



AIM Youth

Advancing Integrated Microfinance for Youth

Country Cases: Lessons from Freedom from Hunger's Advancing Integrated Microfinance for Youth Initiative

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Advancing Integrated Microfinance for Youth (AIM Youth)

- Provided 39,439 young people with financial services integrated with youth learner-centered financial education
- 26,332 in Mali and 13,107 in Ecuador
- 13-24 years old
- December 2009 - June 2014
- Mali: NGOs & MFIs
- Ecuador: cooperatives and credit unions

What did we test?

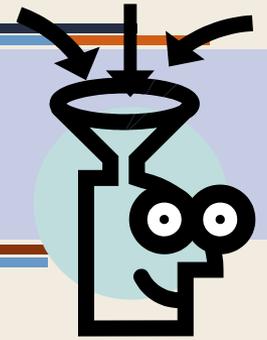
Mali

- Youth Savings Groups
- Group Savings Accounts
- FE delivered to groups, started 2.5 months into program
- FE: 7 sessions, 30 mins each, one session per week
- Mixture of games and dialogues
- Education objectives:
 - Savings goals
 - Keeping savings safe
 - Make informed savings and borrowing decisions

Ecuador

- Individual accounts, mobile deposits and text savings reminders
- FE delivered through schools first, accounts opened separately
- FE: 10 sessions, 30 mins each, one session per week
- Mixture of games and dialogues
- Education objectives:
 - Savings goals
 - Keeping savings safe
 - Making informed decisions about managing money
 - How to open and use savings account

What did we learn?



- Giving youth access to integrated financial services can build their financial capability (savings, financial knowledge)
- Ecuador: Financial education does not lead automatically to savings account openings
- Mali: Group-based approaches are an efficient way to promote savings and reach scale
 - => Many ed outcomes similar; better results product+FE
- Youth value financial education, but need more than education to meet their financial needs (IGA, credit)

What *else* did we learn? (I)

- Parents play a critical role in the financial needs of their children
- Technology offers potential for greater and more efficient uptake of services
- Product design can help overcome some of the obstacles to financial inclusion for youth, but having a more competitive financial service sector would likely be more effective (lower account barriers)

What *else* did we learn? (II)

- Financial indicators: money flows hard to track well, older youth gave more consistent answers
- Ecuador: some knowledge indicators about savings accounts fluctuated in 3 month period: guessing?
- Ecuador: financial attitudes such as financial stress, savings motivation and confidence to pay for future financial events correlated with whether youth saved and satisfaction with their financial outcomes
- Mali: 2012 coup d'état: treatment youth attitudes avoided a downturn experienced by control group



Recommendations

- Develop a **stepped approach**, starting with savings groups+FE, that graduate youth into access to formal financial services
- Offer financial education through a **multi-pronged strategy** to promote positive financial behaviors; schools, financial institutions, social media; **multiple touch points** reach in school, out of school, working youth (reinforce key msgs, reach different segments)
- Develop comprehensive programming targeting the household in the form of FE and FS for both **young people and parents/caregivers**
- **Use technology** to promote savings habits, through a combination of text messages and remote-savings mobilization

Thank you!



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Visit **Freedom from Hunger's** free, interactive online guide
to help organizations develop strategies to offer youth
financial services combined with education.

<http://youthfinancialinclusion.org>