

WHAT WE DO

Since 2014, CARE has been connecting groups to financial service providers in Rwanda, Côte d'Ivoire through the POWER Africa project, and in Kenya and Tanzania through the Link Up project. Linking mature VSLA groups to formal financial service providers is a response to the needs and demands of VSLA groups and members. VSLA members want to ensure the security of their savings and open the opportunity for groups to access formal loans.



	LINK UP	POWER AFRICA	TOTAL
TOTAL GROUPS LINKED TO FORMAL FINANCIAL SERVICES	13,284	12,542	25,826
NUMBER OF MEMBERS IN LINKED GROUPS	318,816	353,167	671,983
TOTAL INDIVIDUALS LINKED TO FORMAL FINANCIAL SERVICES	45,521	162,230	207,751
WOMEN LINKED	81%	71%	73.2%

INCREASE IN SAVINGS

Linked groups save more than unlinked groups:

Groups and members feel that their money is safer in a bank account than in the group's box. This encourages groups to save more and **allows female VSLA members more control over their income**

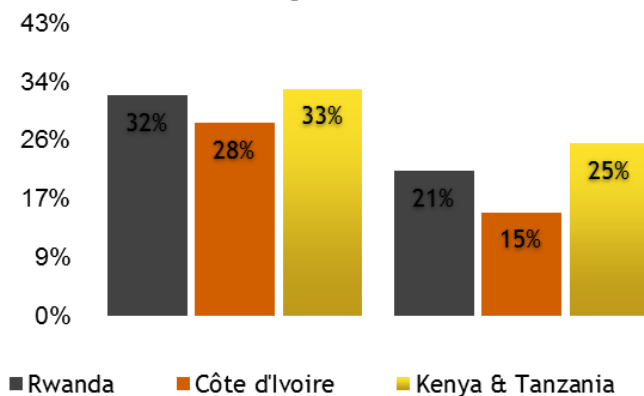
Linked groups are **achieving higher returns** than unlinked groups and these returns are increasing at a faster pace. By 2017, a typical linked group in Rwanda had a return on savings that is \$22.35 USD more per member than a typical unlinked group. In Cote d'Ivoire, the difference in the ROS between linked and unlinked is \$11.50

In Rwanda, the average linked group member **saved \$10.32 more** than the average unlinked group member. In Cote d'Ivoire, linked groups members **saved \$11.79 more** than unlinked group members

"My confidence has improved. I was able to buy a plantation, invest in my business and renovate my home thanks to a VSLA. Our community is empowered."

- Claudine Nyiranzabandeba, VSLA Member, Rwanda

Return on Savings: Linked vs Unlinked SGs



LINKAGE FOR INDIVIDUALS

162,230 individual accounts opened in Burundi, Cote d'Ivoire and Rwanda

Women's individual accounts ownership in linked VSLAs **increased from 11% to 38%** in Tanzania and **16% to 45%** in Kenya. Over the same period, **women's account ownership nationwide grew** from just 7% to 13% in Tanzania and 15% to 30% in Kenya

In Côte d'Ivoire and Rwanda women's individual account ownership went from **6% to 19%** (CIV) and from **32% to 42%** in Rwanda

44% of female members in Rwanda have their own bank accounts
This is increasing at a rate of roughly 2% per quarter

CHANGES IN WOMEN'S CONTROL OVER THEIR MONEY AND THEIR BUSINESSES

Linkage, particularly to mobile money, enables women to have greater control over their assets to direct towards their businesses

- Women are able to transact increasing amounts safely, securing stock and allowing them to diversify their businesses. Women are able to transact increasing amounts safely, securing stock and allowing them to diversify their businesses
- Majority of women across all 4 countries are opening bank accounts for the first time, overcoming fear and mistrust of institutions. Members report increased confidence in financial institutions, encouraging them to use their accounts, save more, and open individual accounts

MOBILE MONEY

How does this change how groups interact with their accounts/services/products?

- In CIV, 6,976 women have mobile money accounts (this accounts for 61.9% of the total members with these accounts)
- 102,751 VSLA members with and use mobile money accounts in Rwanda (non facilitated accounts)
- 73.4% of members with mobile money accounts in Rwanda are women engaged in one or more IGA
- High prevalence of mobile money and e-wallet platforms in all countries, but these are typically not linked to bank accounts. Increase in access and account usage for women through linked mobile money and bank accounts through ADVANS and MTN in Côte d'Ivoire

LOANS

Access to credit is the most significant motivator for groups to link: groups have strong interest in formal credit to invest in business

- Loans, or the potential for loans, influence saving and business behaviour. Groups deposit more money into their accounts to increase their eligibility for larger loan amounts
- Groups use their loans to invest in businesses. \$653,199.83 in outstanding loan amounts in Côte d'Ivoire and Rwanda
- 3,944 women have taken individual loans from FSPs (this makes up 69.6% of total members with individual credit)
- 8.5% of individual members have taken formal loans in Rwanda, totalling \$586,463 USD loans to individual loans are applied for investing in businesses of applicants VSLA members



30,619

Total VSLA groups reached to date



207,751

Total individuals linked to formal financial services



614,538

Total women reached to date

POWER STORY

Chigata group, Tiassalé, Côte d'Ivoire

The members of Chigata group are all women from the northern part of Cote d'Ivoire, married to men who had either moved to Tiassalé or were from the area. The group was very wary of formal banking services having heard about people losing all their money during the civil war as cooperative banks shuttered and dissolved. Some members had access to mobile money services, but most of the older women didn't even have phones. The group is now two years old. All members own mobile phones and every member has a bank account at ADVANS (microfinance bank), as well as at least one mobile money account. Everyone holds an account with MTN (telecommunication company) so that they can transfer between their e-wallet, the group's e-wallet, and their group and personal bank accounts. The group made sure that every member opened an account to build collective confidence and overcome their fears of financial services, with the support of their village agent recruited by CARE to form, train and support savings groups. They say that this has brought them closer together; they support each other through their businesses and through life. All savings now happen via mobile money transfers, with the loan fund transferred from the group's account to individuals to invest in their businesses. This cashless banking allows the group to feel safe in the security of their funds and to invest easily and readily without relying on cash. As a result, their businesses are now among the most profitable in their communities and they are planning to apply for a bank loan within the next six months.

