

INTERNATIONAL
SYMPOSIUM

2015



ANGOLA | SAVINGS & EMPOWERMENT

Building Savings and Reinforcing Local Solutions

More than 2.5 billion people worldwide do not have a bank account or access to financial services. In 2013, Episcopal Relief & Development and its partner, the Mothers' Union of the Diocese of Angola, seized an opportunity to introduce an innovative Savings with Education (SwE) model, previously piloted in Latin America, as a way to empower women to begin entrepreneurial ventures and increase discretionary income.

Episcopal Relief & Development already had a relationship with the Anglican Diocese of Angola stretching back to 2007, with its *NetsforLife*® malaria prevention program. 2011 saw the launch of the Mothers' Union's Child Survival program, which empowers women to improve the health of children in their households and communities through neighborhood-based group discussions. These discussions identified good ideas to improve health, hygiene and sanitation, but the women recognized that sometimes they had limited financial resources at their disposal to cover the associated costs (e.g., soap for washing or fuel for boiling water). SwE groups were designed to have a dual purpose: provide a vehicle for improving household savings, while reinforcing educational messaging on health, sanitation, literacy and reduction of gender-based violence.

The impact of the SwE program in the Angolan capital of Luanda and northern Uige Province is impressive. At the end of 2013, the program had 12 SwE groups in Luanda with \$33,572 in savings and earnings (all figures in US dollars). In 2014, the program expanded to include Uige and had increased to 45 SwE groups in Luanda and Uige with 1,066 total members (92 percent women), and cumulative savings and earnings of \$207,438. The program has nearly doubled the number of SwE groups to 80 with 1,857 members in 2015.

Savings & Empowerment through Group Decision-Making

The group-led methodology and process for decision-making underscores the participant-led SwE approach. The Mothers' Union, with initial technical assistance from Episcopal Relief & Development, supports the training of Savings Group Agents who serve as stipended facilitators. In contrast to many top-down models, group members learn to manage SwE groups using a highly democratic and participatory five-step decision-making process.



Savings with Education

ANGOLA 2013-2015 RESULTS

80
SAVINGS WITH EDUCATION (SwE) GROUPS

1,857
MEMBERS

91%
WOMEN

98%
GROUP RETENTION

\$45-\$1,092
RANGE SAVED PER MEMBER

\$521,010
CUMULATIVE SAVINGS AND EARNING

107%
RETURN ON INVESTMENT

EMPOWERMENT THROUGH FIVE-STEP GROUP DECISION MAKING

1. REFLECT

Tell a story that gets people thinking about the decision from different vantage points.

2. DISCUSS

Group divides into small groups so all members can contribute ideas.

3. SUGGEST

Receive feedback on decision points from each small group.

4. DEBATE

Discuss and debate among full group to ensure pros and cons of suggestions are considered.

5. DECIDE

Always take a vote. All decisions are made by getting group input.

This process is used to determine:

- Time and day of meeting
- Name of group
- Amount of savings per week
- Fines for missed meetings
- Interest amount & duration of loan
- Fines for missed loan & interest repayment
- Date of end of savings cycle/ distribution of savings and group earnings

Facilitating group self-management

As problems or questions arise, the group has the necessary experience to move through new decision-making on its own.

The SwE groups learn the group-led decision-making process with eight weeks of facilitation from a Savings Group Agent, who also helps the groups learn and practice good management. The groups set their own rules, fees and procedures, ensuring that their activities are in line with local realities and fully owned and managed by the group. The groups also elect leaders (usually a four-person management committee) and schedule weekly meetings. While some processes are standard across all groups, such as dropping a stone in the savings box to assist with record keeping and track the number of weeks of savings, each savings group develops different techniques and savings or loan products that work best for them. For example, the SwE group Alegria e Amor (“Joy and Love”) decided that their standard loan would be 10 percent interest repayable in two months. In addition, the group decided to offer a special “emergency” loan with no interest that must be repaid the following week. They decided to offer this product based on the needs and desires of the members.

For the most part, savings group members borrow from their group’s accumulated savings to invest in or start small businesses. Repayment of the principal plus a group-determined interest rate not only replenishes the fund to allow other members to borrow, but also adds earnings to the funds that are later distributed to each member or invested by the group in a group-identified social development project. In the rural areas of Uige Province, many take loans to cover agricultural inputs such as seeds or post-harvest processing (e.g., milling into flour), while urban-based groups in Luanda have ignited new levels of entrepreneurship. In 2013, various members of the Dos Anjos (“From Angels”) group took out loans around \$250 and purchased goods at a Luanda middleman to sell at kiosks or alongside the road. In 2014, members took bigger loans of around \$900 to travel to the Democratic Republic of Congo to buy goods for resale in Angola. In 2015, some members of the group intended to take larger loans in the \$1,500 range to travel to Namibia to buy beauty products and household goods to sell in Luanda.



When savings groups meet, they discuss more than finances. Meetings also provide opportunities to raise pressing issues affecting members' lives. Mothers' Union members who have been trained by the Anglican Church with Episcopal Relief & Development's coaching and tools frequently step up to lead lively and practical discussions focused on specific educational topics. With new information on issues like proper prenatal care and effective malaria prevention, group members are better equipped to make healthy decisions for their families. When savings groups turn a profit and distribute it at the end of each savings cycle (typically one year), the members also have access to greater resources with which to invest in health – such as buying soap, mosquito nets or clean diapers. The combination of savings with education can sustain behavior change in powerful ways.

Impact, Insights and Growth

The end of 2015 represents three years of high-impact SwE programming in Angola with an anticipated 1,857 members in 80 SwE groups, and an anticipated \$280,000+ saved. From 2013-2015 – the return on investment for the program has been 107 percent, with \$252,000 in program expenses and \$521,010 in savings and earnings generated by the groups themselves. By 2018, the Mothers' Union aims to have formed at least 350 SwE groups in five Angolan provinces, with over \$1.4 million in savings and earnings!

The SwE program is also moving to other countries. Most notably, a 2014 learning exchange with Angola led to the successful launch of SwE activities in Namibia that same year. In 2014, Namibia's pilot activities yielded 18 new savings groups, with more than 300 members who saved over \$8,300. Each of these 18 groups, plus 14 new groups – for a total of 32 groups –, are continuing to save and lend in 2015. By facilitating knowledge sharing between partners and countries, Episcopal Relief & Development is enabling the ideal advocates for SwE, namely partner staff and savings group members, to share their experiences more broadly, and to contribute to the continued empowerment of local leaders. Earlier in 2015, the Mothers' Union Program Coordinator from Angola and the two new Supervisors from Namibia who had been trained by Angola in 2014 were contracted by the Zambia Anglican Council (ZAC) to train 38 new SwE facilitators as a part of a caregiver savings component in ZAC's Early Childhood Development Program.

Beyond the financial returns and the potential for expansion of the model in Namibia and Kenya, the Mothers' Union also has seen a return in terms of the level of empowerment of the participating women and personal growth among the Savings Group Agents and the Mothers' Union staff that manage the program. Moving forward, the challenges center on scaling up responsibly.

- What are the creative ways for the Mothers' Union to provide increased opportunity to high-performing Savings Group Agents with the potential to mentor and monitor new volunteer facilitators?
- How can the Mothers' Union reconcile the idea of the Savings Group Agents helping start groups outside their own geographic area, which requires increased training and travel costs and runs counter to the concept of development from within?



Savings with Education

NAMIBIA 2014 RESULTS

18
SAVINGS WITH EDUCATION (SwE) GROUPS

300+
MEMBERS

\$8,300
SAVINGS

GLOBAL SwE DATA SINCE 2012

11
COUNTRIES WITH CURRENT PILOTS

8,828
MEMBERS

\$1,149,202
SAVINGS IN SwE COUNTRIES

\$165,384
EARNINGS IN SwE COUNTRIES

43%
GLOBAL RETURN ON INVESTMENT



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Episcopal Relief & Development works with more than 3 million people in nearly 40 countries worldwide to overcome poverty, hunger and disease through multi-sector programs. An independent 501(c)(3) organization, it works closely with Anglican Communion and ecumenical partners to help communities create long-term development strategies and rebuild after disasters. In 2015, the organization is celebrating 75 Years of **Healing a Hurting World**.