

## 2020-13 | Saving Product for Rural Women in Bolivia

Partner Financial Institution:	<a href="#">CRECER IFD</a>	SCBF Contribution:	CHF 113,850 (63%)
Grantee:	<a href="#">Fundación Capital</a>	Matching Contribution:	37%
Country:	Bolivia	Theme:	Financial Capability
Duration:	December 2020 – November 2022	Product:	Savings
Potential Outreach:	6'000	Target Group:	Women
Thereof Women:	80%		

### CONTEXT

The microfinance sector in Bolivia has traditionally played a leading role in financial inclusion of low-income people in the rural areas and is expected to continue to do so, even though, the country does not have a National Financial Inclusion Strategy. According to the latest Findex (World Bank, 2017), 54% of the Bolivian population older than 15 years have a savings account. This percentage goes down to 38% for the second poorest quintile. Bolivia is the second country in Latin America with the highest level of female financial inclusion (CAF, 2018, see [article](#)).

The proposed project will enable CRECER to enlarge the variety of products offered to its clients, thus deepening their financial inclusion. The new product will undoubtedly attract new clients, contributing to the financial inclusion of low-income people, mainly women living in rural areas. The development of deposit-taking services will enable CRECER to reduce its financial costs, potentially reducing lending interest rates. CRECER, as one of the leading IFDs, has the capacity to influence the IFD system. Since the better performing IFDs have just received the authorization for deposit mobilization, it is very likely that the development of a savings product by CRECER will detonate an innovation process within the whole IFD system.

### CURRENT STATUS OF THE MFI

CRECER (the acronym for Rural Credit with Education in Spanish) is one of the most prominent MFIs in Bolivia. CRECER has a strong social mission, which has been translated into the provision of financial services to mainly poor rural women in remote villages. CRECER has more than 215'000 clients, 77% of whom are women. CRECER traditionally has offered village banking and individual loans. In March 2020, CRECER received the authorization from the financial system regulatory body (ASFI) to start offering deposit-taking services. CRECER is willing to embark on designing innovative saving products that cater to the needs of its target audience, mainly low-income women located in rural areas. The SCBF grant will allow CRECER to develop an innovative human-centred saving product for poor rural women.

### OBJECTIVES AND MAIN ACTIVITIES

Fundación Capital will provide support to CRECER in prototyping a product using design thinking and behavioural science, involving the final beneficiaries in the different steps of the product development process; and scaling up the developed product. The LISTA financial education tablet-based system will be used to disseminate financial education and explain the characteristics of the new saving product. The goal is to reach at least 6'000 people by project end. The composition of the target audience would mostly mirror the current composition of the financial institution's clientele for its village banking loan product: 87% are women, 63% live in rural areas, 40% are under 30 years old, and 27% have completed elementary school at the most. Upon project completion, the financial institution should be in a position to successfully scale up the saving product and inspire other IFDs to develop new products for the base of the pyramid.

#### Partnering with:

