



What Does Consumer Protection Mean for Savings Groups?

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MODERATOR

David Panetta, *The SEEP Network*

SPEAKERS

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QUESTIONS

Q: What is the occurrence/rate of the unintended consequences on gender that was described? Does the research find these to be a common occurrence or one-offs?

Julia: The research has only recently begun to cohere around a definition of unintended consequences (UCs). We have elements of the findings from a time span of about 30 years – where WEE projects have failed or have not produced the outcomes predicted. Some of the early literature began with the exploration of violence and power inequalities in the context of microcredit programs (Anne Marie Goetz -- *Who Takes the Credit*; Naila Kabeer).

ICRW began a review of UCs and have identified them across a number of dimensions (time use/time poverty; health; labor markets, violence etc.). But the research is not systematic and if data on time use are not available or qualitative methods are not used to interrogate the findings or failures of projects and programs they may not be uncovered or reported.

The main lesson is that social norms and structural barriers to WEE cannot be ignored. If they are, programs and projects are more likely to produce unintended consequences or fail to produce the outcomes expected.

We suspect that UCs may be more frequent – but are poorly measured.

For more on ICRW's research on unintended consequences, see [here](#).

There were some questions related to parallel investments that I wanted to address, as well.

Evidence shows that financial inclusion strategies can play a significant role in diversifying livelihoods and securing wellbeing – but that this seldom happens without significant parallel investments in human capabilities, women’s agency and autonomy and accompaniment strategies that foster social norm change and intra-household communication strategies. For example, graduation-type approaches or mobile savings solutions that include conversations between couples around intrahousehold decision-making have been shown to increase women’s involvement in all types of financial decisions as well as enable them to make more decisions on their own (BOMA). Women were also able to save more, particularly when the mobile savings solution takes into account the privacy women seek (such as in a mobile sub-wallet) (CARE).

Q: Are there any additional gender-related issues in the Muslim communities?

marc: The trainer/member gender relationship, and female restrictions on mobility must be considered. In a CRS SILC project in Afghanistan, only female trainers could interact with women-only groups; and the trainer needed to be accompanied by a male relative to go train groups. Women members may face restrictions on how far they can move from their home to attend meetings.

Q: Can the SILC Committee be used for other purposes? For example, as sanitation relays or FSP’s credit agents.

marc: SG committees ultimately self-define their mandate and activities. While the SILC committees in Togo have taken on an immediate of Information sharing, SILC promotion, problem-solving, they may take on other purposes in the future. Agencies/projects that wish to cascade trainings through these committees must perform a typical analysis that would include cost of delivery, remuneration/motivation, profile/skill level, quality control and oversight for this approach vs. other approaches. FSPs might find it efficient to approach a smaller number of presumably-influential group representatives for initial marketing, but any contracts/accounts would need to be opened by the groups or members themselves, as currently the committees are not intermediating group funds. (there do exist examples of SG apexes that do intermediate funds, but the purpose there is often to refinance locally rather than with FSPs).

Q: How can organizations promoting Savings Groups ensure consumer protection when linking with MFIs? Or, what are your recommendations for structuring protection for Savings Groups linkages to MFIs? And what are the potential risks involved?

marc: a good start is financial literacy training for the SGs, helping members understand and analyze the services on offer. Ideally this should come from a source different than the FSP, for whom this may devolve into simple product marketing. This should include ensuring members can access existing CP mechanisms that may have developed for customers in the formal sector.

Julia: I recommend taking a look at the Center for Financial Inclusion’s Smart Campaign standards and guidelines for MFIs. The Smart Campaign offers a rigorous certification to MFIs who comply with its consumer protection standards that take into account the client voice and perspective. Encouraging potential MFI partners to consider becoming Smart certified may be a good way to begin those conversations.