



**POWERING
CONNECTIONS '09**



A Little Means a Lot: Increasing Institutional Capacity at the Margins in Youth-Inclusive Financial Services

Beth Porter

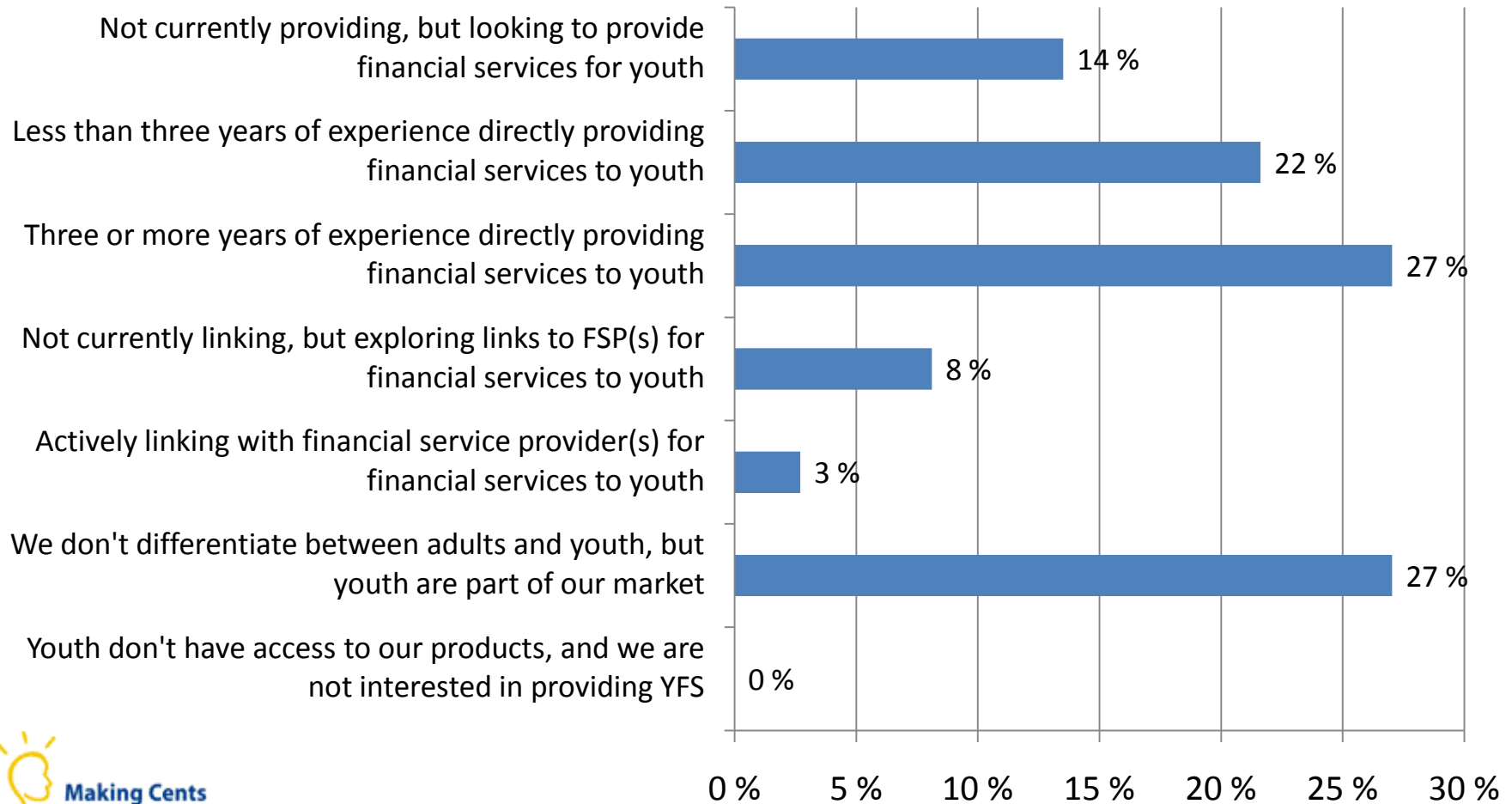
Making Cents International

November 5, 2009



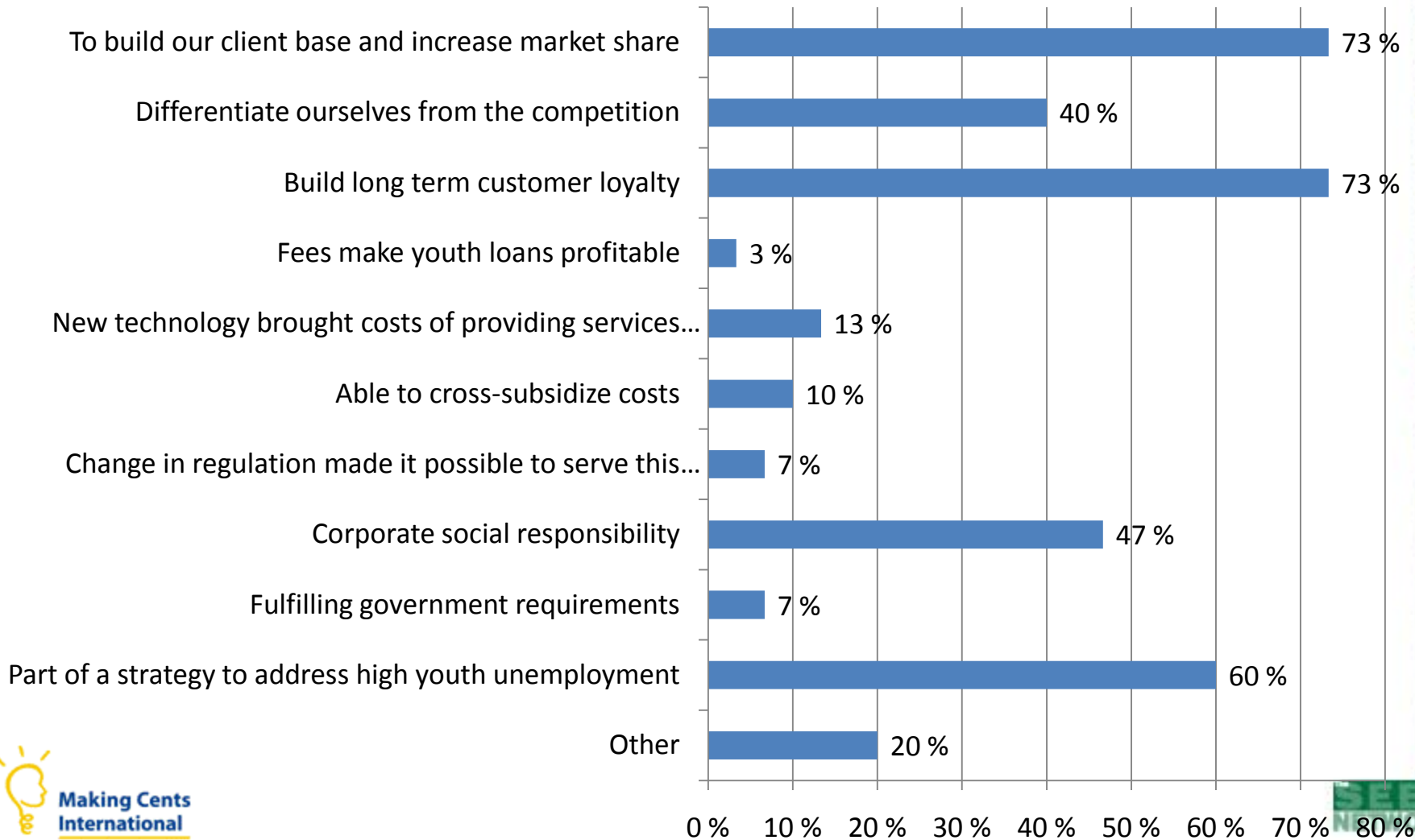


FSP Engagement in YFS



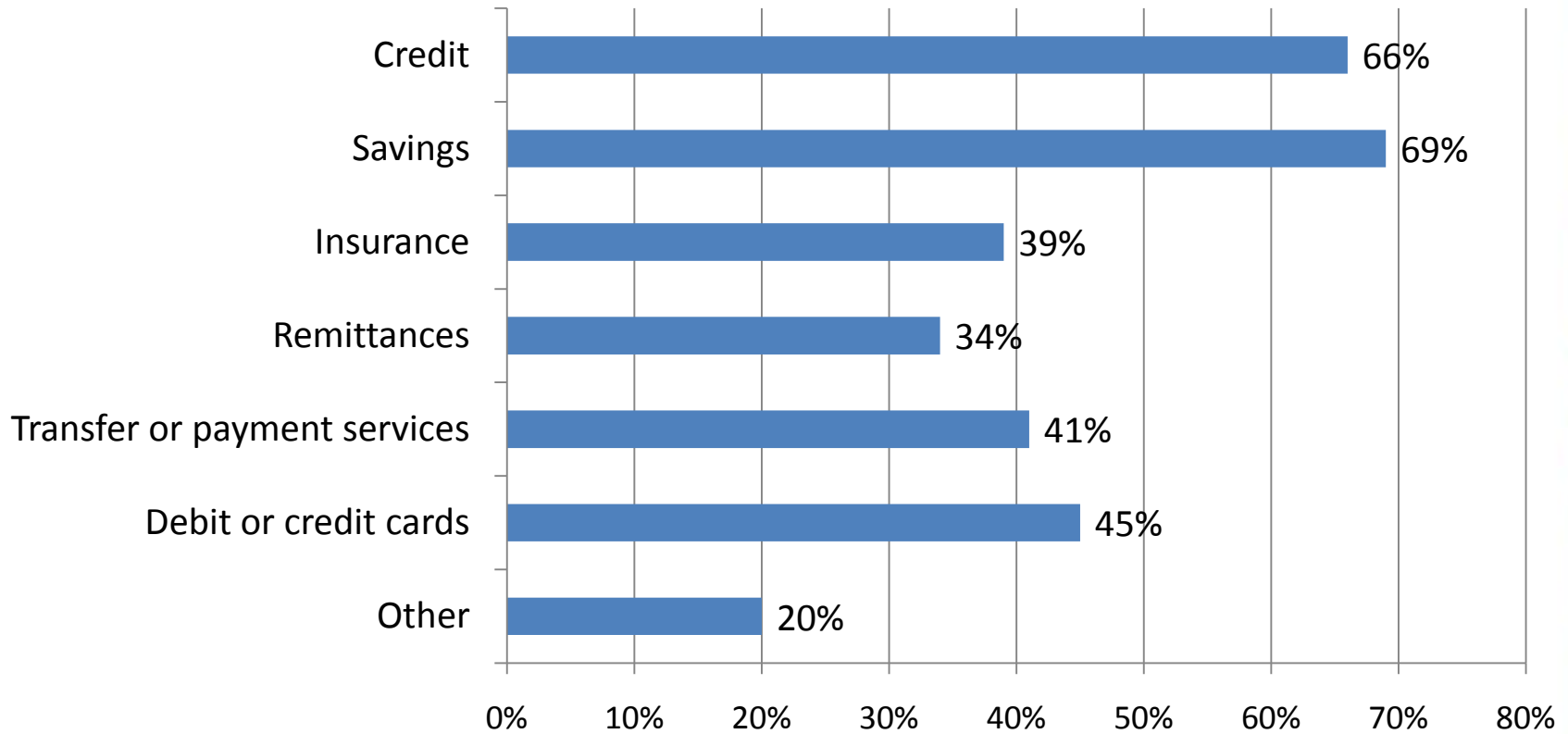


FSP Reasons for Engagement





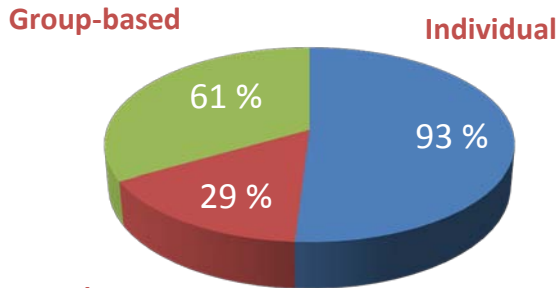
Demand for YFS





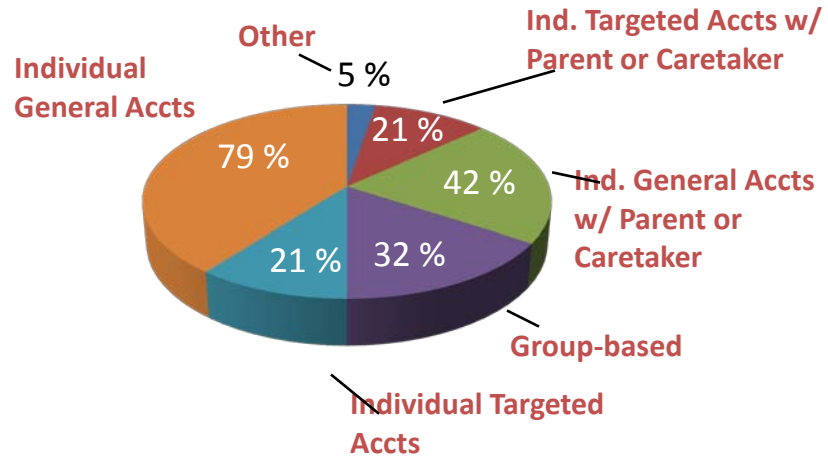
Product Types in YFS

Loans Products

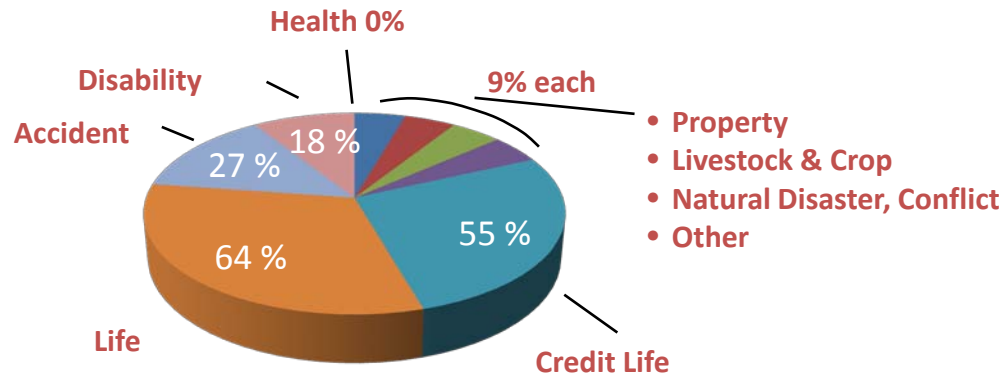


Individual w/ Parent or Caretaker

Savings Products



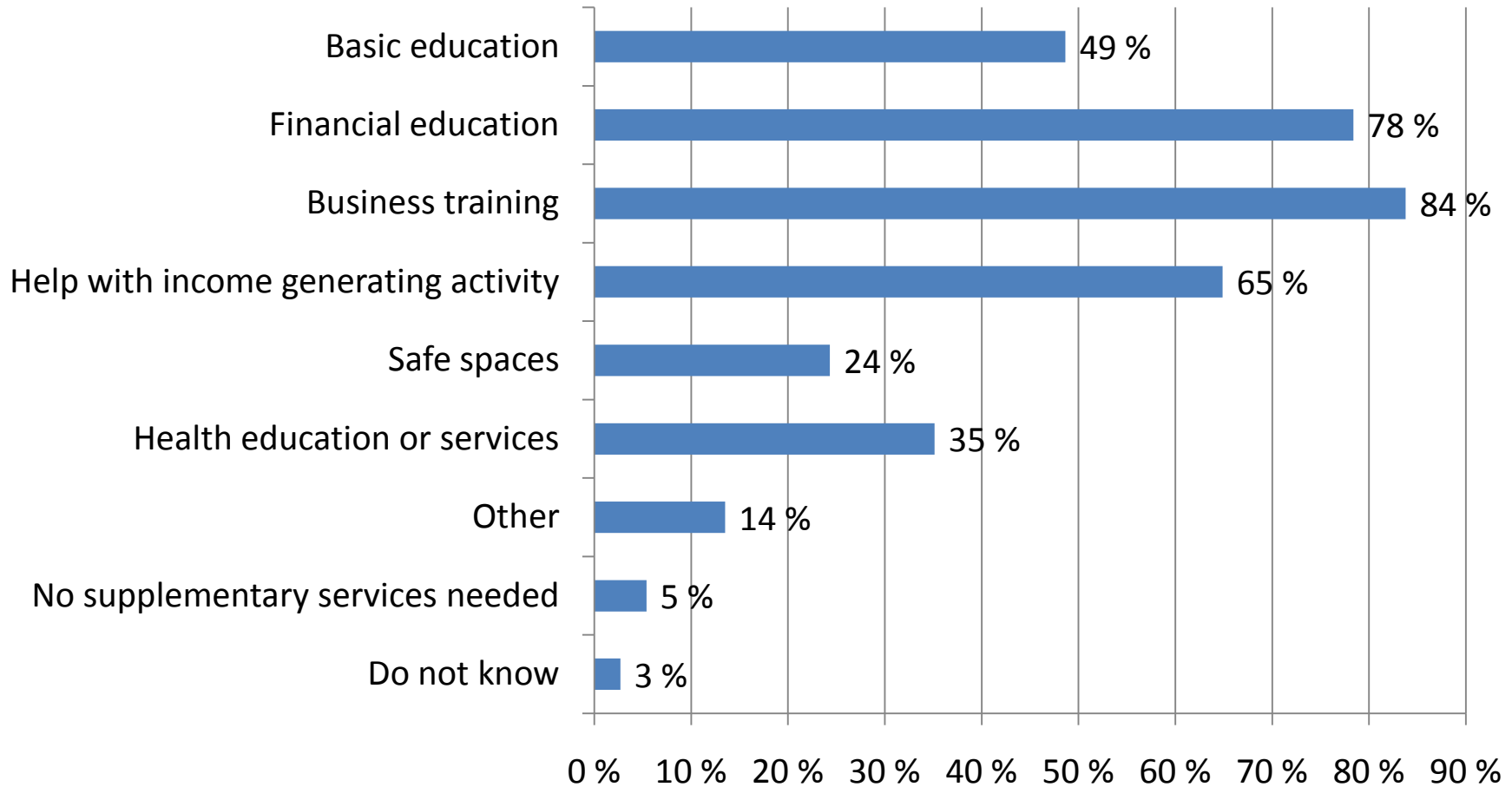
Insurance Products



- Property
- Livestock & Crop
- Natural Disaster, Conflict
- Other



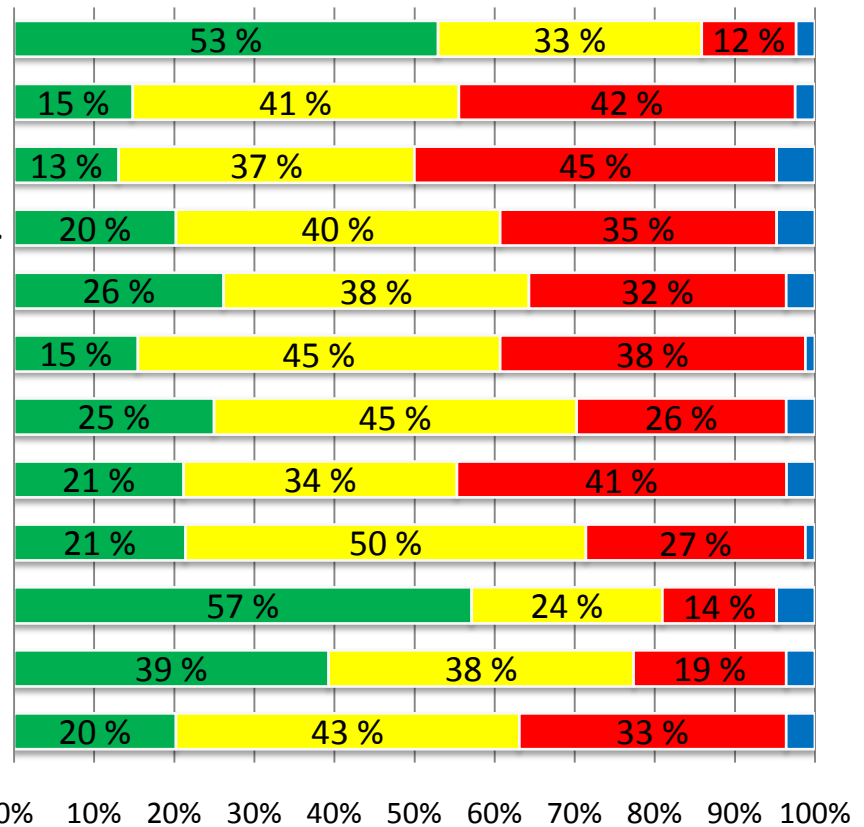
Non-Financial Services Needed





Challenges for YFS

- Lack of sufficient demand by youth
- Youth are a high risk market
- Prejudice of staff against youth segment
- Lack human resources to offer addt'l products...
- Do not know how to attract or retain youth
- Lack of market information about youth segment
- No partners for linking
- Legal and regulatory barriers to serving youth
- Cultural barriers to serving youth segment
- Highly competitive market to reach youth
- Physical location and accessibility of youth
- Cost of managing small loans/balances



■ Not a Challenge
 ■ Somewhat of a Challenge
 ■ Major Challenge
 ■ Not Applicable



POWERING CONNECTIONS '09

THE SEEP NETWORK ANNUAL CONFERENCE

Youth Opportunity

- Youth bulge 1.5 billion
- Unemployed 180 million
- Full of energy and ideas
- Many years ahead to be good clients of FSPs
- Family members and friends and community could be clients too

FSP Opportunity

- Experience of developing financial products
- Know-how of providing financial services
- Seeking to expand into new markets
- Double-bottom line, CSR, compliance with regulation

Gaps to Be Filled

- Lack of understanding of youth demand
- Lack of access to youth
- Prejudice of staff regarding youth
- Have not established partnerships for social intermediation and NFS
- Enabling environment



YFS-Link Program

Goal: Strengthen and expand the nascent youth-inclusive financial services sector.

Objectives:

- Assess state of youth-inclusive financial services sector
- Design youth-centered, state-of-the-art training materials
- Build capabilities of financial service providers and partners to deliver high quality financial services to youth
- Learn, collaborate, and share knowledge in youth-inclusive financial services through collaborative platform



Outstanding Questions for YFS

- Are youth just another market segment? What is different about developing and delivering financial services to youth?
- What are key success factors for offering demand-driven youth financial services at scale?
- What capacities are required for offering these youth financial services? How can financial institutions and youth-serving organizations best partner and leverage their strengths?

