=.88
Emergency	22.54 (256.06)	
Business	11.32 (38.60)	
Own education	16.67 (67.76)	
Sibling education	34.70 (93.09)	
Other	12.15 (45.34)	
Source for learning about account		F(9,2017)=2.20, p=.02*
Radio/TV/newspaper	16.69 (64.25)	
Comic book	6.63 (6.92)	
Bank fair/rallies/mass meeting/other campaign	9.06 (31.13)	
FE workshop/youth club	4.60 (11.36)	
School/college	19.67 (89.96)	
Church/mosque/temple	14.75 (19.28)	
Friends/family	20.00 (71.44)	
Internet	28.26 (68.52)	
Mobile phone	29.18 (14.00)	
Other	74.17 (585.82)	

AMNS, average monthly net savings; *NPR,* Nepalese rupee; *PPP,* purchasing power parity; *USD,* U.S. dollar
*p<.05
Note: AMNS are not significantly different by past income at p<.05 when alternative tests robust to unequal variances are used. For source for learning about account, post-hoc tests show a statistically significant difference in AMNS between FE workshop/youth club and others.

Household Characteristics and Savings

Table B.4.12 presents the mean AMNS (PPP-converted) by household characteristics for Nepal (described in Chapter 6).

Table B.4.12. Nepal AMNS in NPR (PPP-Converted USD) by Household/HOH Demographic Composition

	Mean (SD)	Test statistic
HOH		F(3, 2023)=0.18, p=.91
Father	18.91 (155.37)	
Mother	12.19 (47.04)	
Self	18.22 (55.34)	
Other	13.27 (22.51)	
HOH previous formal bank account		F(1,1740)=2.80, p=.09
Yes	14.94 (50.61)	
No	30.13 (323.84)	
HOH education		F(5,1855)=0.48, p=.79
No formal education	13.10 (43.84)	
Primary	28.36 (317.07)	
Secondary	15.37 (59.07)	
Higher secondary	17.14 (73.86)	
Technical school	7.80 (12.80)	
University/college	20.92 (69.55)	
Number of household members		
1–3	14.48 (42.00)	F(2,2025)=0.24, p=.78
4–5	19.69 (177.85)	
6 or more	15.28 (59.13)	
HOH employment in agriculture		
Yes	19.82 (216.67)	F(1,1987)=0.20, p=.66
No	16.88 (58.33)	
HOH employment		
Employed	16.21 (52.00)	F(4,2022)=3.90, p=.004*
Self-employed	16.97 (73.21)	
Pensioner/retired	8.89 (22.27)	
Not employed	9.77 (44.56)	
Other	67.66 (553.31)	
Mode of transportation owned		
None	12.31 (51.87)	F(3,2024)=0.83, p=.48
Nonmotorized	24.29 (266.48)	
Motorized	20.41 (69.36)	
Both	19.05 (59.41)	
Cosignatory		
Father	13.79 (60.80)	F(4,2023)=0.36, p=.84
Mother	14.75 (48.60)	
Other relative	16.32 (38.11)	
Nonrelatives	22.33 (41.49)	
Self	21.99 (203.90)	

AMNS, average monthly net savings; *NPR,* Nepalese rupee; *PPP,* purchasing power parity; *USD,* U.S. dollar; *HOH,* head of household

*p<.01

Note: For HOH's employment, post-hoc tests show a statistically significant difference in AMNS between "other" and all other categories.

Regional Account Uptake, Savings, and Financial Capability Program Participation

Of the 47 BOK branches, CYBY accounts were opened in 44. As noted in Table B.4.13, five branches—Attariya, Beni, Birtamode, Kohalpur, and Tulsipur—have opened 100 or more accounts. Four of these five branches are located in more rural areas.[12]

Regionally, account uptake is highest (603 accounts) in the Central region, which has 22 branches. The next highest is the Western region (508 accounts), followed by the Mid-Western region (477 accounts), each of which has seven branches. The Eastern region has seven branches and account uptake was 235. The Far-Western region has four branches, and 206 youth opened accounts in that area. Interestingly, on a per-branch basis, the Central region was the lowest and the Far-Western region was one of the three highest in account uptake.

A higher number of opened accounts does not necessarily correspond with higher AMNS. Of the branches with the highest AMNS, only Birtamode, located in a more rural area, has both high account uptake (118) and high AMNS (USD 58.05). The Janakpur branch has the highest AMNS (USD 82.12). The other three highest AMNS across all branches range from USD 41 to USD 47.91 and include Jawalakhel, Gyaneshwor, and Sankhu, all of which are located in the more urban Central region.

Table B.4.13. Nepal Account Uptake, Savings, and FC Activity by Branch/Region

Branch name	Location	Total research accounts	AMNS (PPP-converted USD)	Branch FC activities?	SC/Partner NGO FC activities?
Eastern Region					
Itahari	Urban	8	3.67		
Biratnagar	Urban	21	33.41		
Urlabari	Rural	39	13.13	Yes	Yes
Khandbari	Urban	48	15.81	Yes	
Birtamod	Rural	118	58.05	Yes	Yes
Lahan	Urban	0	0	Yes	
Dharan	Urban	1	5.92	Yes	
Central Region					
Tatopani	Rural	0	0		
Amlekhgunj	Rural	3	24.13		
Birgunj	Urban	5	17.81		
Narayangarh	Urban	15	17.01	Yes	
Janakpur	Urban	25	82.12	Yes	
Hetauda	Urban	35	12.77		
Head Office	Urban	7	11.64		
Gyaneshwor	Urban	6	47.91		
Old Baneshwor	Urban	13	24.09		

[12] Branches that are located in Village Development Committees (VDCs) are considered to be located in rural areas versus those in the municipalities which are considered urban. However, some of the VDCs also do have small emerging towns in their boundaries or Commercial centers, such as in Attariya, and Birtamode.

Tripureshwor	Urban	19	14.8		
Thamel	Urban	26	31.38		
Jawlakhel	Urban	26	41.11		
Balaju	Urban	23	25.58		
Balkhu	Urban	23	31.01		
New Road	Urban	44	34.55		
Maharajgunj	Urban	66	11.7		
Gongabu	Urban	26	18.89		
Chabahil	Urban	66	13.73		
New Baneshwore	Urban	68	25.96		
Bhaktapur	Urban	46	6.37	Yes**	Yes**
Panauti	Urban	48	2.97	Yes	Yes
Sankhu	Rural	13	45.58	Yes	
Western Region					
Butwal	Urban	26	22.58		
Khairenitar	Rural	54	15.39	Yes	
Sandhikharka	Rural	77	2.93	Yes	Yes
Tamghas	Rural	81	12.25	Yes	Yes
Pokhara	Urban	73	31.59		
Beni	Rural	100	3.54	Yes	Yes
Baglung	Urban	97	6.08	Yes	Yes
Mid-Western Region					
Jumla	Rural	0	0		
Nepalgunj	Urban	22	9.15		
Ghorahi	Urban	45	31.62		
Guleria	Urban	37	1.3	Yes	Yes
Kohalpur	Rural	108	17.32	Yes	Yes
Surkhet	Urban	89	8.89	Yes	Yes**
Tulsipur	Urban	175	5.02	Yes	
Far-Western Region					
Dhangadhi	Urban	10	12.38		
Tikapur	Urban	68	12.02	Yes	Yes
Dadeldhura	Urban	26	28.23	Yes	
Attariya	Rural	102	11.59	Yes	Yes**
Total		2,028	17.93		

FC, financial capability; *AMNS,* average monthly net savings; *PPP,* purchasing power parity; *USD,* U.S. dollar; *SC,* Save the Children; *NGO,* nongovernmental organization
**FC activity started during the pilot period, October 2011 to January 2012.

Table B.4.14. Nepal FC Activity and Affiliated Branches

		Through SC's partner NGOs and associated BOK branches*				Through SC	By BOK branches on their own	
	Rural /urban	FE Workshop	Orientation for adults	Street drama	Aggregation point delivery	Radio drama	FE orientation	Aggregation point delivery
Eastern Region								
Itahari	Urban						Jan. 2013	
Biratnagar	Urban							
Urlabari	Rural	June 2012	June 2012	Aug. 2012	May 2013			
Khandbari	Urban						July/Aug. 2012	
Birtamod	Rural	Dec. 2012	Dec. 2012	Dec. 2012			Aug./Sept. 2012	
Lahan	Urban						Jan. 2013	
Dharan	Urban						Jan. 2013	
Central Region								
Tatopani	Rural							
Amlekhgunj	Rural							
Birgunj	Urban							
Narayangarh	Urban						Dec. 2012	X
Janakpur	Urban						Sept./Oct. 2012/Jan. 2013	
Hetauda	Urban							
Head Office	Urban							
Gyaneshwor	Urban							
Old Baneshwor	Urban							
Tripureshwor	Urban							
Thamel	Urban							
Jawlakhel	Urban							
Balaju	Urban							
Balkhu	Urban							
New Road	Urban							
Maharajgunj	Urban							
Gongabu	Urban							

Chabahil	Urban							
New Baneshwore	Urban							
Bhaktapur	Urban	Oct. 2011	Oct. 2011	Nov. 2011	Dec. 2011			
Panauti	Urban	June 2012	June 2012	Sept. 2012	Sept. 2012			
Sankhu	Rural	May 2013	Apr. 2013	Apr. 2013			Aug./Sept. 2012	
Western Region								
Butwal	Urban							
Khairenitar	Rural						July/Aug. 2012	X
Sandhikharka	Rural					Oct./Nov. 2012	Aug./Sept. 2012	X
Tamghas	Rural					Oct./Nov. 2012	Aug./Sept. 2012	X
Pokhara	Urban							
Beni	Rural	Aug. 2012	Aug. 2012	Feb. 2013				
Baglung	Urban	June 2012	Aug. 2012	July 2012			June/July/ Dec. 2012	
Mid-Western Region								
Jumla	Rural							X
Nepalgunj	Urban							
Ghorahi	Urban							
Guleria	Urban	June 2012	June 2012	July 2012	Oct. 2012			
Kohalpur	Rural	Aug. 2012	Aug. 2012	Dec. 2012	Oct. 2012			
Surkhet	Urban	Sept. 2011	Sept. 2011	Sept. 2011	Jan. 2012			
Tulsipur	Urban						Sept. 2012	
Far-Western Region								
Dhangadhi	Urban							
Tikapur	Urban	June 2012	June 2012	June 2012	June 2012			
Dadeldhura	Urban						Sept. 2012	X
Attariya	Rural	Sept. 2011	Sept. 2011	Sept. 2011	Jan. 2012			

*Dates reflect start of activity.

Appendix C – Research Instruments

YouthSave Savings Demand Assessment – Colombia

Extracted Questions from BCS Account Application

Description of the variable	Response options
Type of account	1 = Cuentamiga 2 = Tuticuenta
Branch where account was opened	Branch name
Date account opened	Date
Gender	1 = Male 2 = Female
Date of birth	Date
Place of birth (town)	Town name
Marital status	1 = single 2 = married 3 = domestic partnership 4 = other
Occupation	
Profession	
Type of housing	-Owned by youth -Rent -Family-owned
Level of education	-Primary -Secondary -Technical school -University
Number of children	Number
Number of person in charge of household	
City of residence	City name
Neighborhood of residence	Neighborhood name
Does youth have email?	1 = Yes 2 = No
Does youth have cell phone?	1 = Yes 2 = No
Stratum (socioeconomic level)	1, 2, 3, 4, 5, 6

YouthSave Savings Demand Assessment – Ghana

Account Number ----------

No	Intake Question	Response
1	Name	
2	Date of birth	dd-mm-year
3	Gender	Male/female
4	Correspondence/current address (Postal code, town or village)	
5	Do you attend school?	1=Yes 2=No
6	What is the highest grade/class did you last complete?	00=Never been to school 10=Pre-school 11=Primary 1 12=Primary 2 13=Primary 3 14=Primary 4 15=Primary 5 16=Primary 6 21=JHS 1 22=JHS 2 23=JHS 3 31=SHS 1 32=SHS 2 33=SHS 3/4 41=Other, specify …….
7	If not in school, what trade or activity are you engaged in?	1= None 2= Street hawking 3= Trading in market 4= Apprenticeship 5= Family business 6= Trading in lorry parks 7= Youth sports clubs 8= Other club 99=N/A
8	Name of current or most recent school attended	
9	Have you earned income from working at any time in the past six months?	1=Yes 2=No 3=Don't know
10	Primary source of funds for the account?	1= Earned income 2= Money from parents/relatives 3= Money from friends/others 4= Other
11	Have you ever had an account at a bank or other financial institution?	1=Yes 2=No 3=Don't know
12	Who is the head of your family's household?	1=Father 2=Mother 3=Self 4=Other 5=Don't know
13	Has the head of household ever had an account at a bank or other financial institution?	1=Yes, HFC, 2=Yes, Other bank 3=No 4=Don't know 5=HFC & another Financial Institution

14	Head of Household highest level of education	1=No formal education 2=Primary 3=Secondary 4=College/Technical 5=University 6=Don't know
15	Is head of household's primary employment in agriculture sector?	1=Yes 2=No 3=Don't know
16	What is the primary employment status of head of household?	1= Public sector salaried (includes civil service) 2= Private sector salaried 3=Self employed 4=Day laborer 5=Pensioner/retired 6=Unpaid helper 7=Not employed 8=Other 9=Don't know
17	What is your average monthly household income?	1=Less than GHC75 2= GHC75-149 3= GHC150-220 4= GHC221-300 5=GHC301-370 6= More than GHC370 7= Don't know
18	How many people live in your household?	1=One 2=Two 3=Three 4=Four 5=Five 6=Six 7=Seven or more 8=Don't know
19	What mode of transportation does your household own? (a) Does your household own a Bicycle? (b) Does your household own a Scooter/Motorcycle? (c) Does your household own a Motor Car?	 1= Yes, 2= No 1= Yes, 2= No 1= Yes, 2= No
20	Relationship of adult who signed for account with minor	1=Father 2=Mother 3= Other relative 4=Non-relative
21	How did you learn about this account?	1= Radio/television/newspaper 2=HFC Outreach Program 3=Youth club 4= Financial education workshop 5= School/College 6=Church/Mosque 7=Friend/family 8=Internet 9=Mobile phone 10=Other (specify)
22	Why did you choose to open this account?	1=Saving for emergencies 2=Saving for starting a business 3=Saving for own education 4=Saving for relative's education 5=Saving for day-to-day expenses 6=Saving for a trip/vacation 7=Saving for job related training 8=other (specify)……..

YouthSave Savings Demand Assessment – Kenya

Account Number: _____ Account Open Date: _____

Instructions: Please tick the box that best answers the question.

1	What is the highest class you last completed? ☐ 0=Never been to school ☐ 1=Pre-school ☐ 2=Std 1 ☐ 3= Std 2 ☐ 4= Std 3 ☐ 5= Std 4 ☐ 6= Std 5 ☐ 7= Std 6 ☐ 8= Std 7 ☐ 9= Std 8 ☐ 10=Form 1 ☐ 11 =Form 2 ☐ 12= Form 3 ☐ 13= Form 4 ☐ 14=Other
2	Have you earned income from working at any time in the past six months? ☐ 1= Yes ☐ 2= No ☐ 3= Don't know
3	Have you ever had an account at a bank or other financial institution? ☐ 1= Yes ☐ 2= No ☐ 3= Don't know
4	Who is the head of your family's household? ☐ 1=Father ☐ 2=Mother ☐ 3=Self ☐ 4= Other ☐ 5= Don't know
5	Has the head of household ever had an account at a bank or other financial institution? ☐ 1=Yes, PostBank ☐ 2=Yes, Other bank ☐ 3=Yes, Both PostBank and other bank ☐ 4= No ☐ 5= Don't know
6	Head of Household highest level of education ☐ 1=No formal education ☐ 2=Primary ☐ 3=Secondary ☐ 4= College/Technical ☐ 5= University ☐ 6= Don't know
7	Is head of household's primary employment in agriculture sector? (Note: There are six major agricultural sub sectors in Kenya; industrial crops, food crops, horticulture, livestock, fisheries and forestry) ☐ 1= Yes ☐ 2= No ☐ 3= Don't know
8	What is the primary employment status of head of household? ☐ 1=Employed ☐ 2=Self employed ☐ 3=Pensioner/retired ☐ 4= Not employed ☐ 5= Other ☐ 6= Don't know
9	How many people live in your household? ☐ 1=One ☐ 2=Two ☐ 3=Three ☐ 4=Four ☐ 5= Five ☐ 6= Six ☐ 7= Seven or more ☐ 8= Don't know

10	What is your average monthly household income? ☐ 1= Less than Ksh 7,500 ☐ 2= Ksh 7,501 – 15,000 ☐ 3= Ksh 15,001 - 22,600 ☐ 4= Ksh 22,601 – 30,100 ☐ 5= Ksh 30,101 – 37,000 ☐ 6= More than Ksh 37,600 ☐ 7= Don't know
11	What mode of transportation does your household own? ☐ 1=No transportation ☐ 2=Non-motorized(example ,Bicycle or canoe) ☐ 3=Motorized (Scooter, motorcycle, motorcar) ☐ 4=Both non-motorized and motorized
12	Relationship of adult who signed for account with minor ☐ 1=Father ☐ 2=Mother ☐ 3= Other relative ☐ 4= Non-relative
13	How did you learn about this account? ☐ 1= Radio ☐ 2= Television ☐ 3= Newspaper ☐ 4= School/college ☐ 5= Church/Mosque ☐ 6= Friend/family ☐ 7= Internet ☐ 8=Mobile phone ☐ 9=Youth savings group ☐ 10= Bank advertisement ☐ 11= Other
14	Why did you choose to open this account? ☐ 1=Saving for emergencies ☐ 2=Saving for starting a business ☐ 3=Saving for own education ☐ 4=Saving for relative's education ☐ 5= Saving for day-to-day expenses ☐ 6= Saving for trip/vacation ☐ 7= Saving for job-related training ☐ 8= Other
15	What is the primary source of funds for this account? ☐ 1=Earned income ☐ 2=Money from parents/relatives ☐ 3= Money from friends/others ☐ 4= Other
16	Do you attend school? ☐ 1= Yes ☐ 2= No
17	Name of current or most recent school attended: _____
18	Do you have a mobile phone? ☐ 1= Yes ☐ 2= No
19	Do you have an email address? ☐ 1= Yes ☐ 2= No
20	Mobile phone no : _____ email address _____ Estate/ Village: _____ Town: _____
Consent to be in study:	☐ **1= Yes** ☐ **2= No**

न्यू एरा
New ERA
यूवा बचत माग मूल्यांकन नेपाल
YouthSave Savings Demand Assessment - Nepal

*नोटः यस प्रश्नावलीमा सजिलोको लागि यूवा शव्द प्रयोग भए पनि यूवा यूवती दुवैलाई बुझ्नु पर्दछ । प्रत्येक प्रश्नको लागि एउटा मात्र उत्तर छान्नुहोला ।

सम्पर्क फाईल (Contact File):

परिचयपत्रको किसिम/(नाबालकको हकमा) (Type of ID of minor):

जन्म दर्ता प्रमाणपत्र (Birth registration certificate) ☐ / विद्यालय दर्ता प्रमाणपत्र (School registration certificate) ☐ / अस्पतालको पत्र (Hospital letter) ☐ / अन्य (खुलाउने) Other (Specify): _____

अध्ययनमा सहमति (Consent to be in study): ☐ छ/Yes वा/or ☐ छैन/No

जनसांख्यिक जानकारी (Demographic Information)

१. तपाई विद्यालयमा पढिरहनु भएको छ ? (Are you attending school)
☐ १. छ/Yes ☐ २. छैन/No

२. तपाईले कति कक्षा उत्तिर्ण गर्नु भएको छ ? (What is the last grade you completed)
☐ १. विद्यालय गएको छैन/Not in school
☐ २. पूर्वप्राथमिक (१ कक्षा भन्दा कम)/Pre-primary (below grade 1)
☐ ३. प्राथमिक (१-५ कक्षा)/Primary (grades 1-5)
☐ ४. माध्यमिक (६-१० कक्षा)/Secondary (grades 6-10)
☐ ५. उच्च माध्यमिक (११-१२ कक्षा)/Higher secondary(grades 11-12)
☐ ६. प्राविधिक विद्यालय/Technical school
☐ ७. कलेज/विश्वविद्यालय/College/university

३. हालको वा अन्तिम पटक अध्ययन गरेको विद्यालयको नाम (Name of current or most recent school attended)
विद्यालयको नाम/Name of school : _____

४. यदि विद्यालय गएको छैन भने, तपाईं कुन व्यापार वा क्रियाकलापमा संलग्न हुनुहुन्छ ?
(If not in school, what trade or activity are you engaged in ?)
☐ १. घरको काम वा व्यवसाय (कृषि समेत)/Work for family business (includes farming)
☐ २. फ्याक्ट्रीको काम (ईट्टा, गलैंचा, आदि)/Work in factory (brick, carpet, etc)
☐ ३. सडक पसल (विभिन्न सर-सामान बेच्ने)/Street vendor (sells other products)
☐ ४. अन्य पसलमा काम गर्ने/Working in Other shops
☐ ५. गैर सरकारी संस्थामा बस्ने/Live in an NGO
☐ ६. बस वा टेम्पो कर्मचारी/कामदार/Conductor of bus or tempo
☐ ७. हस्तकलाको सामान निर्माण/Makes handicrafts
☐ ८. रेष्टूरेन्ट/होटल क्षेत्रले सेवा दिने उद्योगमा काम/Works in restaurant/hotel service industry
☐ ९. कृषि (अरूको खेतीपातीको लागि)(Farming (for others)
☐ १०. घरेलु कामदार/Domestic Helper
☐ ११. अन्य (खुलाउने)/Other (specify) _____
☐ १२. केहि पनि नगर्ने/None

५. तपाईंले विगत ६ महिना भित्रको कुनै पनि अवधिमा कमाई गर्नु भएको छ ?
(Have you earned remuneration/income at any time in the past six months ?)
☐ १. छ/Yes ☐ २. छैन/No

६. तपाईंको बैंक खाताको प्रमूख स्रोत के हो ? (Primary source of funds for the account ?)
☐ १. आफूले कमाएको पैंसा/Earned income
☐ २. आमाबुबा/नातेदार/parents/relatives
☐ ३. साथी/अन्य व्यक्ति/Friends/others
☐ ४. अन्य (खुलाउने)Other (Specify)_____

७. के तपाईंले कहिल्यै वाणिज्य बैक वा विकास बैंकमा खाता खोल्नु भएको छ ?
(Have you ever had an account at a commercial or development bank ?)
☐ १. छ/Yes ☐ २. छैन/No ☐ ३. थाहा छैन/Don't know

८. तपाईंको परिवारको घरमूली को हुनुहुन्छ ? (Who is the head of your family's household ?)
☐ १. बुबा/Father ☐ २. आमा/Mother ☐ ३. आफै/Self
☐ ४. अन्य (खुलाउने/Other (Specify) _____

९. के तपाईंको घरमूलीले कहिल्यै बैंक वा आर्थिक कारोबार गर्ने संस्थाहरूमा खाता खोल्नु भएको छ ?
(Has the head of household ever had an account at a bank or other financial institution ?)
☐ १. छ, बैंक अफ काठमाण्डूमा/Yes, BOK
☐ २. छ, अन्य बैंक वा वित्तिय संस्थामा/Yes, Other Financial institution
☐ ३. छ, बैंक अफ काठमाण्डू र अन्य बैंक वा वित्तिय संस्थामा/Yes, both BOK and Other financial insitution
☐ ४. थाहा छैन/Don't know
☐ ५. खाता खोलेको छैन/No

१०. घरमूलीको उच्च शैक्षिक योग्यता (Head of Household highest level of education)

☐ १. औपचारिक रूपमा अध्ययन नगरेको/No formal education ☐ २. प्राथमिक/Primary
☐ ३. माध्यमिक/Secondary ☐ ४. उच्च माध्यमिक/Higher secondary
☐ ५. प्राविधिक विद्यालय/Technical school ☐ ६. कलेज/विश्वविद्यालय/College/university
☐ ७. थाहा छैन/Don't know

११. के घरमूलीको प्रमुख रोजगारको क्षेत्र कृषि हो ? (Is head of household's primary employment in agriculture sector?)

☐ १. हो/Yes ☐ २. होइन/No ☐ ३. थाहा छैन/Don't know

१२. घरमूलीको प्रमुख रोजगारीको अवस्था के हो ? (What is the primary employment status of head of household ?)

☐ १. रोजगार/Employed ☐ २. स्वरोजगार/Self employed ☐ ३. पेन्सन/अवकास प्राप्त/Pensioner/retired
☐ ४. रोजगारी नभएको/Not employed ☐ ५. अन्य (खुलाउने)/Other (Specify) _____

१३. तपाईंको घरको साला-खाला मासिक आम्दानी कति हुन्छ ? (What is your average monthly household income ?)

☐ १. रू. ४,४०० भन्दा कम/Less than Rs. 4,400 ☐ २. रू. ४,४०१ देखि ८,८००/Rs. 4,401 - 8,800
☐ ३. रू. ८,८०१ देखि १३,२००/Rs. 8,801 - 13,200 ☐ ४. रू. १३,२०१ देखि १७,७००/Rs. 13,201 - 17,700
☐ ५. रू. १७,७०१ देखि २२,०००/Rs. 17,701 - 22,000 ☐ ६. रू. २२,००० भन्दा बढि/More than Rs. 22,000
☐ ७. थाहा छैन/Don't know

१४. तपाईंको घरपरिवारमा कति जना बस्नु हुन्छ ? (How many people live in your household ?)

☐ १. एक जना/One ☐ २. दुई जना/Two ☐ ३. तीन जना/Three
☐ ४. चार जना/Four ☐ ५. पांच जना/Five ☐ ६. छ जना/Six
☐ ७. सात जना वा सो भन्दा बढि/Seven or more

१५. तपाईंको घरपरिवारको आफ्नै कुनै किसिमको यातायात साधन छ ? (What mode of transportation does your household own ?)

☐ १. यातायातको साधन छैन/No transport ☐ २. साइकल/Non-motorized (bicycle)
☐ ३. स्कुटर, मोटरसाईकल, कार आदि/Motorized (scooter, motorcycle, motorcar)
☐ ४. दुबै साइकल/स्कुटर, मोटरसाईकल, कार भएको/Both non-motorized and motorized transport

१६. खातामा सहि गर्ने वयस्क व्यक्तिसंगको नाता (Relationship of adult who signed for account with minor)
(नावालकको हकमा मात्र)

☐ १. बुबा/Father ☐ २. आमा/Mother
☐ ३. अन्य नातेदार (सम्बन्ध खुलाउने/Other relative (Specify) _____
☐ ४. नाता नपर्ने व्यक्ति (सम्बन्ध खुलाउने/Non-relative (Specify) _____

१७. जात/जातियता (Caste/ethnicity)

☐ १. जनजाती/Indigenous group ☐ २. दलित/Dalit ☐ ३. ब्राम्हण/Brahmin
☐ ४. क्षेत्री/Chhetri ☐ ५. अन्य (खुलाउने/Other (Specify) _____

१८. तपाइले यस कार्यक्रममा खाता खाल्ने बारे कसरी थाहा पाउनु भयो ? (How did you learn about this account ?)

☐ १. रेडियो/टेलिभिजन/पत्रपत्रिका वा अखवार/Radio/television/newspaper
☐ २. कमिक किताब/Comic book
☐ ३. बैंकले संचालन गरेको मेला/र्याली/सभा/अन्यकार्यक्रम
Bank fair/rallies/mass meeting/other campaign
☐ ४. विद्यालय वा बाल यूवा क्लबमा आर्थिक शिक्षा सम्बन्धि कक्षा वा कार्यशाला गोष्ठी
Financial education workshop/class in school or child/youth club
☐ ५. विद्यालय/कलेज/School/College
☐ ६. गिर्जाघर/मस्जिद/मन्दिर/Church/Mosque/Temple
☐ ७. साथी/परिवार/Friend/family
☐ ८. ईन्टरनेट/Internet
☐ ९. मोबाईल फोन/Mobile phone
☐ १०. अन्य (खुलाउने/Other (specify) _____

१९. तपाईंले यस कार्यक्रममा खाता खोल्ने निर्णय किन गर्नु भयो ? (Why did you choose to open this account ?)

☐ १. आपतकालिन समयको लागि बचत गर्न/Saving for emergencies
☐ २. व्यवसाय सूरू गर्नको लागि बचत गर्न/Saving for starting a business
☐ ३. आफ्नो पढाई/शिक्षाको लागि बचत गर्न/Saving for own education
☐ ४. दाजुभाई दिदीबहिनी वा आफन्तहरूको पढाई/शिक्षाको लागि बचत गर्न/Saving for sibling/relatives' education
☐ ५. दैनिक खर्चको लागि बचत गर्न/Saving for day-to-day expenses
☐ ६. घुमफिर वा छुट्टी मनाउनको लागि बचत गर्न/Saving for a trip/vacation
☐ ७. रोजगारमूलक तालिमको लागि बचत गर्न/Saving for job related training
☐ ८. अन्य (खुलाउने/Other (specify) _____

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