

# *A Model for Saving*

*Graca Machel Trust*



*New Faces New Voices*



# A Model for Saving

## *New Faces, New Voices: Graca Machel Trust*

**N**ew Faces New Voices is a pan-African advocacy group that focuses on expanding the role and influence of women in the financial sector.

“For us to have inclusive growth,” said NFVF Executive Director Nomsa Daniels, “we can’t afford to leave 50% of the population behind.”

This belief that women have the potential to deliver a significant contribution to economic growth in Africa drives the organisation’s mandate. In 2015, the organisation identified the need to bring women into the formal banking sector to enable them

to have access to financial services.

NFNV Uganda Chapter director Theopista Ntale had been a banker for over 20 years, and therefore, understood the sector. “She also saw how the banking sector does not really serve women who are not able to access the full range of services,” explained Daniels.

In Uganda, as in many African countries, there are clear gender inequalities in the finance sector with the majority of women lacking access to financial services and remaining unbanked and financially excluded.

The 2013, FinScope



Uganda’s national survey on demand, usage, and access to financial services noted that the low usage of the formal banking products and services impacts heavily on the level of savings mobilised domestically through the financial system, which in turn affects access to credit and investment by the private sector. That survey also identified that the level of financial literacy among the

adult population also remained low.

“Lack of knowledge about existing financial products and services was rife among a large proportion of the adult population,” said the Finscope Report.

Limited access to financial services is one of the biggest obstacles to development – especially in rural areas. Often the gap is bridged through the use of savings groups – most of whom are led by women.

### **Growing Women Entrepreneurs**

The NFVF Uganda Chapter’s FINISAVE model was developed as a critical tool “to bring women into the banking sector”. A strong feature of FINISAVE - which stands for Financial Inclusion through Savings and Village Enterprises - is the goal to enhance, develop and grow women entrepreneurs while preparing them to become bankable and raising their Savings and Credit Cooperative awareness of their rights as consumers of banking services.

Photo on left:  
NFNV Uganda Chapter  
director, Theopista Ntale,  
left, with Finance Trust  
Bank Branch Manager,  
Christine Naggayi, right.

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**-NFVF Executive  
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**-NFVF Executive Director, Nomsa Daniels**



Daniels explained that the process started with an assessment of needs before bringing together community leaders developing a needs-based curriculum for Business and Financial Literacy and then providing training “from village to village”.

“After that was done, we then were able to bring the communities together in smaller groups and establish savings clubs.... once that was done over a period of time and people were saving on a regular basis, we then took that information to a financial institution,” she recalled.

“So we were able – through the records of a saving club – to make a compelling case to Finance Trust Bank that it was in their interest to set up a bank in the area.”

The impact was immediate. Using the savings as collateral, the bank was “then able to grant individual loans for solar lighting... as a result of this, children were able to study

longer at night, the people in the community are less intimidated and have a greater understanding of their rights.”

### **Empowering Communities**

The impact went well beyond simply giving individual access to accounts but has a ripple effect of empowering a community.

But the NFNV also wanted to protect the integrity of the concept as a NGO programme.

“We were very concerned that someone might duplicate the project and before long it would not be seen as an initiative of Theopista and the Uganda Chapter and others would simply duplicate it. So, the money we received from AWDF allowed us to ensure that the NFNV chapter was registered as an NGO and was able to copyright the FINISAVE model,” Daniels said.

The African Women’s

Development Fund gave NFVF USD 15,000 in February 2015 so that they could retain legal counsel to assist in the New Faces New Voices’ participation in the FINISAVE project piloting in Uganda.

The support also helped document the FINISAVE process and development of the original concept as well as legally protect NFNV’s interest in the partnership in Uganda.

In this way, AWDF played a role in helping register the NFNV Uganda Chapter as well as the name FINISAVE.

The NFNV, in partnership with the Uganda National Entrepreneurship Development Institute (UNEDI), began implementing FINISAVE in

two rural areas of the country. The model also focuses on social entrepreneurship, a saving culture and addressing a paradigm shift of the population from being merely recipients of social corporate responsibility from financial institutions, to becoming a market segment of commercial banks and other service/ product providers.

Even before the project was registered, between 2013 and 2015, the NFNV Uganda chapter conceived, managed and implemented FINISAVE pilot projects in the rural districts of Lwengo and Gomba.

In Lwengo District alone, more than 250,000 people –

60% of them women – were given tools to help become confident in their financial management skills and security.

Under the FINISAVE model, savings groups receive training in the areas of Group Dynamics, Mind Set Change, Entrepreneurship, Self-discovery, Developing a Saving Culture, Business Management and Financial Literacy. They are then linked to a commercial bank that designs products and policies relevant to them.

The resulting consumer power and consumer confidence has, said Daniels, empowered entire communities.





# Grantee Information

New Faces New Voices is a Pan-African advocacy group that evolved out of discussions held by women's rights activist, including AWDF. The idea was then incubated and taken forward by Mrs Graca Machel, a world-renowned advocate for women's and children's rights. New Faces New Voices is committed to the empowerment of African women. It projects the voices of African women in discussions about reshaping the global financial system following the collapse of the global financial system in 2008. NFNV, therefore, focuses on expanding the participation and influence of women in the financial sector. It also believes that women have the potential to contribute significantly to economic growth in Africa. To harness this potential, it engages with decision-makers at national, regional, continental and global levels. NFNV has a goal to improve the economic well-being of women and their families, to reduce inequalities and to strengthen African economies and societies. NFNV has an advisory board of 8 members and 4 staff members.

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