

# Financial Education Update

Volume 1, Issue 3

Spring 2007



Photo by Karl Grobl/Freedom from Hunger ©2004

## Global FEP Heads to Mexico to Partner with BANSEFI

In January 2007, Freedom From Hunger (FFH) and Microfinance Opportunities (MFO) began a year long partnership with the National Savings and Financial Services Bank (BANSEFI) in Mexico. The purpose of the collaboration is to develop a module for the BANSEFI Financial Literacy Education Project, which is a project specific to Mexico within the Global Financial Education Program (FEP).

The module developed for BANSEFI will follow the same process used to develop the Global FEP curriculum. In addition, MFO and FFH are working on an interactive DVD similar to the Listening to Clients Series, which can be used to train the staff of financial institutions on how to deliver the financial education materials to their clients. The DVD may also be used as a supplementary learning tool for clients. In addition to drawing on FFH and MFO's experiences in financial education around the world, this partnership will also benefit from FFH's existing program in Mexico, Alcance, a local training and technical assistance office.

BANSEFI has more than 500 branches located throughout Mexico and strives to provide services in areas that do not have access to commercial banking. The bank provides savings accounts that can be opened with less than \$5 USD, are exempt from fees and pay market interest rates on balances.

In January, FFH hosted a meeting in Davis, California to launch the project. In February, three teams from FFH and MFO traveled to Michoacán, Mexico City and Oaxaca to conduct market research for the project. The market research focused on four main areas to identify current financial behavior: use of financial services, budgeting practices, current savings mechanisms and use of credit. Later in February, MFO hosted a curriculum design meeting in Washington D.C. for the BANSEFI project. The project will be completed in winter 2008.

### Table of Contents

New Initiative: BANSEFI Partnership.....	1
The Russia TOT.....	2
WWB Colombia Training.....	2
SEEDS TOT in Sri Lanka.....	3
Global FEP Event with CGAP.....	3
Experiences with FEP in Uganda.....	4
Youth Module Development....	4
Implementing FEP in Cambodia.....	5



## TOT in Moscow Reaches Diverse Regions

From March 12-16, 17 participants from across Russia gathered in Moscow for an FEP Training of Trainers. Participants came from diverse regions of Russia, from St. Petersburg and Moscow to Chita and Irkutsk. The event was organized by the Microfinance Center (MFC) in Poland and the Russian Microfinance Center (RMC) and included participants from the following organizations: Integra, Rost, Raduga, Sglasie, Finpo, Women's Business Center, Small Entrepreneurship Support Foundation, Regional Agency of SME Support, PEKO-Center, Vera, Znanie, Credit Unions Service

Center, Avrora, and the International Business Leaders Forum (IBLF).

During the training, participants discussed the current gaps in knowledge, skills and attitudes of low-income families in Russia with respect to savings, credit, emergency management and financial planning. By the end of the training, participants were able to design action plans to address the current gaps and they committed to pilot testing financial education workshops in the coming months. One participant commented that "many people know that financial planning is important, but only a few can really explain that saving money is needed and possible. Now I know how to do it!"

The TOT included the opportunity for participants to practice their facilitation skills and to give and receive feedback to each other. They also addressed issues such as the organization of financial education workshops and the recruitment of low-income participants.

One of the most important activities of the training was the discussion on how to make the FEP curricula relevant to the Russian context. The participants discussed their next steps and developed action plans for joint work as dissemination partners under the coordination of the RMC.

The participants were overwhelmingly positive about their experience in the training and about the materials they received. One participant summed up the general sentiment of the group, saying "I think this training course ideally fits what we are doing and has a great potential for further dissemination to the field."



**TOT participants in Moscow discuss key adult learning principles and practices**

## WWB Colombia Hosts its First FEP Training

In March 2007, WWB Colombia hosted its first FEP training for its clients. There were 22 clients who gathered in WWB's new training center for sessions on budgeting and debt management. Of the 22 participants, 13 were women and 9 were men. Although most participants were already clients of WWB, family members of clients were also invited to attend.

WWB was founded in 1980 in Cali, Colombia. Since then, they have been providing access to credit to microentrepreneurs with limited resources. WWB aims to work primarily with women and their families. In addition to offering credit services, WWB also offers

trainings to its clients.

WWB's March FEP training began with a group icebreaker so that the participants could all get to know each other. Then, Cesar Zuluaga led the sessions on budgeting and debt management. After the training, they allowed time for an open discussion to address the participants' doubts and suggestions about the training and services at WWB Colombia.



## SEEDS Rolls Out Financial Education Curriculum

After attending the Asia Regional TOT in Indonesia in December 2006, Sarvodaya Economic Enterprise Development Services (SEEDS) quickly turned around and facilitated a five-day financial education training of trainers workshop for their staff in Kandy, Sri Lanka later that month. Among the 25 SEEDS staff at the workshop were Chief Training Officers, Senior Training Officers and District Training Officers. Prior to the TOT, the FEP modules were translated into local languages. During the training, the trainers adapted the curriculum to the local context. The TOT was well-received by the SEEDS staff, one of whom commented that the “methodology adopted in the TOT is very good for trainers skills development and to enhance the knowledge of FEP.”

Following the TOT, the trainers developed

two-day and four-day modules for clients and a three-day module for loan officers to use in local trainings. The two-day training focuses mainly on the Budgeting, Debt Management and Savings modules because those modules are the most important to the poor rural communities SEEDS serves. Based on previous experiences working with their clients, SEEDS noted that a training longer than two days would be difficult for the clients to attend and for the community based organizations and members to afford. The four-day training includes all five of the FEP modules and SEEDS anticipates offering it to staff members of MFIs, international NGOs, and possibly development banks.

SEEDS conducted ten trainings in the tsunami affected Southern Province as a pilot test for the two-day module and after receiving an excellent response from clients, they moved forward with their training plan. To date, SEEDS has conducted 42 FEP trainings reaching more than 900 clients. The organization plans to hold at least 100 two-day financial education programs on a cost-share basis with clients and donors.

SEEDS operates through 25 District Offices and three divisions – the Banking, Enterprises Development and Training Divisions. Working through the Sarvodaya Sramadana Societies, SEEDS has an outreach of 3,700 village-based societies in 25 districts, with a total of approximately 866,000 village level society members.



**Presentation of the Budgeting Module during a SEEDS training in Sri Lanka**

## CGAP-Hosted Global FEP Brown Bag Widely Attended

On February 27, the Consultative Group to Assist the Poor (CGAP) hosted a two-hour brown bag luncheon featuring Global Financial Education Program steering committee members Monique Cohen (MFO) and Kathleen Stack (FFH). Cohen and Stack presented on the development and dissemination of the financial education curriculum, how it is being adopted by financial service providers around the world and how it has been received by their clients.

Turnout for the event was tremendous, with more than 50 people attending from

various organizations including the Academy for Educational Development (AED), the American Refugee Committee (ARC), CGAP, Development Innovations Group (DIG), FINCA, Mercy Corps, Microcredit Summit Campaign, New America Foundation, Oikocredit USA, Opportunity International, Plan International, Salvation Army World Service Office, Shorebank International, USAID and the World Bank.



# Implementing Financial Education in Uganda

After attending the November 2006 TOT in Uganda, Scovia Swabrah has found innovative ways to incorporate financial education into her work not only at FINCA Uganda, but also in her HIV/AIDS related work with The AIDS Support Organization (TASO) and the International Justice Mission (IJM).

At TASO, Scovia's clients are members of a drama group that educates communities about HIV/AIDS using role plays. The group members receive a small amount of money as compensation for their work, which for many is the only source of income they have. Scovia holds weekly financial education trainings with the group and helps them plan ways to save and address their financial problems. In January 2007, Scovia also began working with the IJM to help their clients, most of whom are widows, plan for their future and the future of their families. She also holds weekly trainings for the IJM clients.

Scovia has faced numerous challenges in working with her clients, most of whom are illiterate and HIV positive. When she began the trainings, her clients expressed little hope for the future. However, over the course of the trainings, she has helped them develop a more positive attitude and appreciate the need for financial planning. Many of her clients lack access to the formal banking system. Those who do have access find that the best banks have high service fees and require a high minimum balance. There are banks that have less stringent requirements, but they are seen as less trustworthy and are prone to suddenly going out of business.



**Scovia Swabrah participated in the Global FEP TOT in Uganda in November 2006**

Despite these challenges, Scovia has seen significant improvement in the financial well-being of her clients. All of them have now begun income generating activity and also save. Scovia's client profile includes 46 women and 7 men. Of the 51 total clients, 48 are HIV positive, 19 are widows, and 18 are single mothers. Her clients have made it a priority to send their children to school, and in fact all of their children are enrolled.

One of the most important gains that Scovia has seen in her clients is that they all now have a plan and hope for the future. The clients look forward to their weekly meetings and the opportunity to learn from each other as they share their successes and challenges.

## Youth Module Development Progressing Quickly

Rapid progress is being made in the development of the youth module, one of the new topics that Global FEP will add to its existing curriculum. Global FEP held a planning workshop from March 10-13, 2007, which was hosted by Pro Mujer in La Paz, Bolivia. The workshop brought together youth education specialists from Pro Mujer (Bolivia), Save the Children (Nepal), Zakoura (Morocco), Save the Children (Bolivia), CID (Peru), and Binti Pamoja (Kenya). The purpose of the workshop was to prepare these organizations to adapt and pilot test a financial literacy curriculum originally developed for adolescent girls in a low income community in Nairobi. Workshop topics included market research, curriculum design, and youth learning principles and practices. The pilot test results will inform the design of a generic financial education curriculum for adolescents and young people to be completed by Global FEP later in 2007.

The origin of this module came through a partnership with the Binti Pamoja Center, a reproductive health and women's rights center for 12-18 year-old girls in the Kibera slum of Nairobi, Kenya. To date, more than 120 girls are currently receiving training in the financial education curriculum. Binti Pamoja graduates will be trained as trainers and will go on to facilitate financial



**A Binti Pamoja  
Trainee**

education learning sessions with adolescent girls' "safe spaces" groups throughout Kibera. Additionally, in December 2006, Binti Pamoja alumni facilitated a week-long training, which covered the entire financial education curriculum and included a bank visit for 22 current members.

A mother of one of the girls recently shared how the financial education training had positively affected her own life. When her daughter (pictured above), a current Binti member who had attended the December training, came home and shared her financial education with her mother, the two of them sat down together and came up with a budget for the household expenses. The mother is a school cook, and has no work when the school is closed for vacation. She said that because of the budget she made with her daughter, this was the first time in her life that she had no work and was able to pay the house rent during that month.

Global FEP is hopeful that the dissemination of financial education among adolescent girls and other groups of young people in Kenya and worldwide will lead to improved financial management practices and will contribute to the financial independence of these young adults and the surrounding community.

## VisionFund Cambodia Implements Financial Education TOT

In March 2007, the Training Unit of VisionFund Cambodia (VFC) provided a TOT on Financial Education Training largely focused on savings to its 41 field staff of Client Services Officers and Service Post Managers. The TOT was facilitated by the Training Unit Coordinator and the Technical Assistant to the Executive Director, who were both trained by the FEP team during the Indonesia TOT in December 2006.

All participants were actively involved in the activities and they all expressed their deep interest and enthusiasm for the great benefits that the training would provide to them, and in turn to their clients. These benefits include improved understanding of: the importance of saving, the best options for saving their money, and savings management for using their savings for emergency needs.

This training was designed to help participants to understand the principles of adult learning, to provide and receive feedback and to manage small group work effectively. It also helped participants to understand the general concepts and importance of saving so that they can deliver financial training through program promotion, client orientation and direct home visits to 35,000 VFC clients in 8 branches spread out over 8 provinces.

As part of VFC's dissemination plan, it will continue to provide this training to all field staff in the upcoming months. In addition, VFC will also provide this training to partner organizations so that they can disseminate financial education throughout their target communities.

### Global FEP Launches New Website

The Global Financial Education Program launched its new website in April 2007. The website includes information about the Global FEP curriculum, resources, partners, global training of trainers workshops, new initiatives and events. It also includes current and previous issues of the Financial Education Update. In addition to the website, the

Global FEP is launching a new listserv. Anyone interested in joining the listserv can sign up via the website. Listserv subscribers will receive the quarterly newsletter and periodic updates of Global FEP news and events. The website can be accessed at [www.globalfinancialeducation.org](http://www.globalfinancialeducation.org) or [www.globalfinancialed.org](http://www.globalfinancialed.org).



VisionFund Cambodia participants learn about savings through an interactive training

**Call for Articles**  
 Global FEP wants to hear from you! Please submit articles, spotlights and notes about trainings you have held. Articles may be sent to Meredith Fox at [meredithf@mfopps.org](mailto:meredithf@mfopps.org).

The Global Financial Education Program is made possible through the partnership and cooperation of:



**The Citigroup Foundation**

The Citigroup Foundation supports organizations that help people improve their lives, businesses to grow, and communities to prosper around the world. The Citigroup Foundation focuses its grants primarily in three areas: financial education, educating the next generation, and building communities and entrepreneurs. Additional information can be found at [www.citigroupfoundation.org](http://www.citigroupfoundation.org).

**Microfinance Opportunities**

Microfinance Opportunities was established in 2002 as a microenterprise resource center that promotes client-led microfinance. It seeks to help poor people increase their access to well-designed and delivered financial services. Microfinance Opportunities provides action-research, training and technical assistance in three areas focused on the clients of microfinance services: Financial Education, Microinsurance and Client Assessment. [www.microfinanceopportunities.org](http://www.microfinanceopportunities.org)

**Freedom from Hunger**

Founded in 1946, Freedom from Hunger is a nonprofit, international development organization bringing innovative and sustainable self-help solutions to the fight against chronic hunger and poverty. Freedom from Hunger specializes in ensuring that the poor have access to microfinance and health protection services, and life skills training to achieve food security for their families. [www.freedomfromhunger.org](http://www.freedomfromhunger.org)