



The Impact of Financial Education through Savings and Credit Cooperatives in Rwanda



Limited financial knowledge, skills, and confidence are associated with suboptimal financial behaviors such as low rates of saving, limited usage of deposit and transactional accounts, and overindebtedness. The Government of Rwanda, the World Bank Group, and Innovations for Poverty Action (IPA) partnered to conduct a large-scale randomized evaluation that measured the impact of Phase One of the *Financial Education through SACCOs* program. The evaluation measured and compared the impact of two program delivery models—autonomous vs. fixed trainer selection—on SACCO members' financial knowledge, skills, attitudes, and behaviors.

Key Findings

- SACCO members attended more sessions of the *Financial Education through SACCOs* when SACCOs had autonomy to choose trainers from the local community ("autonomous selection").
- SACCO members in this autonomous selection group showed improvements in financial knowledge, attitudes, and behaviors, including with respect to knowledge of key rules of thumb, attitudes that emphasize saving and responsible borrowing and having—and strictly adhering to—a written budget and financial plan.
- They were also more likely to report saving regularly towards financial goals, and to deposit savings in the SACCO.
- However, when trainer profiles were predetermined and limited to individuals with formal roles at the SACCO ("fixed trainer selection") these improvements were not observed. No improvements in the group were found on account usage, borrowing behavior, or financial security.

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FUNDERS
World Bank Group
Government of the Netherlands

COUNTRY

Rwanda

PERIOD

2013-2017

SAMPLE

200 Savings and Credit Cooperatives (8200 individuals)

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