

# EVALUATION REPORT

## Children's Financial Literacy Project CAMBODIA



Covering three years of program implementation  
FY2013~14, FY2014~15 & FY2015~16

June 2017

## Acknowledgements

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Cover photo:

*The photo used for the cover of the report is taken from Tapor primary school in Svay Rieng province and used with consent and permission.*

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## EXECUTIVE SUMMARY

This report is an evaluation that presents findings from the Children’s Financial Literacy (CFL) program in Cambodia from 2013-16. The interviewed participants in this evaluation include primary students (children who participated in the CFL program in the years 2014-2015 and 2015-2016), parents, teachers, and savings bank committees and members. All participants played an important role within the scope of the CFL project. The implementation of the CFL program in Cambodia had positive impacts on financial literacy in areas such as, awareness of budgeting and savings, and economic conditions of the benefactor’s households. *The findings drawn from the evaluation sample in the Svay Rieng province are **indicative rather than representative** of the CFL program overall reach and impact in Cambodia where CFL program took in different provinces in the past three (3) years.*

The Children’s Financial Literacy (CFL) program has been operating in Cambodia since 2008. During the time of evaluation, the size and reach of the program significantly increased with support from the former Australian Agency for International Development (AusAid), now Australian NGO Cooperation Program – Department of Foreign Affairs and Trade (ANCP-DFAT). In its eight years of implementation, financial literacy education has been delivered to over 60,000 children aged 7 to 11 across six rural provinces. The CFL program has also been linked with local village-based savings banks in areas where children live and attend school. The overarching objective is to provide lessons on financial literacy to children in order to introduce basic financial concepts and encourage them to develop good savings habits at a young age. A secondary goal is to link children with their village savings bank and encourage the village savings banks to develop financial savings products appropriate for children.

This evaluation found that the financial literacy lessons successfully achieved the primary objective of developing children’s financial literacy and good saving habits. The skills learnt throughout the program continue to be practiced by 86% of the interviewed students (19 of 22 students) who remain engaged in savings since completion of CFL education. The student’s understanding of financial literacy lesson was assessed at the end of each learning module. The assessment record indicated that all students understood over 83% of all lessons.

Students reported that their primary motivation for saving was to improve their educational experience. For instance, students would save to purchase school materials and support their education opportunities (Tuition for secondary school, bicycle/motorcycle for efficient transport to school, etc.). Parents and teachers were supportive of the program and played a key role in promoting student savings. However, linking students to the village savings bank has not been done extensively as of this evaluation period as CFL staff were primarily engaged with conducting CFL lessons and home visits.

This report used both qualitative and quantitative methods of evaluation. The opinions of the young students, teachers and parents as well as the progressive changes in their families were all incorporated. The purpose of this evaluation was to compare the achieved outcomes against the project objectives. It is recommended that CUFA retain the current model and structure of CFL lessons, sustain linkages with teachers including through workshops.

This evaluation recommends the linkage to local savings banks should be strengthened and reinvigorated as to overcome current deterrents. Presently, some students do not want to open a bank account because of the lack of financial products tailored for children. The interviewed students and parents expressed difficulties in meeting the savings bank requirements, such as membership fees, social fund contributions and minimum deposits that are too high for the children. These limitations need to be addressed to improve the effectiveness of the project.

## 1.0 BACKGROUND

### 1.1. Program Delivery

At the beginning of the program, CFL staff provided a program orientation to teachers and schools principals on the concepts of financial literacy and how to deliver CFL lessons. CUFA has a Memorandum of Understanding with the Ministry of Education, applicable sub-national authorities and with each school, to conduct CFL lessons directly to the students as an extra-curricular activity. The CFL lessons are based on the merits and fun of saving, along with related financial literacy skills development. In addition to lessons taught with the children, the CFL staff administered stand-alone teacher education workshops in each school, to ensure buy-in from teachers and enable them to provide regular support and encouragement to children regarding their savings habits. A secondary goal of the program was linking the children with their village savings bank and encouraging the village savings banks to develop financial products targeted to children.

### 1.2. Program Delivery Outcomes

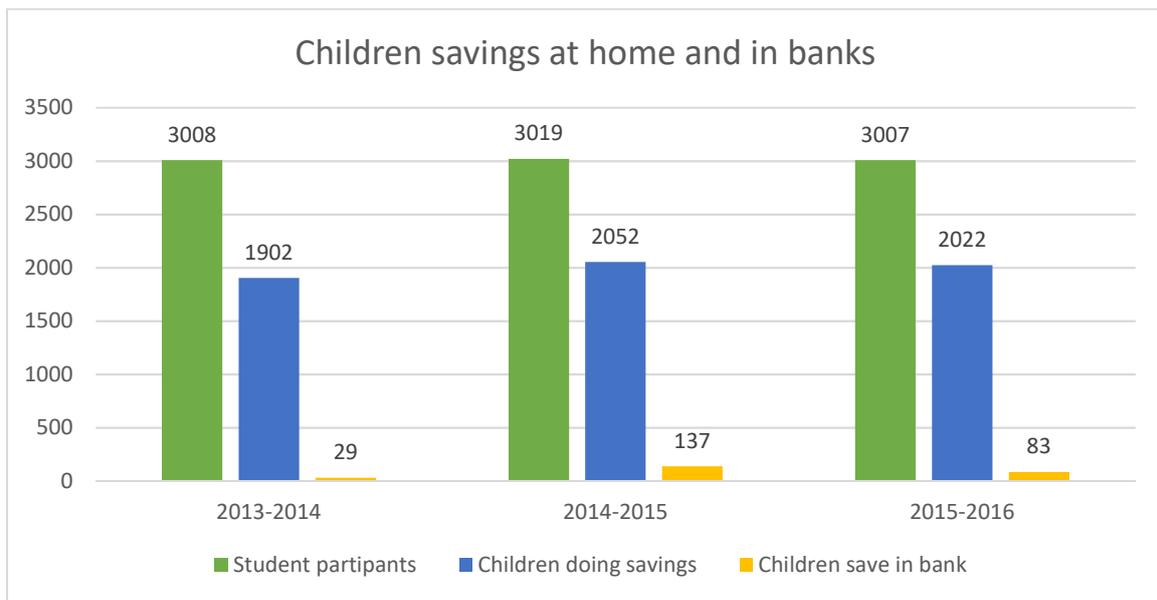
- 9,034 students participated in the CFL program (each participated in 5 training sessions)
  - 4,790 Boys;
  - 22 Boys with disability
  - 4,193 Girls;
  - 29 Girls with disability
- The CFL lessons were conducted to students from 10 schools
- 5,965 children started savings after attending the CFL program.
- 249 students (2.75% of the participants) opened a savings account. During home visits, 72.5% of parents were not a member of savings bank because there were no savings bank in their village, while 3.9% are not interested in keeping their money in savings bank.
- The student participants of the program are linked to 6 savings bank (3 savings bank committees were interviewed for this evaluation).
- 605 home visits were conducted to children participants to the CFL program. The home visit was a secondary follow-up activity of the CFL program that sought to encourage the parents to motivate their children to continue saving and open an account in their nearest savings bank, (particularly the six (6) linked savings banks and those suggested by the Cooperative Association of Cambodia Federation). Some households had 2-3 children attending in the CFL program, the number of home visits does not reflect the number of students in home visits.

- 83-93% of the children understood the lessons of the CFL. Assessment tests were taken by the students. The record indicated 83% as the lowest average for students' understanding of the CFL lessons in 2014-2015 and 90% was the average throughout the evaluation period.

Table 1: CFL Program reach (2013 – 2016)

	2013-2014	2014-2015	2015-2016	TOTAL	Remark
CFL participants	3008	3019	3007	<b>9034</b>	The target of CFL of teaching 3000 students per school year is achieved
▪ Boy	1659	1511	1620	<b>4790</b>	
▪ Boy with disability	4	11	7	<b>22</b>	
▪ Girl	1336	1486	1371	<b>4193</b>	
▪ Girl with disability	9	11	9	<b>29</b>	
Students that understood the lessons	93%	83%	93%	<b>83-93% ave. 90%</b>	Students largely understood the CFL lessons
Students started saving at home	1902	2052	2022	<b>5976</b>	66% of participants
Students that opened a bank account with the village savings bank	29	137	83	<b>249</b>	4% of the students
Home visits	262	188	155	<b>605</b>	6.7% of students

**Chart 1: Annual Program Beneficiaries (students only)**



### 1.3 Program Activities

#### Teacher Workshops

Schoolteachers are critical to the sustainability of the CFL program as they reinforce and progress the children’s financial literacy knowledge and application. CFL staff conducted stand-alone teacher workshops in each school that entered partnership with the CFL program. The workshops covered several core facets of the program. It clarified the purpose of the CFL Program, provided information about CUFA and the distinction between CUFA and the village Savings Banks, and provided teachers with tips and strategies so they could assist the CFL lessons and encourage children to save regularly. Supplying teachers with the knowledge and understanding of the CFL program, increased their interest and motivation in teaching financial literacy and encouraging the students to keep saving.

#### Children’s Financial Literacy Lessons

The CFL lessons were conducted over a 12-month period in local schools during school hours as per the set agreements with School Directors and the approval from the Ministry of Education. Five lessons were delivered to students from level 1 to 3, and five more lessons to students in level 4 to 6, with content reflecting their age and learning capacity. Each class received a total of five 1-hour lessons, each of which included review exercises. New lessons were delivered every 2 to 3 months.

Class topics delivered were: the value and importance of money; savings, spending and budgeting; savings banks and the benefits of opening a savings account; and the benefits of savings, purpose of savings, and basic financial goal-setting. CFL staff distributed materials to children that promoted and encouraged good savings habits and reinforced covered topics.

## Home Visits

CFL staff conducted home visits to CFL students to introduce the CFL program to the parents and link the children to savings banks. Tips and information were provided to parents on how to encourage their children to save regularly as well as assess the reach and impact of the program in families. Home visit also served as an opportunity to educate parents about the village Savings Bank and, with permission, obtain the names of parents interested in opening accounts. Each home visit lasted approximately 20 minutes.

## Linking Children to Savings Bank

CFL staff introduced the CFL program to the savings banks in order to promote the development of children savings products and encourage the members to include the children as members of the savings bank. The banks visited were suggested by The Cooperative Association of Cambodia to protect the children from unstable financial institutions.

## 2.0 METHODOLOGY

### 2.1 Evaluation Purpose

The purpose of this evaluation is to assess the performance and results of CUFA's Children's Financial Literacy Program in Cambodia from 2013-16. Findings are generated from measuring impact and the identification of challenges and opportunities. This process facilitates the incorporation of participant voices into decision-making so that project design and implementation can be more comprehensive. Hence, the report posits recommendations for future project designs and implementation.

### 2.2 Evaluation Scope

The focus of this evaluation is on the results of CFL program in regards to children's financial literacy, and its impacts upon individual savings banks. *Findings are drawn exclusively from savings banks and sampled program participants in Svay Rieng province. Thus, findings should be understood as **indicative rather than representative** of the program's impact and reach in other targeted provinces.*

### 2.3 Evaluation Framework

**The Australian Aid Programs NGO Quality Assessment Framework (QAF)**; a framework to assess the quality of NGO project implementation employed by the Australian Aid Programs Quality Assurance Group for:

- **Relevance:** the extent to which activity objectives and designs are appropriate;
- **Efficiency:** the extent to which activities have been managed in a professional manner;
- **Effectiveness:** evidence that the activity is likely to achieve the desired results;
- **Sustainability:** evidence that the activity is likely to foster sustainable outcomes.

**The Australian Aid Programs NGO Quality Ratings Guide:** a framework developed to report on the achievement of project objectives as required in the Australian Aid Programs

Performance Report as:

- **Best Practice:** Represents a situation where something over and above normal good aid practice has occurred, particularly something innovative.
- **Fully Satisfactory:** There are only a few minor weaknesses in the program as a whole.
- **Satisfactory Overall:** There are weaknesses as well as strengths but that the weaknesses are not severe enough to threaten the program.
- **Marginally Satisfactory:** There are serious weaknesses which require early action if the program is to continue to progress.
- **Weak:** The program is seriously deficient. Problems are widespread throughout the project/program and that immediate and decisive action is needed to address them.

#### 2.4 Research Team

An independent evaluator was hired for the purpose of conducting a series of project evaluations for CUFA. The project evaluator from CUFA office in Australia was in-charge of analysing and reporting the collected information. In-country staff and program officers conducted the sampling and collection of data, as well as data entry. The evaluator did not engage personally with the sample and project sites. Project officers were involved mostly in data collection but also raised concerns and assisted in reviewing the methodological process.

The research assistant had sufficient background knowledge of the project, both team members had been independent from project delivery activities. Further assistance was provided by CFL project field officers who supported the organisation of Focus Group Discussions (FGD), individual interviews and additional translations where required. Local CUFA project officers assisted with translation of the 3 FGDs and 51 individual interviews. Prior to field research, the research assistant in Phnom Penh briefed all members of the CFL team, where they were invited to review the methodological process and then provide input concerns and ideas into the process.

#### 2.5 Research Tools

This evaluation used Survey Questionnaire Interviews, Focus Groups and Monthly-Quarterly reports. Evaluation findings were most reliant upon the analysis of qualitative data. A mixed-methods approach was undertaken combining quantitative data and qualitative data, comprising of three components, these being; review of project documentation and information; FGDs with project participants; and semi-structured individual interviews with project participants (leaders and potential members).

As mentioned above, the evaluation process was discussed in a meeting with all CFL project staff in Phnom Penh, and their feedback was incorporated into the design of research tools. FGDs and interviews were semi-structured and questions open-ended, with a format for prompts to ensure key information was gathered, but in a way in which conversation could flow to enable information to surface. The questions were developed to understand the outcome and impact of the program to the lives of the project participants. This approach was easier for participants to follow as it was more natural - if people started discussing an area which wasn't part of the current questioning but did inform a different section of questioning, this flexibility and adaptability (not a rigid format) meant the interviewee or participant could continue for as long as relevant information was being captured.

**The review of program documentation and records** included:

- 1) project design documents – project plans, annual development plan; phase-by-phase implementation toolkits; and,
- 2) project information – quantitative and qualitative project data; monthly and quarterly monitoring reports completed by the CFL in-country project officer; phase-by-phase reports. This review has informed assessments of the quality of project design and implementation.

**Individual interviews** were conducted with 22 students. Specific criteria were used for the selection of interviewees. Considerations included: gender, school, education level, age, and availability for interview. These considerations were made to maximise time effectiveness and identify key informants whilst constituting a sample representative of the group: a mix of boys and girls. The rationale of individual interviews was to capture the voices of those who may not be comfortable speaking in a group, but for whom it was identified by observation that they had something to say.

**Key informant interviews** were undertaken with key program and partner staff, teachers and parents.

A **group interviews** were conducted with committees at 3 sampled savings banks.

## 2.6 Sampling

The sample for this evaluation was extracted from students who participated in the CFL program as well as teachers and parents who were directly engaged with the students, and partnered committees where parents were members. Sampling size was based upon time constraints, particularly given the great distances between project areas, balanced against the need to find a sample representative of the project.

Table 2: Evaluation participants & Coverage

Interviews with Teachers	9	Provinces visited:	1
Interviews with students	22	Affiliated Savings Banks:	3
Committee members within Savings Banks:	3	Group Interviews – Committee members:	12
Interviews with Parents:	17	Total Participants	63

## 2.7 Limitations

There were some limitations related to the parameters of time allocated to prepare, conduct and present this evaluation. These limitations were compounded by the long periods of time to travel between sites, and therefore only 3 of 6 partner savings banks were sampled for on-

site research. An attempt was made to offset this by utilising program data covering a wider area in order to make general assessments about wider program performance.

Given the limited timeframe and scope of the evaluation, the evaluator did not participate in the field site visits, data collection and interview process. The selection of sites and samples for interviews was facilitated by in-country program staff in Cambodia. Potential for selection bias is somewhat offset through direct oversight from the in-country staffs who acted as research assistants and translators from the previous evaluation. However, it is noted here that risks could not be entirely mitigated.

In some cases, the collection of appropriate qualitative data was made difficult by the lack of a common language between the evaluator and interviewees. A professional translator was not hired for this evaluation, and so the translation was at times not as strong as it could have been. Although this limitation was offset by the fact that the Research Assistant/Translator had experience working with savings banks and possessed a developed understanding of the rural finance sector in Cambodia.

The monthly reports and records were at times inconsistent and did not record information as to why an activity was not implemented or was rather postponed. Some figures did not match the data tracking and took time to locate the data needed for this evaluation.

Given the practical considerations of time parameters on the research, in some circumstances there was no possibility to investigate the issues reported by some savings banks. However, some verification was made possible through communication with the Research Assistant, CUFA Project Officer, and CFL Project Coordinator via email and in video-call.

## 3.0 FINDINGS

### Summary of Findings

- The CFL program assisted parents in reducing household and education expenses as children spend wisely and saved money to buy things they needed for school. The children included treating their parents (for a special meal or gift) as one of their objectives for saving money apart from buying school materials. This is expounded on the topic “development of CFL”.
- Teaching methods used daily existential financial problems rather than fictional scenarios as to establish a level of importance, reliability and relevance. For example, children were told; if they save regularly, they will have the means to buy a laptop, bicycle and school materials. This was very effective practice towards creating a sense of urgency and understanding amongst the students.
- There was a higher propensity for participants to open a savings account if they received gifts or a tangible reward in addition to receiving interest from their savings
- Many children did not save through a savings bank (8,785 of 9,034 students) because:
  - they don't have enough money to meet the initial deposit requirement;
  - the administrative fee was too high for children (same amount as adults.)The availability of children saving account was the most determinant factor in opening children’s accounts, as opposed to other theories such as parent’s perception, or the

unavailability of local savings banks. Therefore it can be assumed that if there is a savings product designed for children, the children will be more likely to open an account in the savings bank.

- The CFL program activities were limited in linking children to savings banks. There were few activities that promoted children savings products other than introducing the CFL program to the committees.
- The home visits to CFL students were conducted to a total of 605 households. Since the target audience for home visitation are children who are not engaged in savings (a total of 3058 students in 3 years). It should be noted that there are instances of two or more students who are siblings so 605 home visits do not reflect 605 students.

Table 3: CFL activity assessment

	<b>Best Practice</b>	<b>Fully Satisfactory</b>	<b>Satisfactory Overall</b>	<b>Marginally Satisfactory</b>	<b>Weak</b>
Development of CFL		✓			
Promotion of good savings habits		✓			
Linking children to savings banks				✓	
Promotion of child savings product				✓	

### 3.1 Development of CFL and good saving habits

The CFL program is performing well in the promotion of good savings habits among children. The lessons conducted in primary schools are essential in encouraging children to save money and spend wisely. The teachers and parent’s role of extending the impact of CFL lessons and monitoring children’s savings habits was performed to a positive degree (more details below). Overall the project design and implementation of activities was thoroughly satisfactory.

The students who participated in the CFL program indicated positive habits of saving such as budgeting their spending to incorporate high levels of savings. 78.9% (15/19) of the interviewed students are saving money in their piggy bank to purchase material for their studies. The CFL program also eased the financial pressures on parents as children were spending on items to support their studies. Three notable (3) students saved money for future use and to treat their parents if they got sick. While one student saved so she could open a savings account, earn interest and receive gift rewards for her regular saving.

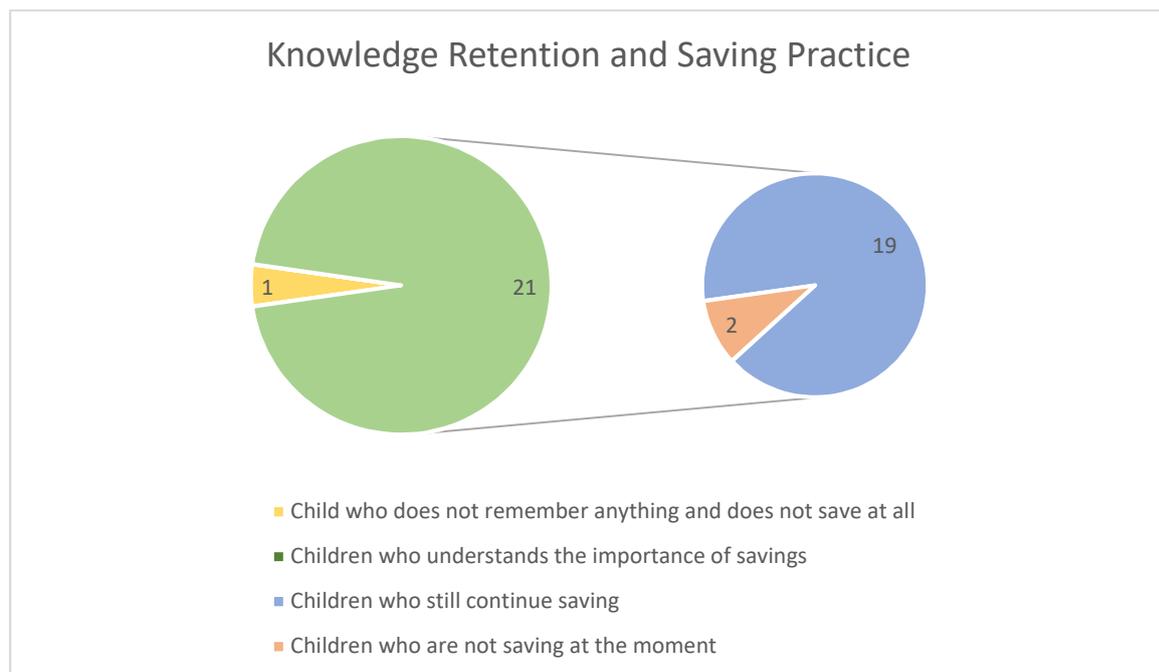
#### 3.1.1 Program Impact in Numbers

Of the twenty-two (22) students sampled in this evaluation, sixteen students (16) undertook the CFL program in the 2014-2015 school year, while eight students (8) participated in the CFL program in their primary school in the 2015-2016 school year.

The CFL program appears to be performing well. 21 of 22 children (95.45%) interviewed in this evaluation showed an understanding of the importance of savings. Of these children, nineteen (19) saved money (86.36%), 5 of which identified that they save on a regular basis (22.7%), and fourteen (14) (63.36%) did not identify a recurring savings strategy. Three (3 of the 22) children did not save money despite participating in the CFL program; one child has no money to save; another child has no money to buy a piggy bank and the other child does not save at all. The latter is still 7 years of age and does not fully understand the importance of savings.

It is evident that the impact of the program has varying effects. Of the twenty-two (22) children, twelve (12) keep their savings in the savings bank, while five (5) keeps their savings within the home using objects such as piggy banks. A portion of 87% of the students interviewed in this evaluation continued to save, with a dropout rate (those ceasing to save) of only 13%.

The CFL project aims to instil financial literacy among the beneficiaries of the project, 21 of 22 interviewed students showed an understanding of key financial skills including budgeting and saving for the future.



### 3.1.2 CFL Lesson

The lessons conducted were the primary components of the CFL program. It ensured that students received broad understanding of financial concepts and financial management systems. The combined interview results with students, teachers and parents, display that the lessons incurred impacts across all three samples of individuals. Majority of students undertaking savings activities cited school materials, mode of transport and treatment of their parents as the central motivators behind their saving activities after receiving CFL lessons. The responses of the sample demonstrate common understanding of the value of money, the functions of savings and budgeting, and the benefits of financial goal-setting. The

Lessons provided in schools were effective in promoting good savings habits and the development of basic financial literacy among students. The reach of CFL lessons extended beyond the classrooms as teachers introduced CFL to the community and to other schools. Being equipped with the knowledge and information about CFL, teachers encouraged the students to keep savings. One interviewed parent planned to open an account after learning of the importance of savings through the child who participated in the CFL program.

CFL lessons had over 66% effectiveness rate as 5965 of the 9034 students started saving after attending the CFL lessons. The rate may have been higher if there were no external factors that acted as barriers to children savings. The barriers identified are as follows:

- a. Limited money to save (due to poor financial situation of the family)
- b. No piggy bank (without a money box, the children are demotivated to keep saving)
- c. Parents do not encourage children to save
  - Parents think the children are too young to start savings
  - Parents have bad experience with the credit union.

It is recommended to include craftwork in the first stages of the CFL lesson so the children can have their own money box (creating their own contributes understanding of good savings habits). Distributing CFL lesson books to students may encourage parents to support their children saving as they will then see some of the lessons being taught. However, the lesson book needs to be revised, as some stories may not contribute in the topic of savings or budgeting. In addition, more home visits are essential, particularly to CFL students who are not engaged in savings. This is an opportunity to educate parents about budgeting and saving as well as to encouraging their child to save.

### 3.1.3 Role of Teachers

The responsibility of teachers in the CFL program is to facilitate the students to join and continue the lessons and to ensure there is sufficient time available for teaching. Outside dedicating sessions, teachers should remind students about the lessons they have learnt and encourage them to save money as much as they can.

The interviewed teachers emphasised that providing real-life examples rather than fictional scenarios in their teaching was most effective to motivate the students. They reminded students that if they save regularly, they will have the means to buy items such as a laptop, bicycle and school materials. Students often compared their saving to one and another and discussed what they bought and how much they have saved. Teachers encouraged this but intervened in conversations with the students who had lower savings from being discouraged.

One of the interviewed teachers suggested that while class sessions were of adequate time for CFL staff to deliver their lessons and for the students to learn, CFL staff should nonetheless visit the school regularly and interact with the students that were saving. This could motivate the students to continue saving while encouraging other students to start saving. The children require close follow-up and support and although the teacher plays the primary role to remind them to keep saving, the presence of CFL staff could further inspire them since they are recognised as teachers of financial literacy by the students.

#### 3.1.4 Role of Parents

Parents' are a key stakeholder in encouraging the students to save. Considering the contact hours and influence parents have, they play a pivotal role in teaching the children, especially in budgeting and saving.

This evaluation found that 16 of 17 interviewed parents helped their children to save and encouraged children to budget and spend their money wisely. One (1) parent didn't know anything about CFL and does not encourage his child to save as they don't have enough money, however, he saves regularly in the village credit union. Eight (of the 16) parents opened a savings account for their children after learning that the children started saving. While three (3) parents will open an account in the savings bank, once the child saved enough money for an initial deposit.

The children are encouraged to share the lesson book with their parents so they could help to understand the importance of saving and assist them to do so. However, only eight (of 17) interviewed parents knew the contents of the book, as more than half had ignored the lessons. Some parents rarely advise their child to save money, one (1) interviewed parent just gave money for school, while nine (9) parents did not encourage their children to open a savings account because of several reasons such as difficulties to withdraw money when needed, the proximity of the bank, or the family lack disposable income to save.

The education of the parents is essential to ensure children are getting a great path towards the future. Parents who understood financial concepts, benefits of savings and benefits of being a member in the savings bank, contributed more in educating and reminding their children to secure their future.

To ensure parents understand financial concepts, there should be more frequent home visits that teach and explain some of the fundamental notions of financial literacy training. Additionally, a visit to the village to conduct a joint workshop with parent and child would promote deeper understanding on the importance of saving and strengthen the connection in the family.

#### 3.1.5 Other Factors

12 of 22 students keep their savings in piggy bank as they found this the simplest method to keep adding regular savings. The central issue with the savings banks was that their minimum deposit requirements were too high or too time intensive to maintain. Children undertaking savings to buy school materials preferred piggy banks because they were easier to access their money. 3 of 10 students saved their money in the piggy bank and deposits in the savings bank if it reached minimum.

Not all children kept their money in piggy banks because of the upfront cost of a piggy bank. One student cited she stopped saving as she doesn't have money to buy a piggy bank. CUFA staff encouraged children to make their own money box using available materials. This evaluation recommends that teachers and parents help in making moneyboxes. This will motivate the students to have a good savings habit as well as to remind them that there are many people involved in the program to support them.

### 3.2 Linking Children to savings bank and promoting child savings products

This evaluation found that the CFL program has not been altogether effective in linking children to savings banks. There are few activities that promote and explain child savings products other than introducing the CFL program to the committees in the early stage of the program. The progress of linking children to savings banks and promoting child savings product is thus marginally satisfactory.

However, the limited linkage is primary an issue of available services rather than CFL curriculum. That is, the nature of the locations where the programs operates is rural in location and scarce in financial resources. From the few existential financial institutions, the minimum deposit is often too high for children and they are asked to pay administrative costs and provide social funding at the same amount as adults. Nonetheless, it is recommended that the CFL staff shift more focus on activities that promote these savings banks so the students can securely grow their savings.

#### 3.2.1 Program Impact in Numbers

The CFL program motivated children to budget their money and save. Two savings banks cited an increase of child membership after the CFL program started. The sample in this evaluation shows that 12 out of 22 students opened an account in a savings bank. However, all accounts are adult accounts as there are no children savings products developed yet from any of the banks linked to the CFL program in Svay Rieng.

These figures (12 students) indicated that the program is positively impacting upon rates of formal savings among students. However, the linkages with savings banks remain limited. This explains the limited progress in translating outcomes in children's financial literacy into outcomes that quantitatively grow child savings accounts.

Children who participated in the CFL program opened an account in the savings bank as they believed that they would spend their money if it were kept at home. By leaving their money in savings banks, they could control their urge to buy something as well as earn interest. They also received gifts from savings banks when they opened an account. These gifts were very valued and persisted as a main reason for children to invest in the banks.

#### 3.2.2 Linking children to a savings bank

This evaluation found that the CFL staff have not created a sustainable link between the children and savings banks. Program activities were mostly pivoted on budgeting and savings related lessons. The only concrete connections between student and savings bank was the class excursion to a savings banks and the CFL lesson book that demonstrated keeping money in savings banks will earn interest and be secured.

CFL staff introduced the program to the savings bank but only visited once and didn't contact all other savings bank as expressed by the interviewed committees. Although CFL staff gathered names of parents (potential member), the savings bank didn't receive any name

from the CFL staff. The committees cited that CFL staff visited the savings bank to introduce the program and surveyed the number of children account and their names.

Despite the lack of prevalent activities linking children to the banks, savings banks have reported an increase in child members following the commencement of the CFL program. The committees conducted home visits to the members to promote children savings as membership increases capital after learning that CFL program included children where the savings bank operates. One of the saving bank interviewed in this evaluation accounted that children members saved an average of \$2.50 per month. The bank suspected that the children became interested in opening a saving account because of the CFL program.

However, not all children could open an account in the bank as there were no children savings products yet and couldn't afford maintenance problems. To apply for membership, the children have to pay US\$5.00 as a membership fee and passbook, and a US\$10.00 social contribution fund. The social fund is used to help people in the community, for instance as a donation if someone died, or to maintain the street in the community. To avoid children paying fees, parents who were members of savings bank made a joint account with their children.

The committees noticed that child membership were profitable for their bank as it increased the capital and total savings pool. There were cases where children were saving regularly compared to some adult members. Other advantages of having child members was also; an increase in the social contribution fund and parents increased their savings because they are motivated to save.

Savings banks committees encouraged members to open accounts for their children during house and school visits and when members delivered a child. In Cambodian culture, neighbours visit and give cash gifts when a family delivers a newborn child.

However, if the CFL staff does not strengthen the link to savings banks, there is a risk that the children savings could be exploited by financial institutions other than the six savings banks suggested by the Cooperative Association of Cambodia (CAC). This evaluation strongly recommends CFL staff to monitor and promote the listed savings banks so they can develop a child saving product.

Table 4: The benefits of CFL program to savings banks

<b>Short-term benefits to the savings bank</b>
<ul style="list-style-type: none"> <li>- Increases membership</li> <li>- Increases capital in bank that can be used to provide loans</li> <li>- Increases knowledge of CFL amongst children and their parents</li> <li>- Creates a good habit of saving for the community members, especially children</li> </ul>
<b>Long-term benefits to the savings bank</b>
<ul style="list-style-type: none"> <li>- Children are long-term members in a savings bank because they live in the community and would not emigrate until they are adult</li> <li>- Increases the capital in the savings bank</li> <li>- Improves the living standard among community members and promotes regular savings</li> </ul>

Parents who are not members of savings banks, generally do not encourage their children to save in savings bank as well as parents with very young children and no money to save. Two interviewed students did not open an account because there was no one in their family who is a member of savings bank. In addition, children undertaking savings to buy school materials prefer to keep savings at home as it was difficult to withdraw the money when needed.

This evaluation also recommends developing activities that links the children to savings banks affiliated to CUFA and CAC to ensure that children's savings is secured. CFL staff should conduct regular support and visit savings banks to allow committees to understand the CFL program and develop tailored financial products for children.

### 3.2.3 Development and promotion of child savings products

Due to lack of understanding of the CFL program, the committees haven't developed a product that is suitable for child members. Without proper children savings product, the children follow the same procedure and fees as their parent's adult savings account. The children must pay the same amount and reach the same minimum deposit as adults. No matter how diligent children may be when inspired to save, it will be a long-term prospect for children to being saving at the current start- up rates. Furthermore, children may attempt to spend their money to buy necessary items needed for school before reaching the minimum deposit.

Interviewed savings bank committees provided gift to children who opened account. Children need something to motivate them and gift rewards have encouraged more children towards the bank. The savings bank plans to provide more incentives to children who have high savings to increase the number of child accounts.

This evaluation recommends CFL staff to liaise with partner savings bank in developing children savings product. The children savings product must provide special treatment by lowering the associated costs while providing interest and gift incentives to regular savers. No social fund must be charged to the children.

### 3.2.4 Strengthening credit union capacity

The progress towards strengthening the capacity of savings banks has been limited as the rise in children's financial literacy and development of good savings habits have not reflected any significant growth in the membership or capital base of savings banks. The main reason is the limited extension of linkages between children and savings banks, largely due to parent's membership status with the partnered savings banks.

To protect the children's savings, the Cooperative Association of Cambodia (CAC) provided CUFA with suggested partner savings banks that had positive track records. As discussed in detail above, most savings banks do not have child savings products. In addition, parents who are members with savings banks deposit their children's savings under their account to avoid the fees. These actions make it more challenging to monitor the number of children who save and are involved with the bank. A number of CFL program activities are designed to educate savings banks about the benefits of child membership while facilitating linkages with CFL students so that local savings banks can develop savings product designed for children. This

evaluation found that these activities have been limited in both scope and reach over the past three years within the sample group.

CFL staff conducted home visits to families with children participating in the CFL program. These were intended as an extension activity to consolidate classroom learning as well as an opportunity to educate parents and provide information about savings banks. In addition, CFL staff would pass the details of parents who express an interest in savings to the local savings bank. Most parents interviewed for this evaluation indicated that they only knew about the CFL program through their children, and for some it made them interested in opening a saving account for their child. Of the seventeen parents interviewed only one had refused to engage with a savings banks due to a bad prior experience. However, all three savings banks committees informed that they never received names of interested parents from CFL staff. It may be appropriate to increase home visits particularly to villages where the six savings banks operate, as sampled home visits indicated that the unavailability of savings banks in the village is the main reason for not opening an account.

This evaluation recommends running community-based outreach workshops, in cooperation with the local savings bank, may present a more effective and efficient method of promoting child savings to parents. Meanwhile, the local savings banks may expand their operation to villages where there are no savings banks operating. The development of children savings product must be pursued by the partner savings banks, as it will encourage parents to open an account for their child if it has more benefits to children.

#### 4.0 Program Quality Assessment

	Best Practice	Fully Satisfactory	Satisfactory Overall	Marginally Satisfactory	Weak
Relevance		✓			
Effectiveness		✓			
Efficiency			✓		
Sustainability			✓		

##### Relevance

The CFL program objectives and activities are marked **fully satisfactory**. The focus of objectives and design of activities is appropriate for developing children’s financial literacy and promoting good savings habits. The structure and content of lessons is producing proven outcomes in line with the primary program objective. Teacher workshops support teachers in reminding students to maintain good habits of saving, as well as providing an opportunity to link the CFL program with local savings banks.

The secondary objective of the program is highly appropriate and critical in putting learning into practice. Students are encouraged to save formally and development of children savings product is the key factor. Institutionalising saving will ensure savings will continue to adulthood.

Home visits by CFL staff is the one program activity that has not been demonstrated to produce results and in any case, is limited in its reach. It would be worth considering a modification of this activity so that the objective of linking parents with the CFL program and savings bank can be better realised.

### Effectiveness

The effectiveness of the program is **fully satisfactory**. CFL activities are highly effective in achieving the primary goal of developing children's financial literacy and promoting good savings habits. This segment could have been rated best practice if it were not for arriving a little short in its secondary objective of linking children to savings banks.

The data from interviewed students demonstrated that CFL lessons had a strong impact upon the development of children's financial literacy. Of the twenty-two students interviewed, 95.45% had better understanding of financial literacy including the importance of savings and 86.36% applied this knowledge in budgeting their finances and undertaken savings.

However, activities linking children to savings banks had less impact, with only 4% of the total students practicing actual saving, now hold a savings bank account (Appendix B). As a result, the degree to which the CFL program has contributed to strengthening savings banks has been limited. Home visit activities were conducted only to 6.7% of the students that participated in CFL program and thus incurred little impact. Outreach to savings banks has been limited as seen by the lack of understanding of from the committees and their minimal contact with CFL staff.

### Efficiency

The efficiency of program activities is **satisfactory overall**. The targets were attained and 66% of the students who participated in the CFL program have applied their learning into practice. Program reach is impressive. CFL staff provided five lessons to over 3000 students per school year, to an average of 3,011 students. Given the scope of these activities, program efficiency is considered high.

Reaching 3000 students each school year requires three to four CFL staff to conduct lessons. With the extensive reach of CFL lessons but limited number of CFL staff, there is not enough time to implement other program activities. The report indicated that less than 200 home visits were conducted each year while there were more than 1000 students who are not engaged in savings. Another activity that is somewhat neglected is the linking between savings banks and students participating in the CFL program. In three sampled savings bank, the committees cited that CFL staff only came once to explain about the CFL program and no follow-ups or updates since then.

### Sustainability

The sustainability of the CFL program is **satisfactory overall**. There is significant progress toward the primary objective of delivering a solid foundation of financial literacy for children and promoting good savings habits. However, progress toward securing the secondary objective of linking children to savings banks is weak, which places the medium to longer term sustainability of the program at risk.

Teachers and parents play a big part in the retention of children’s savings habits. The development of a children savings product would play yet a bigger role, as institutionalising the children’s savings would provide them more control in their finance and earn interest that increases their savings.

However, the program sustainability remained weak in transferring financial literacy of children to their families and facilitating links to enable them to save with the local savings bank. CFL lessons provided students with important skills and promoting good savings habits. But retention of good savings habits is at risk if there is no consistent practice and secured place to keep their money that they can carry into adulthood. An increased focus on this second program objective is needed to ensure program sustainability.

## 5.0 Cross-cutting issues

### Gender

The participation of girls and boys is equal, with a slight bias toward boys which reflects educational enrolment practices in Cambodia. Educational trends in Cambodia indicate that many children do not progress beyond primary school education. This trend particularly affects girls and young women, so taking that into consideration, targeting the age range of seven to eleven years old, ensures that female school children have the opportunity to gain financial literacy skills which may not be available to them in later years.

### Disability

CUFA follows the operating principles of the International Credit Union Movement. One relevant and pertinent principle is non-discrimination on the grounds of gender. The program coordinators monitor all CUFA programs to ensure effective compliance with this principle.

	Boy	Girl	Boy with disability	Girl with disability
2013-2014	1659	1336	4	9
2014-2015	1511	1486	11	11
2015-2016	1620	1371	7	9

## 6.0 SUMMARY OF RECOMMENDATIONS

1. Conduct school visits to interact with the students undertaking savings. This will increase their motivation to continue saving and encourage other students to start saving.
2. Implement community-based outreach workshops, in association with the local savings bank, so parent and child will know the partner savings banks that were selected based on their positive record that could secure the children savings.

## 7.0 APPENDICES

### Appendix A

Period	Savings Bank	Schools	CFL Classes (7-9yr)	CFL Classes (10-11yr)	Total Students	Total Girls	Home Visits	Teacher Workshops
2013 - 2014	8	10	6	6	3008	1345	262	10
2014 - 2015	6	8	6	6	3019	1497	188	
2015- 2016	6	9	6	6	3007	1380	155	

### Appendix B

	2013-2014	2014-2015	2015-2016	TOTAL
CFL participants	3008	3019	3007	9034
▪ Boy	1659	1511	1620	4790
▪ Boy with disability	4	11	7	22
▪ Girl	1336	1486	1371	4193
▪ Girl with disability	9	11	9	29
Engaged schools	10	8	9	
Students that understood the lessons	93%	83%	93%	83-93%
Students started saving	1902	2052	2022	5976
Students that opened a bank account	29	137	83	249
How many CUs partnered with the CFL program	8	6	6	
How many home visits were made	262	188	155	605

### Appendix C - Questionnaire for Students

Individual interview questions for students	
1	Do you save money at the Savings Bank? Why? Why not?
2	Does anyone else in your family also save money? Who?
3	Did you read Ronnie the Riel or the CUFA book with anyone after class?
4	What do you remember learning during CFL classes? (Do you know what Budgeting is? / Why is it important to save money for the future?)
5	Do you still save money? What are you saving for? What have already purchased?
6	Are there any other opportunities for students to learn about the importance of saving and Financial Literacy, other than the CFL program?
7	Do you think this type of program would be beneficial among older students? (High School)

## Appendix D - Questionnaire for Parents

Individual interview questions for parents	
1	How did you learn that your child is receiving CFL lessons?
2	What is your understanding of the objectives of CFL?
3	How many CFL sessions have been taught to your child?
4	Do you help your child save money?
5	How much money has your child saved in total? e.g. Riel
6	Has your child opened a savings account?
7	What does your child now do differently re: savings, spending money since CFL?
8	Do you encourage your child to save money on a regular basis. If yes, how often?
9	How did your child share the CFL information with you?
10	Since your child began the CFL program have you begun to save?
11	Where?
12	How often
13	How much?
14	Do your other children / family members now save?
15	Do you know about the savings bank? What is the purpose of the SB?
16	Have you opened a savings account?
17	If no, would you like to open a savings account?
18	As applicable, why haven't you opened an account yet?
19	What do you think are the benefits of opening an account?
20	What do you think are the benefits of your child opening an account?
21	As applicable, how/when do you deposit savings with the SB? Is it easy or not?
22	As applicable, what support may be required to assist you and family members to open savings accounts with the local SB?

## Appendix E - Questionnaire for Teachers

Individual interview questions for teachers	
1	Have you taken part in a Teacher Workshop conducted by CUFA?
2	If yes, what have you learnt from that workshop? What do you think about it?
3	if no, why?
4	Are you supportive of the CFL Program in your school?
5	if yes/no, why?
6	What are your main roles/responsibilities with the CFL Program? What do you normally do during the CFL class?
7	How much time per week, does your school devote to the CFL program? (How many lessons)
8	Do you think more time needs to be devoted to this type of education?
9	Do your students talk about the program, outside of CFL training times? (Yes/No)
10	In your observation with the CFL program, what have been some of the positive changes you've seen in your students?
11	Are there any local savings banks near the school?

12	Have any local savings banks ever come to talk or visit the school to promote the children's savings accounts?
13	Have you been visiting your local savings bank in your community?
14	Are you a member of any local savings bank?
15	If yes, when? Was it after or before you know about CFL Program?
16	If no, why?
17	Do you see the benefits in being part of a Savings Bank?
18	Which of the specific CFL activities do you think encourages children to save the most?
19	Have you, or do you speak about what you have learnt in the CFL program, with friends and/or family outside of the school? Yes or No

Appendix F - Questionnaire for savings bank committee members

Individual interview questions for savings bank committees	
1	Does your Savings Bank have children accounts?
2	How many child members aged 7-11 years at 01/01/2015?
3	How many child members aged 7-11 years at October 31st, 2016 (in 2016)
4	What is the average amounting these child members save every month? <i>Specify USD or Riel</i>
5	Is your savings bank familiar with CUFA's CFL project? What is your understanding of the project objectives?
6	Has your savings bank had any contact/relationship with schools? (For example, through participation in teacher workshop; or school group visits to the savings bank)
7	Has the savings bank ever received names of parents interested in opening accounts from the CFL STAFF?
8	If yes, what does the savings bank do with this information? (Do any these parents become members of the savings bank?)
9	Does your savings bank think it is important to have child members, or is it not important? why?
10	What are the advantages of having child members in the savings bank?
11	Has the savings bank made any efforts to promote child membership? Please details:
12	Why do you think children who learn about financial literacy in schools don't open accounts with your savings bank? If other, please detail:
13	Has the savings bank noticed any benefits or changes for the savings bank, parents or children because of the CFL program?
14	If yes, please detail: (eg. easy for savings bank to do promotion because villagers understand more about savings)
15	Do you have any ideas on how the savings bank could take advantage of the CFL project? How could CUFA support your savings bank to increase membership and capital by attracting more children in becoming members?