



DIGITAL SAVINGS GROUPS

Making the most of the inevitable

Danish Forum for Microfinance, 13th of April 2021



FAHU FOUNDATION



“The FAHU Foundation strives to create lasting sustainable development by supporting interventions, such as innovative savings groups projects, that help people to help themselves”



WHAT IS A DIGITAL SAVINGS GROUP?

“Digital Savings Groups (DSGs) refer to a broad set of technologies and systems that digitize savings group records, procedures or transactions.”

The SEEP Network



SOME FINDINGS FROM DSG PILOT, TANZANIA

Benefits

- Reduced meeting time
- Increased accuracy of records
- Early repayment of loans
- Higher transparency
- Increased financial capability
- Increased tech curiosity

Challenges

- Tech and connectivity issues
- Gender and age divide
- Change in perception of ownership and leadership
- Change in training and support needs

Born digital groups performed as well as experienced paper-to-digital groups - and in some ways better



SOME DSG DILEMMAS

Opportunities

- Transparency
- Digital literacy
- Linking to value chains

Risks

- But for whom?
- Digital dependency
- Group cohesion

New opportunities lead to increased complexity

Be careful when putting the simplicity and cohesion of savings groups at risk in pursuit of new opportunities



DSG TOOLKIT: KEY QUESTIONS



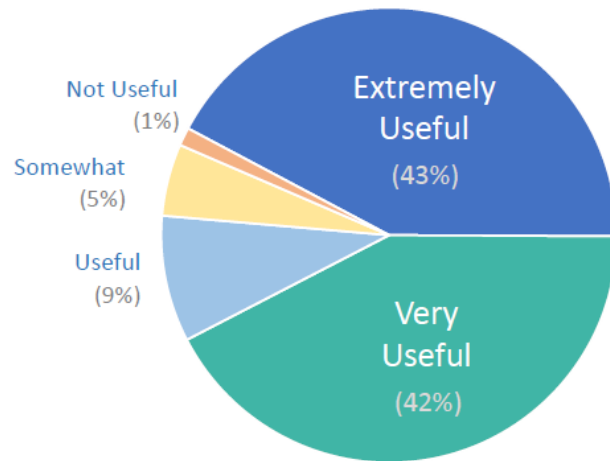
- What resources exist today?
- Is there sufficient demand?
- Will organizations be willing to contribute content?
- How to ensure continuity beyond first year?



DSG TOOLKIT: FINDINGS FROM SURVEY

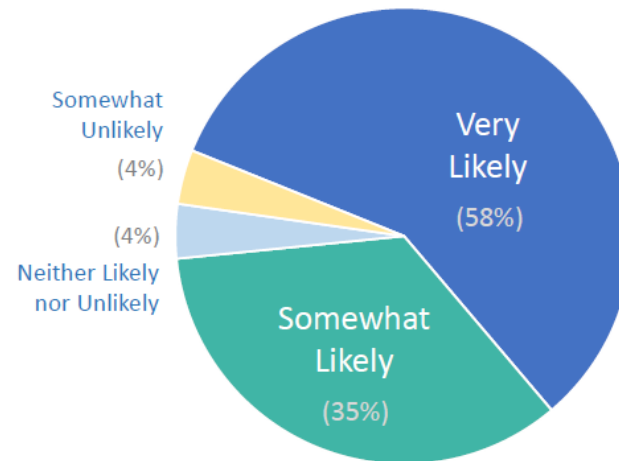
Demand

How Useful Would This Toolkit Be?



Content

How Likely Are You to Contribute?



DSG TOOLKIT: POPULAR TOOLS DESIRED

- Gender-intentional tools to help women in digital projects
- Best practice tips and lessons for each stage of digital projects
- Step-by-step “how-to” guides for starting new digital groups
- Short learning briefs on specific aspects of digitization
- Pre-digital readiness assessment tools
- Standard definitions and terminology for digital projects
- Comparison of digital tools by functionality, cost, etc.
- Data privacy and consumer protection guides
- Monitoring and evaluation frameworks for digital



THANK YOU

