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# **MPEP** SEMINAR SERIES

Exploring Frontiers in Inclusive Market Development

## **YOUTH SAVINGS SERVICES: ARE THEY WORTH IT?**

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**WEBINAR CHAT TRANSCRIPT**

**NOVEMBER 20, 2014**

## PRESENTERS

Ryan Newton, Women's World Banking

Jessie Christine Tientcheu, Freedom from Hunger

Christian Loupéda, Freedom from Hunger

## WEBINAR CHAT TRANSCRIPT

**USAID Microlinks:** Hello Everyone! Welcome to today's webinar. We will get started in 30 minutes. Please complete the audio setup process to hear the presenters. You can find those instructions in the User Guidance section at the top of your screen.

If you have any questions, please type them here in the chat pod.

Welcome Jenny and Julia! Where are you joining us from today?

**Jenny Lautzenheiser:** DC!

**USAID Microlinks:** Good morning! My apologies for our tech tests. We will get started in about 20 minutes.

**Julia Baumgartner:** Chicago!

**Jenny Lautzenheiser:** No worries! I just wanted to make sure I had everything set up so I wasn't interrupting the presentation later. : )

**USAID Microlinks:** Great.

And welcome, Julia!

**Getaneh Gobezie:** I cannot hear you.

**Isaac Matovu:** Do you hear me?

**USAID Microlinks:** Hello Getaneh! If you haven't already, please run your audio setup by clicking "Meeting" in the upper left corner of your screen. Then select "Audio Setup Wizard" and complete the steps.

Hello Isaac! For today's webinar only the presenters will have speaking capabilities. Please type any questions you may have in this chat pod.

**Isaac Matovu:** Okay, but I don't seem to hear anything either.

Yeah, I can hear you now.

**Celina Kawas:** Women's World Banking.

**Isaac Matovu:** I am from Swiss Foundation for Technical Cooperation under Financial Services East Africa based in Uganda.

**USAID Microlinks:** Welcome, Celina! Thank you for joining us today.

**Jenny Lautzenheiser:** Futures Group.

**Isaac Matovu:** Am in charge of the Microleasing Project - An innovative approach to agricultural lending focusing on smallholder farmers in Uganda.

**Julia Baumgartner:** Coffee Kids.

**Getaneh Gobezie:** We are providers of TA for MFIs on saving mobilization to public. The key challenge is -- MARKETING. This is more so for the youth market...Can the discussion focus on this issue?? (I can send the 4-page Summary.)

**USAID Microlinks:** Hello everyone who is just joining us. If you haven't already, please complete the audio setup process described in the "User Guidance" at the top of the screen. This will ensure that you can hear our presenters

Hello Getaneh. That sounds like a very interesting topic. Please feel free to share a link to your work. Also at the end of the event, please suggest this as a topic for future sessions.

**Getaneh Gobezie:** The 4-page Summary is already posted at CGAP/Microfinancegateway.org. You can view from the link: <http://www.microfinancegateway.org/library/practical-issues-local-saving-mobilization-mfis>

**Esther Choo:** Hi everyone, I'm from Food for the Hungry based in Uganda.

**Andrea Korb:** Hello, I am listening in from New York City's Office of Financial Empowerment.

**Laurel Edwards:** Hello, I'm from DAI in Washington, DC.

**Silvia Huaynoca:** Hello, I am from IPPF/WHR, NYC.

**KDAD AV Tech:** Hello! We should start right around 10am EST.

**Getaneh Gobezie:** I see DAI staff...I am working on DAI project in Ethiopia (PEPE project).

**Celina Kawas:** The audio is breaking up.

**Ron Jauregui:** Ron Jauregui, FDIC, Community Affairs, Washington, DC.

**USAID Microlinks:** Thanks for letting us know, Celina. We'll work to fix that.

**Violet Ayoub:** Hello I am Violet from Arusha, Tanzania - Vision for Youth Organization.

**Scarlett Aldebot-Green:** Scarlett Aldebot-Green, New America, YouthSave Project, Washington, DC.

**USAID Microlinks:** Hello everyone who is joining us! If you haven't already, please complete an audio setup process by clicking "Meeting" in the upper left corner and then clicking "Audio Setup Wizard".

If you have any questions please also type them here in the chat pod.

**Violet Ayoub:** The audio is breaking up.

**Isaac Matovu:** Mine too is breaking.

**USAID Microlinks:** Thank you, we will work on fixing this. Please let us know if it improves.

**Isaac Matovu:** Once again am Isaac Matovu from Swiss Foundation for Technical Cooperation based in Uganda.

The sound is now clear on my side.

**USAID Microlinks:** Thank you everyone who is joining us. We will be starting in a few minutes.

**Chloe Bass:** Hello! This is Chloe Bass from World Vision in Washington D.C.

**Natalie Foxworthy:** Hello All! I am from Children International.

**Isaac Matovu:** Hello Chloe, nice to meet you.

**KDAD AV Tech:** FYI, we'll be starting in a minute or two. Please fill out the polls in the meantime and let us know where you're joining us from! The location and your organization please.

**Christina Williams:** Hello! Christina Williams, Save the Children, YouthSave Project, Washington, DC.

**Marcel Newsome:** Hi, this is Marcel Newsome from CRS.

**USAID Microlinks:** Welcome to all new participants. Please type any questions you may have here. Also, please introduce yourself by letting us know your organization and where you're joining us from.

**Lauren Whitehead:** Greetings all! Lauren Whitehead, UNHCR in Quito, Ecuador.

**Farah Chandani:** Farah Chandani from MEDA Canada, based in Ottawa.

**Jessica Olivan:** Hello, I'm Jessica Olivan from the IDB/MIF in Washington D.C.

**Vedastus David:** Hello this is Vedastus David from Vision for Youth – Tanzania.

**Isaac Matovu:** The sound is breaking again.

**Violet Ayoub:** This is Violet Again from Vision for Youth – Tanzania.

**Laura Andersen:** Hello, this is Laura Andersen from Enclude in Washington, DC.

**Isaac Matovu:** Hello Violet...

**USAID Microlinks:** Thanks, Isaac. We also hear that on our end as well. We should hopefully have it fixed before the presentation begins.

**Thomas Brownlee:** Hi all! This is Tom Brownlee from the International Youth Foundation in Baltimore, US.

**Alexi Grosman:** Alexi Taylor-Grosman from Making Cents International, Washington, DC.

**Emilie Gettliffe:** Hello everyone. This is Emilie Gettliffe with MarketShare Associates, joining from Denver, Colorado.

**Timothy Nourse:** Morning - Tim Nourse joining from Making Cents International.

**Angela Wambugu:** Hi. Has the seminar begun? Can only hear music. This is Angela from MicroSave.

**Grace Njoroge:** Grace from MicroSave. Hi everyone.

**USAID Microlinks:** Morning everyone! We are starting. If you cannot hear Kristin, please complete an audio setup by clicking "Meeting" in the upper left corner and then clicking "Audio Setup Wizard". Thanks.

Also, please complete our polls.

Hello Everyone. Please type any questions you may have for our presenters here.

We will have a Q&A session following the presentations.

**KDAD AV Tech:** All, Jessie Tientcheu from Freedom from Hunger is speaking.

...and now Ryan Newton.

Feel free to enter your questions for the presenters in this chat pod.

**Celina Kawas:** Cannot hear.

**USAID Microlinks:** Thanks for letting us know, Celina. We'll look into that. Please let us know if it doesn't improve soon.

**Violet Ayoub:** On my side it is on and off...

**USAID Microlinks:** To help improve audio, we recommend also trying a browser other than Chrome.

**KDAD AV Tech:** Correct, if you're using Google Chrome, please switch to Mozilla Firefox or Internet Explorer.

You may also encounter issues if you're behind a firewall or have a sporadic internet connection. If you don't catch everything during the live event, don't worry; we'll post recordings of everything with clear sound and visuals in about a week. Thanks!

**Timothy Nourse:** I would like to learn more about any financial literacy component of the WWB program. In Zambia with Nat Save bank, Making Cents found that it's helpful for promotion and retention for bank staff or other actors to provide financial education to youth alongside the product.

**USAID Microlinks:** Thanks for the question, Timothy. If anyone has any additional questions please type them here.

**Jessie:** Hi Tim! That's a great point. Delivery of financial education can do a lot to encourage client loyalty. How that is delivered (by the same agent or another staff) is a key component of cost.

**Ron Jauregui:** Can you email us your PowerPoint presentation, particularly this slide?

**USAID Microlinks:** Hello Ron. The PowerPoint will be available for download at the end of the presentation.

The slides and a recording of this presentation will also be available for download about a week after the event. You should receive an email once these have been posted.

**Isaac Matovu:** In Uganda the youth are known for not having finances to start businesses even if they have been trained and banks consider them too risky and don't want finance startups. The youth cannot therefore have money to save. How can this be addressed in Banking youth?

**Ryan Newton:** Hi Tim - our approach in DR was also to offer the financial education and then subsequently offer the product.

**Timothy Nourse:** Hi Isaac. Youth Savings groups is one option to help young people build assets and gain practical experience about business. Plan International, with support from Making Cents is rolling out Youth saving group programs in a number of countries in Africa, including Uganda, which may be of interest.

**Ron Jauregui:** We have recently begun a Youth Savings Pilot with 9 U.S. participating banks. We should have some tentative conclusions in a couple of years. Would that be of any relevance to you?

**Jessie:** Hi Isaac. What we found was that the young people in our markets did have money to save, it was just quite small amounts and sometimes even more irregular than for adults. This presentation is focusing on financial services provided by formal institutions. We have a paper on a savings groups for youth approach: [https://www.freedomfromhunger.org/sites/default/files/documents/SavingTogether\\_Eng\\_Web.pdf](https://www.freedomfromhunger.org/sites/default/files/documents/SavingTogether_Eng_Web.pdf)

**USAID Microlinks:** Hello Timothy. Do you have any links you could share about this work?

**Isaac Matovu:** Thanks Jessie.

**Ryan Newton:** Hi Isaac - I would recommend starting with a youth savings program and then migrating youth to credit products. Also, establishing an initial relationship with a bank through savings can be important to later seek credit from the same institution.

**Karen Moore:** On Tim's point, this Plan UK publication on youth savings groups might be of interest: <http://www.plan-uk.org/resources/documents/494816/>

**Ryan Newton:** And Women's World Banking has also consistently found in its research, like Freedom from Hunger, that youth have money to save, even in small amounts.

**Isaac Matovu:** Thanks Ryan.

**Kristin O'Planick:** Great questions. Keep them coming.

**Angela Wambugu:** What really is the business case for Youth Savings? FSPs we have worked with that are strongly profit-oriented are not keen. But we have found that those with a social inclination are interested but likely to consider it as a CSR activity. What is the overall anticipated outcome that we hope to achieve by promoting YFS?

**Isaac Matovu:** Jessie, I have just had a quick look at link with youth saving together document, it will be very helpful. Thanks once again!

**Timothy Nourse:** Other info on the Plan/Making Cents Savings Group initiative can be found at: <http://plan-international.org/where-we-work/africa/egypt/what-we-do/our-successes/satisfying-the-hungry-mind/?searchterm=banking%20on%20change> and <http://www.makingcents.com/newsevents/currentnews>



**Jessie:** You're welcome. I hope it helps!

**Andrea Korb:** Ryan/Women's World Banking - could you share the financial education curriculum that you arrived at and related information?

**Scarlett Aldebot-Green:** CGAP - a consortium member of the YouthSave project has developed a framework that can help think through the business case- <https://www.cgap.org/sites/default/files/Focus-Note-Business-Case-for-Youth-Savings-A-Framework-Jul-2014.pdf>

**Jessie:** Angela, that is a great question. Kristen - can we add Angela's question to the list for the Q&A at the end?

**USAID Microlinks:** Thanks, Jessie. This question has been added.

**Microlinks Monitor:** Angela and Andrea - what institutions are you each with?

**Andrea Korb:** I am with New York City's Office of Financial Empowerment.

**USAID Microlinks:** Please keep these questions coming. Also, it's great to hear about everyone's experiences.

**Teresia Kamau:** Hi am Teresia listening from Kenya, working on engaging youth and women in viable household economic strengthening initiatives.

**Getaneh Gobezie:** Even with 'subsidies' (I believe it's good at least for some time!!), but how do you select MFIs to work with? Many are NOT effective on saving mobilization to start with (even for adults)?

**USAID Microlinks:** Welcome Teresia. Please type any questions or share your experiences with youth savings here.

**Scarlett Aldebot-Green:** In terms of questions, could you please address the issue of uptake (opening accounts) vs. usage (frequency and amount of deposits into the accounts) in terms of how the range of stakeholders would measure success (FIs, funder if that relationship exists, implementing or partner NGO).

**Angela Wambugu:** I'm at MicroSave, a global financial inclusion consulting firm with operations in Africa and Asia. We have been involved in YFS product development and evaluations.

**Jessie:** Scarlett, that is a very important point. Kristen, let's look at that too. I think there's often assumptions that financial education can influence usage, but this doesn't always pan out.

**Marcel Newsome:** Hi, I'm with CRS and I'm wondering about successes, experiences and considerations with youth-focused group VSL programs?

**Rachel Lindley:** Tim Nourse mentions the Banking on Change Youth Savings Groups initiative. We're working on a consultation paper discussing the emerging evidence we're finding on effective Youth Savings Groups, and the programming principles the evidence suggests. We'd love your input; look out for the consultation paper here <http://www.plan-uk.org/what-we-do/partnerships/private-sector/our-partners/barclays/> soon and message me if you would like me to send you a copy when it is published.

**Angela Wambugu:** Gobezie - on choice of institutions, we have found that attitude and interest in serving youth is far more important than skills. Institutions that are keen will develop capacities. Those that are not keen, even with capacities will not make it happen.

**Jessie:** Rachel, that's great! I'd love to see it when it's ready to share.

Great point, Angela. Motivation is so important.

**Marcel Newsome:** Thanks Rachel, that would be great to get.

**Ryan Newton:** Angela, we have also seen more profit-oriented institutions (like commercial banks) considering it as a CSR activity; however, we are also working with commercial banks who are seeing youth savings as a key retail strategy and are interested in serving low-income communities. The infrastructure and potential for scale of commercial banks who are interested in reaching youth is very promising.

**Microlinks Monitor:** Scarlett and Getaneh, thanks again for your questions. What organizations are you with?

**Alexi Grosman:** Making Cents is working with Al Amal Bank in Yemen and Al Barid Bank in Morocco to expand their youth services and products to rural populations, which has additional costs. Can you speak to the business case of serving this further marginalized population? Thanks.

**Scarlett Aldebot-Green:** I am with New America and am part of the consortium of organizations that have worked on the YouthSave project- youthsav.org. Thanks.

**USAID Microlinks:** Here's the link to the online module: <http://youthfinancialinclusion.org/login/aimyouth.php>

**Teresia Kamau:** Currently we are engaging a product from CRS called SILC (Saving and Internal Lending Community) that is more youth friendly because it does

not require sophisticated procedures but the challenge is having sustainable sources of income as youths do not have access to credit due to collateral requirements.

**Marcel Newsome:** Hi Teresia, would like to link with you to learn more about your approach and experience with youth SILC groups.

**USAID Microlinks:** Hello everyone, please see the links and file downloads pods to the left for some key resources from this presentation.

**Angela Wambugu:** Thanks Ryan. Looking forward to seeing more of such institutions.

**Emilie Gettliffe:** It would seem that mobile banking platforms can really help minimize costs and expanding access. What are the biggest challenges in getting these types of products services off the ground? Are there studies showing how this impacts profitability?

**Teresia Kamau:** Hi Marcel, thanks, would be glad; kindly share your contact info with me.

**Jessie:** Emilie, that's an interesting point. I don't know of much on the evidence base of youth using mobile FS - Does anyone else have a resource to share on this point?

**Marcel Newsome:** Hi Teresia, I sent you a message to discuss later.

**Jessie:** In Ecuador, we used POS systems to collect savings, which helped with usage, but the feasibility of that is so dependent on context.

**Angela Wambugu:** Emilie - Our experience in digital financial services shows that banks are yet to begin introducing products (beyond payments and transfers) on to their m-banking solutions. We are yet to study and understand why it is taking banks a long time to do this.

**Gloria Almeyda:** I would like to know if there is any institution that is conducting research on youth, disaggregating data of clients, savings/credit/other financial services, vary by age, by income generating activity, by gender, by place of work/residence (rural vs. urban), etc. Do you think we need to learn about "youth" and go deeper and listen to them? We need more bottom-up research, conducting qualitative research on "youth."

**Alexi Grosman:** Emilie, Equity Bank in Nigeria has done some interesting work leveraging mobiles to target youth. We are also exploring with our partner Al Amal in Yemen. You are correct that there are a lot of potential cost savings, but also additional regulatory and access challenges when working with youth populations. Unfortunately I don't have any resources to share at the moment.

**Microlinks Monitor:** Thanks Gloria, what institution do you work for?

**Alexi Grosman:** To clarify, I am asking about the business case for rural youth, specifically.

**Getaneh Gobezie:** Hi Angela...I agree that 'motivation' is a factor...but I think 'capacity' also matters greatly. Capacity -- I mean the ability to understand how the poor manage their financial lives, that they (really) do SAVE (though informally, for lack of options). This I think is what is missing at many institutions (both at staff level, as well as management, board, etc.). The institutional culture is not so designed...I have cited the 4-page summary (above) posted at [microfinancegateway.org](http://microfinancegateway.org).

**Emilie Gettliffe:** Thank you for the feedback Alexi and Angela.

**KDAD AV Tech:** Please fill out the polls.

**Jessie:** That's an important question. There is a great resource from the YFS working group at SEEP on understanding youth and their financial needs: <http://www.seepnetwork.org/understanding-youth-and-their-financial-needs-resources-1058.php>

**Ryan Newton:** Thanks, Jessie. It consolidates a lot of the research that been done to understand youth and their needs.

**Celina Kawas:** Hello Gloria, adding to Ryan's comments, Women's World Banking developed an M&E framework that segments participants by age and gender.

**Jenny Lautzenheiser:** Unfortunately, I have to go. Thanks so much for the webinar!

**USAID Microlinks:** Thank you, Jenny, and to all participants.

As a reminder, the presentation recording will be posted on Microlinks, and will be emailed to you if you joined this webinar: <https://www.microlinks.org/events/mpep-seminars/youth-savings-services-are-they-worth-it>

**KDAD AV Tech:** Thanks to all for joining the webinar! We'll leave the room open for about another 10 minutes so you can download resources!

**Jessie:** Thanks everyone for joining in the conversation today!

**Isaac Matovu:** It's been a good webinar, thank you all!

**Kristin O'Planick:** Thank you everyone for joining us!

**Ryan Newton:** Thank you!

**USAID Microlinks:**

Thank you again to everyone for joining.

**Christian Loupéda:**

Thank you all.

**Ryan Newton:**

Gloria, you can check our manual on gender indicators: <http://www.womensworldbanking.org/publications/gender-performance-indicators-how-well-are-we-serving-women/>