



Three-quarters of the world's poorest people do not have a formal bank account. With few viable means to save, these individuals and their families are vulnerable to life-threatening hardships. Community-based savings groups are designed to provide a mechanism for resilience. Jointly, Oxfam America and Freedom from Hunger commissioned the largest study to date to evaluate the impact of community-based savings groups—using both a randomized controlled trial and in-depth qualitative research.

According to the World Bank, more than 2.5 billion adults worldwide lack access to formal accounts at financial institutions; three-quarters of the world's poor fall into this category. Those living in rural areas are particularly disadvantaged. Financial institutions often do not serve these communities because high transaction costs and small loans tend to deter them.

Savings groups (SGs) respond to the unmet needs of the rural poor by providing a secure place to save, the opportunity to borrow in small amounts and on flexible terms, and a network of support and solidarity.

Saving for Change (SFC) is an innovative savings groups program, designed by Oxfam America, Freedom from Hunger, and the Steyer Foundation, that increases resilience and financial assets. At the close of 2012, SFC had nearly 680,000 members in 13 countries. Working in rural villages, SFC trains groups of women

to save regularly, borrow from their group's fund, and repay loans with interest. At the end of a saving cycle—generally a year—the fund is divided and each woman receives her savings plus a share of the profit. Groups schedule distribution for a critical time, such as the onset of the hungry season, when money is scarce. Members in West Africa also learn about malaria prevention and treatment.

Oxfam America and Freedom from Hunger designed a rigorous mixed-methods research program to evaluate SFC's impacts, successes, and challenges. The most extensive study is a randomized controlled trial (RCT) in Mali conducted by economists from Innovations for Poverty Action combined with a qualitative longitudinal study conducted by anthropologists from the Bureau of Applied Research in Anthropology at the University of Arizona. The following is a summary of the key findings of this report.

The final report will be available for download at [oxfamamerica.org/ifa](http://oxfamamerica.org/ifa) or [freedomfromhunger.org/ifa](http://freedomfromhunger.org/ifa), or by contacting Ingrid Romera at [romera@freedomfromhunger.org](mailto:romera@freedomfromhunger.org) in summer 2013.

Right the Wrong

OXFAM  
America

freedom  
from hunger

# Saving for Change: Financial inclusion and resilience for the world's poorest people

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