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Savings Products and Services in the Informal Sector and Microfinance Institutions in West Africa: The Case of Mali and Benin

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1.0 INTRODUCTION

This study was conducted by ***MicroSave***, an agency founded and financed by the United Nations Development Programme (UNDP) and the Department for International Development (DFID) (the official British donor agency) following the conference of the CGAP Savings Mobilisation Working Group held in Kampala in February 1998. *MicroSave's* objective is to "promote secure, high quality financial services for poor people". This study was limited to the people of the West African countries of Benin and Mali. Our research considered: i) the behaviour and preferences of the poor with regard to savings; and ii) the design of savings products for the poor by microfinance institutions (MFIs).

This study attempts to answer the following questions:

- Why and how do the poor of Benin and Mali save?
- How frequently, to what extent and by which services or systems do they save?
- Are the poor satisfied with the systems and methods in place? Why or why not?
- What needs/desires do savings serve in clients' lives?
- What difference does access to satisfactory savings systems make to their lives?

By addressing these questions, this study attempts to go beyond understanding the different financial systems and how accessible their services are to the poor in both countries. Instead, this study focuses on discovering how the clients and non-clients of the microfinance institutions (MFIs) and the informal systems utilise and perceive the savings products and services currently offered. This study continues by exploring the unsatisfied needs and new possible products that clients would like.

Using data collected in the field, we make suggestions for potential new products, but stops short of analysing the feasibility of these or other products. The hope is that these concepts will be developed and tested further by the Financial Innovation Centre (CIF) recently set up in West Africa. The research approach used vocational target groups in contrast to a parallel study in East Africa that attempted to classify groups by poverty level (very poor, poor, middle class and wealthy). The choice of the field investigation sites was dictated by the desire to cover the poorer segments of the population (peripheral neighbourhoods of Bamako and Cotonou, the rural areas, the unemployed, the village banks specifically set up for poor, etc.).

2.0 METHODOLOGY USED

2.1 General Approach and Comparison Variables

As an initial step, the team analysed the existing documentation and statistics from the microfinance database of the UEMOA for both Mali and Benin. As suggested by Rutherford (1999) for East Africa, financial systems in Mali and Benin were analysed according to a grid comprised of eight variables[2]:

- How are savings converted into lump sums?
  - saving up,
  - saving down [taking a loan as an advance against future capacity to save] and
  - saving through [making a continuous set of deposits which are converted into a lump sum at some point in time during the flow] (Rutherford, 1999);
- What is the frequency of the transactions? What is the volume of money involved in the service?
- What is duration of the conversion (short-, medium- or long-term)?

[1] Jean-Pierre Muimana Kalala and Alpha Ouedraogo worked under contract to Développement International Desjardins, who were contracted by ***MicroSave*** to produce this study.

[2] Rutherford, S., op. cit., pp.12-15

- Is the use of the amount obtained free or restricted?
- What is typical the economic status of beneficiaries (very poor, poor, middle-class or wealthy)?
- What is the conversion price (low, medium or high)? and
- How great is the risk (low, medium or high)?

2.2 Data-Gathering Methods

The data analysed in this study were gathered primarily by two survey techniques: group interviews using discussion guides and PRA tools and in-depth interviews with several members of identified target groups. In-depth interviews made it possible to detail typical cases illustrating the different situations encountered.

Four PRA tools were used during the course of the study, these were: i) Venn diagrams ii) seasonality analysis of income, expenses, savings and credit; iii) life cycle profiles and changes in monetary needs, and iv) time series of crises (i.e. illnesses, death, loss of employment, disasters, etc.). (See Appendix 2 for a brief description of these).

2.3 Interview Guide

According to the study protocol, discussion guides were prepared to help consultants facilitate group and individual discussions. Three categories of people were interviewed: clients, non-clients and managers of MFIs.

2.4 Areas Covered and Target Groups

Four sites were visited in each country: Bamako, Ségou, Koutiala and Niono in Mali, and Cotonou, Bohicon, Porto-Novo and Pobè in Benin. These sites were chosen taking into account the level of poverty (in rural or peri-urban neighbourhoods), the diversity of the financial systems as well as the area in which the MFIs and networks under consideration operate. The following MFIs were reviewed:

Mali:

1. the Nyèsigiso network,
2. the Merchant and Entrepreneur Savings and Credit Association Bank (CAECE)[3],
3. the Mali-Enjeux NGO;
4. the grain-marketing support project (PACCEM),
5. the Kafo Jiginew network and
6. the self-managed village savings bank (CVEA).

and

Benin:

7. the mutual agricultural savings and credit banks of Benin (FECECAM),
8. the National Federation of Rural Savings and Loan Banks (FENACREP),
9. the Beninese Centre for the Development of Grassroots Initiatives (CBDIBA) and
10. the *Tontine* 71-96 for Benin.

Most of these institutions and networks were covered by Goldstein, 1999 for IRAM/***MicroSave***.

In each country, local consultants were hired and trained to perform group discussions and individual in-depth interviews. There were 10 consultants altogether: four in Mali and six in Benin. Using local consultants familiar with local customs and morés, and who speak the local languages encouraged participation in the surveys and facilitated in-depth discussions.

Group discussions and individual interviews were conducted with 380 persons of whom 226 were in Mali and 154 were in Benin. Altogether, more than 15 different target groups were contacted during the study: bootblacks, *clandors* taximen, young unemployed graduates, seamstresses and dyers, rice- and cotton-growing men and women, entrepreneurs, micro-entrepreneurs, housewives, market women and women

3 See the list of acronyms for the name in French.

street peddlers, merchants, market gardeners, door-to-door bankers, money-keepers, market garden sellers, credit agents, cooperative trainers, board members in financial co-operatives, and MFI managers.

3.0 DESCRIPTION OF MAIN FINANCIAL SYSTEMS

A large variety of financial systems seek to reach the poorer segments of the population in both Mali and Benin. Despite the diversity, the informal systems are the most pervasive (an estimated 80% of the poor in West Africa are involved with informal financial systems). The group-based financial programmes (such as rotating savings and credit associations (or RoSCAs) and mutual aid associations), door-to-door bankers, and money-keepers, play the predominant role in savings mobilisation for the poor and very poor in both countries. For example, in 1992[4], Benin was estimated to have more than 11,000 informal operators (i.e. one for every 455 inhabitants). It appears that, since 1992, the informal savings systems phenomenon has continued to advance in Benin. As the informal sector depends on personal relationships, it has demonstrated an exceptional capacity for innovation.

The financial service market has not ceased adapting, especially in the face of the economic crisis and the collapse of the banking system during the past few years.

An excellent description of the Microfinance Institutions (MFIs), as well as that of the conventional or formal banks can be found in the first study conducted by IRAM for ***MicroSave*** in West Africa (Goldstein et al., 1999). Thus, we have limited ourselves to a brief description of the financial systems common to both countries. The co-operative and solidarity programmes and door-to-door bankers have been emphasised.

Table. 1 Main Financial Systems Identified

1. Microfinance Institutions (financial co-operative networks)
2. Money-keeper
3. Door-to-door bankers
4. Collective or group systems (monetised RoSCAs[5])
5. *Pari/Ton* (specifically RoSCAs)
6. Mutual-aid associations and friendly societies
7. Work-environment solidarity banks
8. Work system/taximen payment
9. Convergence 2000
10. Occasional bankers
11. Banks (formal)

3.1 Portrait of the Microfinance Institutions (MFIs) in West Africa

The Goldstein et al., 1999 study, "The Role and Impact of Savings Mobilization in West Africa: A Study of the Informal and Intermediary Financial Sectors", presented a detailed analysis of the dominant networks of the MFIs in West Africa. Lead by Goldstein, the IRAM team undertook a comparative analysis of 21 MFI networks from six West African nations (Burkina Faso, Mali, Benin, Ghana, Guinea and Togo). This analysis distinguished three major types of MFI networks: i) 'Type 1 Networks' which represent the large financial co-operative networks; ii) 'Type 2 Networks' which are comprised of the smaller co-operative networks; and iii) 'Type 3 Networks' which refer to the credit-led systems.

This section summarises the results relevant for understanding the financial systems found in Mali and Benin and the dynamics of those systems. This sets the context for the products and services evaluated and proposed in this study.

3.1.1 Large Financial Co-operative Networks

Basic Features

Type 1 networks are responsible for a relatively large volume of savings: from 1.1 billion FCFA (Kondo Jigima in Mali) to 19 billion FCFA (FECECAM in Benin) for the 1998 fiscal year. These resources have generally made it possible to finance all outstanding loans. In addition, specific lines of credit may be

[4] Adechoubou, M. A., and Tomety, S.N.: La banque tontinière opérations 71 de Cotonou et ses prolongements [The Operations: 71 Tontine Banks in Cotonou and Its Environs], BIT, IRAM, Bénin 1992; Gentil, D. et al.: Banquiers ambulants et opération 71 au Togo et au Bénin [Door-to-Door Bankers and Operation 71 in Togo and Benin], BIT, IRAM, April 1992.

[5] Rotating Savings and Credit Associations

assigned to the networks to fund women's activities or special credit products such as the medium-term credit.

The old networks, which have been present in their respective countries for 25 to 30 years (such as FECECAM in Benin), play a very important role. In addition to the offering numerous financial products or services to several thousand people, they provide a deposit service for the smaller networks and thereby recycle cash surpluses.

Regardless of the important role that these old networks play, they have also been quite successful. The IRAM team's analysis of the changes in current savings per member shows that, despite some variation, all of the large old networks in the six West African countries grew considerably in membership (4-7 times) and savings (9-17 times) between 1989 and 1998. However, the average savings balance per member has risen only between 2 and 3 times and has scarcely kept pace with inflation.

Of the more recently established, large co-operative networks, the Kafo Jiginew network in Mali exhibited comparatively low levels of average savings per member. The IRAM team surmised that this might be due to the network's rural nature. However, this situation seemed paradoxical because Kafo Jiginew is active in a relatively well off cotton-growing region. Nevertheless, Kafo Jiginew's activities and scale increased significantly from 1989 to 1998. The number of members multiplied by 34.5 times, the total savings by 56.2 and the average savings per member by 1.6. The 1998 fiscal year showed particular improvement in performance. Similar instances of network growth have been reported in rural, urban and peri-urban regions of the country.

The IRAM reports findings revealed that significant network growth can be expected during the first few years, because, typically, the innovations spark a growing interest at the outset, before growth becomes more modest if not stagnant. Also, there is significant potential for growth in these networks given how limited the existing outreach has been, combined with the potential for development in other areas of the country. However, rapid expansion is not without its potential difficulties in governance, administration or general management. Overly rapid growth proved to be the undoing of successful West African networks such as FECACAM in Benin and Crédit Mutuel in Guinea who experienced poor loan recovery, embezzlement and misappropriation of funds.

The Target Clientele and Place of Women in the Large Co-operative Networks
All the large co-operative networks serve a relatively homogeneous public. They reach the middle or upper poor by virtue of the membership requirements, whether in the form of entry fees, investment in equity share or prior savings. In an effort to broaden potential client access to financial services, most of the networks have developed a credit product that does not require prior savings, but is instead secured by a solidarity group in a group guarantee system. This product principally serves women, predominantly in rural areas, thus addressing the most vulnerable part of the population.

3.1.2 Smaller Co-operative Networks

Basic Features
Smaller Co-operative Networks mobilise a volume of resources that is insufficient to finance their members' demand for credit. The networks turn to external financing from the BNDA in Mali or some other funding agency. Both urban and rural networks utilise both mandatory prior savings and the solidarity groups to secure loans.

For the smaller rural co-operative networks IRAM reported a tremendous increase in total savings (15-39 times) between 1989 and 1997. However, once again, the bulk of this increase appears to be the result of increased membership (12-15 times). The picture for smaller urban co-operative networks IRAM was more diverse with some performing poorly and experiencing very limited growth, while some experienced significant growth.

The Target Clientele and the Place of Women

Requirements for joining small networks (initial fee and the purchase of an equity share) appear lower than for joining large co-operative networks, thus making the smaller co-operative networks more accessible to poorer members of the population. Nevertheless, the people who meet even these minimal capital requirements are not the poorest categories of the population (according to the UNDP rating system).

In 1997, in an effort to extend their services to poorer people, some of these networks did not require prior savings. Instead, collateral, at least equal to the value of the loan, was required. This requirement did not necessarily exclude the poorest villagers, because some co-operatives accepted objects such as pieces of cloth or farm tools as collateral. While the effect of this was to limit the amount of credit for which these people could apply, it gave access to credit to those who previously did not have any. The result was networks that significantly increased the percentage of women that were able to benefit from the financial services.

3.1.3 Networks of Systems Based on Credit-Led Methods.

(CRG[6], CANEF[7], MISELI[8] et SYNORSEC[9])

Basic Features

Outstanding loans from credit-led product providers are financed by external lines of credit in the form of interest-free loans or loans from commercial banks such as BNDA in Mali. While these MFIs are primarily concerned with credit operations, they also collect savings that may be mandatory, collateral, or voluntary for reasons of autonomy and independence of the clients as well as financial need of the institution. Credit-led systems for both savings and lending can be found in both rural and urban areas.

During the 1990s, there was limited growth in savings per member within the credit-led West African co-operative networks particularly those in Mali. Similar to what was found for the large co-operative networks, the increase in total savings (6-10 times) was a function of increased membership (4-8 times) rather than increased average savings per member. Goldstein et al., 1999 suggested that this was because each member had the ability to withdraw his/her savings either after one credit cycle or by leaving the organisation, and because neither access nor the amount of the loan was tied to member savings.

The Target Clientele and the Place of Women in the Systems Based on Credit-Led Systems

Although access to credit does not require savings for these programmes and they might be considered ideal programmes for including the poorest segments of the population, there is also the risk that solidarity groups may exclude the poorest, and in particular women (Wright 2000, Hashemi, 1999 etc.). However, the percentage of members who are women is high as 100% in some cases (e.g. Malian networks, MISELI and CANEF were 100% women in 1997). This type of system seems well adapted to the female clients, because it enables them to access small loans with no initial savings contribution. In reality, these savings products appear less available to middle-income people, in particular to men than to poorer women – both as a function of "targeting" and the nature of the product (limited loan size, weekly meetings etc.).

3.2 Informal Financial Systems

It should be noted that, despite the efforts made by the MFIs, there are a tremendous number of people who still depend, partially or exclusively, on informal systems to meet their financial needs, even, in some cases, when MFI services are readily available. This section describes the main informal systems studied in Mali and Benin (in April and May 2000).

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6 CRG: Crédit Rural in Guinea.

7 CANEF: Women's Nutritional and Economic Support Center.

8 MISELI: Not from an NGO operating in Mali.

9 SYNORSEC: North-South Synergy for Savings and Credit.

3.2.1 Individual Savings Systems Money-keepers

Lelart (1998) asserts that in many West Africa countries, the inhabitants of a village or neighbourhood can safely deposit their money with a person they completely trust, such as a religious leader, a former civil servant, a successful merchant, or a retiree they have known for a long time. This person of trust is a money-keeper who accepts occasional—not regular—payments, which he/she promises to refund on demand or for a use that must then be explained and accepted. He pays no interest on the deposits and he receives no compensation.

Table 2. Summary: Money-Keeper
Swap Type: Saving up

	Typical Range	Notes
Frequency	Primarily in Mali.	It seems that this is quite a frequent process in the rural Muslim environment, but it is also found in the city of Bamako.
Term	Medium	Normally, money is entrusted to the money-keeper for a specific objective. In the case of Bamako, the *clandors* taxis in the system are often involved in a "pay as you work" system for purchasing a vehicle. Since payments are made monthly, a medium-term commitment that links the taxi-driver to the money-keeper.
Volume	Medium	Money is entrusted to the money-keeper to prevent it from being spent for unplanned reasons.
Beneficiaries	Medium	The cases encountered in Bamako mainly involve the drivers of *clandors* taxis who operate in the three large hotels in the city. These users generally have little or no formal education and are functionally illiterate.
Use	Unrestricted subject to pre-arrangement	The money is available to the depositor at any time according to need
Costs	None	There are no fees paid in return. The social prestige of the position is the money-keeper's compensation. Being recognised in this community as being the most honest man is priceless!
Risk	Low to Medium	Formerly in the villages, holding money with a money-keeper was virtually risk-free. In the city, sometimes the money keeper uses the deposit amounts and finally repays everything in small amounts.
Satisfaction	High	The *clandor* drivers of Bamako who have recourse to a money-keeper are very satisfied because money-keepers are trustworthy people who work in one of the hotels of the city. There is never any problem of access to the amount of deposit.

Door-to-Door Bankers

The practice of traditional money-keeping has in part evolved into the thriving business of the door-to-door bankers in certain regions and areas in Africa, such as Benin. Michel Lilart (1998: 5) summed up this development in these words:
"*The money-keeper does not wait in his house, he goes out to meet his clients in the streets that he frequents every day or in the markets he goes to at the end of the day. To each of his clients who offer to pay him regularly a fixed amount, he sends a card made out in their name and which has 31 boxes or a multiple of 31. Upon each payment, he checks off a box. When all of the boxes are filled, in principle at the end of the month, he refunds the amounts and keeps one payment for himself.*" Thus, in this system, it is not the banker who pays interest but the client!

One of the questions that often surfaces in studies on the subject is *"How to explain that interest is paid by the depositor and that savings draws a negative interest rate?"* The fact is that the door-to-door banker guarantees repayment on the due date, holding that money out of immediate reach, the importance of which is obvious for populations who only use banknotes or coins and for whom there is no lack of opportunities and external pressure (from relatives, etc.) to spend. The banker guarantees early repayment, allows his clients to manage their liquidity and does the travelling thus minimising their transaction costs.

The door-to-door banker's clients are thus ready to pay him fees for the convenience, the security, and the temporary illiquidity. It should be pointed out that the profession of neighbourhood banker, which was formally the prerogative of illiterate people and people with little or no formal education, has become, with the freeze in the hiring of civil servants in Benin, a self-employment outlet for motivated young graduates. The sheer magnitude of this business illustrates its potential. In 1996, monthly savings mobilised through the circuit of door-to-door bankers in Benin came to nearly 813 million FCFA. It is quite possible that these amounts are in fact underestimated, as people are not accustomed to sharing their financial information.

The results of the study on the reasons that motivate clients of *tontine* operators to continue doing business with them are similar to those obtained in previous studies (Table 3).

Table 3: Reasons for Turning to *Tontine* Operators.

Items	*%*
To save	27.27
To save up capital for a business	21.21
To carry out a project	17.40
To avoid squandering	8.33
To cope with unexpected circumstances and needs	8.33
To pay the rent, personnel, etc.	3.79
To save and benefit from a loan	3.79
To save and pay rent	2.28
Unexpected expenses and accomplishment of a project	1.53
Others	6.07
Total	100.00

Source: Tomety (1999), op. cit, p.15

Fees for the Services of the Door-to-Door Banker

Commission collections, penalties for late payment of contributions, and sometimes interest payments on advances comprise the transaction costs of using door-to-door bankers. Clients pay both fixed and variable fees (Gnansounou, 1992).

A. Commission and Penalties

Fixed fees are those paid to keep the money retained by the informal banker on every collection (generally the amount of one deposit per month). This commission is called *sovi* in Benin and is considered a gift to the banker, or *Sogan*, to thank him for having kept the money without spending it.

Independent of these fixed fees, there are variable fees that consist of late penalties borne by each member who fails to strictly meet the deposit due dates. These fees are variable, because the final amount to be paid depends on the number of payments in arrears accumulated during a fixed payment cycle.

B. Advances and Credit by Door-to-Door Bankers

Some door-to-door bankers grant advances to their clients. A distinction must be made between an advance and a loan. Advances are granted to the best clients who are trusted by the banker. After several contributions or instalment deposits (10 to 15 out of the 31 contributions a month), the banker may give the client the amount that they are expect to accrue by the end of the month. Generally speaking, the client pays no fee for this transaction. In contrast, some door-to-door bankers do require an interest payment on any loan. The interest rates in these cases range from 5 to 15% a month and up to 20% every two months.

It should be noted that the clientele of the door-to-door bankers is not fixed. The number of clients fluctuates from 20 to more than 500, varying significantly from one month to the next due to new memberships and temporary halts in contributions. The pragmatic facilities granted by door-to-door bankers to the clients are highly appreciated. Particularly appreciated is the freedom of choice in the due dates for the contributions and deposits (daily, weekly, twice a week, bimonthly or monthly), in contribution amounts (generally ranging from 100-1,000 FCFA per day), and in clients' ability to start and stop saving as needed. This flexibility is a factor that explains their success.

Table 4. Summary: Door-to-Door Bankers
Type: Saving up

	Overall Observations	**Notes**
Frequency	Medium to high	This is a flourishing activity in Benin. There are even associations and unions of door-to-door bankers.
Term	Short to medium	There are several variations, but generally they are daily, weekly or monthly contributions.
Volume	Low to high	Everything depends on the clientele—deposits range from 100 FCFA to several thousand a day depending on the client's business.
Beneficiaries	Very poor to middle class	Clients range from students to very well established merchants.
Uses	All	There is no restriction on the use of the funds given to the clients by the door-to-door banker.
Price	Low to medium	Everything depends on the amount of the contribution and their frequency. Generally, it is the last contribution (31st) that goes to the door-to-door *tontine* operator.
Cost	Low	The door-to-door banker collects the money from his clients.
Risk	Low	If the door-to-door banker absconds with the savings, this may, represent a high cost for the clients. Sometimes the banker is assaulted and he may lose all of the money collected.
Satisfaction	Medium to high	This is a practice based on trust. Generally, the clients are quite satisfied and may do business with the same door-to-door banker for several years.

3.2.2 *Paris*: Informal Solidarity Groups and Savings Mobilisation in West Africa

It is obvious from the field work of this study that with both the money-keepers and the door-to-door banker, there is no form of group solidarity among clients, no social group, no reciprocity, no mutual-aid solidarity or festive aspect, simply a personalised relationship between the banker and each of his clients. The clients do not necessarily know one another and they have no relationship with one another, thus, there is no group. They only deal with the person they trust. However, the solidarity-based financial groups, or *tontines*, are among the most popular and important West African systems of financial management because of the number of its members, the variety of its fields of operation and the amount of capital generated. They are omnipresent in Benin where their significance is attributed to the particular behaviour of the Beninese with regard to savings as underscored by Gnansounou (1995):
" . . . *The different forms of tontines found in Benin today are all rooted in ancestral practice . . . all the success and multiplication of tontines comes from a simple observation: the vast majority of the Beninese population does not know how to keep money in their possession without spending it. Hence, there is a great tendency to squander savings. The need to save is unavoidable in any society and still more in a society where unexpected circumstances and chance are managed. Thus, the few members of Beninese society able to, or able to help the great majority to, save or to set money aside are very much in demand. These are tontine operators . . . The most important thing for the population is to have money when needed, regardless of the cost."*

A variety of types of solidarity-based, financial groups are used by all sectors of the Beninese population, both in the city and the countryside, by working classes and moneyed classes. However, these variations are built on the fundamental central basis of the *tontine* – groups generating capital together. In addition, it has been observed that the *tontines* are part of the reason for the inactivity in the accounts in the village savings and credit banks (CVECA). In fact, clients who borrow from the CVEC do almost no saving with CVEC and wait for the time the loan falls due to make repayments. Once the client has received his loan from the CVECA, he deposits the savings to be used to pay back this loan with *tontine* operators who generally accept more modest deposits than the CVEC (contributions from 100 FCFA to 1,000 FCFA every market day at Ikpinlé, for example).

Paris are one form of *tontine* and are the West African form of Rotating Savings and Credit Associations (RoSCAs). The flexibility with which the *pari* is accessed is cited by people as a reason for joining, e.g. lack of formalities, the possibility of changing one's turn to collect the nest egg/"pot" or deposit, savings available locally, and the speed with which services are rendered.

Table 5. Summary: *Pari* (Rent, Cloth, Chinaware, etc.)[10]
Type: Saving Up

	Typical Range	Notes
Frequency	Quite extensive in Mali	This is a very widespread practice in Mali, in both cities and countryside. It is the equivalent of the working-class *tontine*s in Benin.
Term	Short to medium	There are daily and monthly deposits, the daily deposits are 100, 200, 500 or 1000 FCFA a day; the rotation is weekly or monthly, according to the type of deposit (daily or monthly).
Volume	Low to medium	Everything depends on the deposits agreed to among the members; they range from 100 FCFA a day to several thousand a month for civil servants (called a *pari* in the work environment).
Beneficiaries	Very poor, poor and middle class	This is practically the only way for the most destitute classes to accumulate savings and money necessary to meet their financial obligations (paying for rent, clothes, etc.)
Usages	Unrestricted	The person who receives the money can use it as he sees fit. The other members of the *pari* cannot raise any objections.
Cost/price	Low	There are no real financial costs associated with this practice.
Risk	Medium	There are cases where the *pariba* man or woman runs off with everyone's deposits.
Satisfaction	Medium to high	People are satisfied with this type of savings, as it allows the poorest to pay certain bills, which they would otherwise be unable to pay on time.

3.2.3. Goal Oriented Savings Programmes

"Pay as you Work" System

The taxi is a frequently used means of transport in Africa particularly in Mali and Benin in particular. Taxi drivers represent a socio-economic sector for which a specific savings product can be developed - auto savings. A *clandors* taxi driver of Bamako explained this by telling what they do to mobilise the necessary funds.

Box 1: From Taxi Driver to Taxi Owner Thanks to the Work/Pay System

One taxi driver in Bamako told us how he is financing his vehicle: "There are several kinds of taxis here in Bamako: yellow taxis driven by a driver or the owner, and *clandors* taxis (not recognised and therefore operating outside the law) driven by the owner or by a driver (with a monthly salary or who pays himself). It is important to understand the shades of difference, because the financial needs are not the same. For the yellow taxis with a driver, these drivers must make payments of 7,000 FCFA a day and pay for the fuel and minor repairs. They pay themselves.

I am one of the *clandors* taximen who are not paid monthly and work next to the grand hotels. In this category, there are some wage earners who are paid monthly and others who have to make weekly payments to the owner of the car (more or less 45,000 FCFA a week). In this last category, sometimes you negotiate

[10] In *pari*s the members use the system to save to buy specfic goods (cloth or utensils) or services (rent or tax) and each cycle, winner of the pot or prize buys the targeted goods/services.

with the owner of the vehicle for a work/pay contract. The 505 model you see here will be mine in five months. It has been sold to me for 1,700,000 FCFA. I have already given 500,000 FCFA and the rest will be made in monthly instalments of 125,000 FCFA. I don't trust the co-operatives or the *tontines* ("*pari*"). I deposit the money I earn every week and sometimes every day with a *Ndanayamoko* (money-keeper) here at the hotel. At the end of the month, I come to see him and he gives me back the money to give to the owner of the car."

In response to the question whether he knows of the existence of the Nyèsigiso network or the merchants and entrepreneurs co-operative (CAECE), he replied: "I see the Nyèsigiso posters but I haven't got interested in it and I don't know what credit products they offer. But if you tell me they offer an auto loan, I am ready to open an account with them and deposit my weekly savings there. What bothers me is that there are papers to fill out and the distance involved in getting there. You see, with my money-keeper, there is no travelling involved. He is here at the hotel and I don't have any forms to fill out."

A similar case to the *clandors* of Mali is seen in Benin amongst *Zimedza* or motorbike taxi drivers.

Table 6: Summary: "Work/Pay"
Type: Saving up and Saving down After the Vehicle Is Purchased

	Typical Range	**Notes**
Frequency	Quite extensive	This mechanism is used by the *clandors* taximen to move from being a driver to the owner of a taxi. The client first of all gives 500,000 FCFA and the rest is paid on a monthly basis to the owner of the car.
Term	Medium to long term	Monthly instalments to pay off the car in its entirety are spread out over one to two years.
Volume	Low	The amounts at stake are nevertheless significant: up to one and one-half million FCFA. The driver must have saved at least 500,000 FCFA for a down payment to the owner.
Beneficiaries	Poor and middle class	The case study has focused on taxi drivers. But Cotonou motorbike drivers use similar arrangements.
Uses	Restrictive	Savings are used to purchase the taxi the driver is using.
Price	Low (initial deposit period) Medium	Advance payments result in opportunity cost of money, but no additional charges are made by the car owners as the *clandors* save up. Thereafter, the interest rate is variable
Cost	High	These are substantial amounts which must be saved monthly (generally more than 100 thousand FCFA)
Risk	Medium	If the driver has an accident or is robbed, there is a risk of losing either the deposit or the asset.
Satisfaction	High	This is only means for drivers without savings to acquire their cars.

3.3 Experience of Convergence 2000 in Cotonou

In the early 1990s, a few Beninese executives came together and created *Convergence 2000*, in order to: i) create their own employment (taking into account the freeze in hiring civil servants in Benin), and ii) help the urban population to save and finance their activities. Convergence 2000 is an original hybrid financial structure because it combines aspects of informal financial systems and more formal co-operative systems provided by MFIs. It operates as a door-to-door bank in its savings-gathering strategy; but it stands apart from the informal program by the way its clients access their savings and loans.

Like a door-to-door banker, it offers its clients a nearby service. Its agents circulate among clients to collect savings. It has printed client cards for each type of contribution (i.e. daily with a monthly maturity, weekly with a quarterly maturity, etc.). By the late 1990s, there were nearly 42 operating agents meeting clients by criss-crossing the marketplaces and neighbourhoods, as the door-to-door bankers do. Agents are salaried employees of Convergence 2000. Like a financial co-operative or MFI, Convergence 2000 has developed credit products and its clients can open an interest-bearing deposit account (a minimum of 50,000 FCFA is required to earn interest).

Savings Collected and Credits Granted

Convergence 2000 succeeded in mobilising cumulative savings in excess of 7 billion FCFA from 1993 to 1998. Over 95% of these savings are immediately redistributed in the form of loans to clients who express a need for them. The loans granted during this same period totalled more than 6.5 billion FCFA.

Clients making daily contributions that mature on a monthly basis or weekly contributions that mature quarterly can access loans. These short-term loans are effectively cash advances, the maximum duration of which is 30-90 days, depending on whether the client is contributing weekly or monthly.

Obtaining a loan is not automatic. A period of three months is required to judge the ability of the client to contribute effectively. During this time period, an inquiry is made, both by operating agents and collection agents, about the client, especially on his/her work. The loan is granted at the end of this period if the inquiry is favourable. However, savings are not kept idle, they are often entirely recycled. Sometimes, the demand for loans exceeds the available funds to the point that the organisation resorts to loans from individuals to satisfy its clients.

Table 7: Summary: Convergence 2000 in Cotonou
Type: Saving through and Saving up

	Typical Range	Notes
Frequency	This is a case found in Benin	This is truly a modern form of the door-to-door banker who collects savings. An essential difference is that it grants loans like a financial co-operatives.
Term	Short	They are practically the same methods as those in effect with the door-to-door bankers.
Volume	Low to medium	This system was established in 1990 and has nearly 3,000 clients today. In 1998, more than two billion FCFA was collected in savings.
Beneficiaries	Medium	Primarily merchants and women vendors in the marketplace in Cotonou and in the intermediary towns of Benin.
Uses	Unrestricted	The funds accumulated are used as required by the client.
Price	Medium to high	The pricing method used is the same that the door-to-door bankers apply to savings where the last deposit is withheld. Loan interest is quite high.
Cost	Low	Convergence 2000 has offices and personnel who serve as door-to-door bankers to collect funds from the clients and are thus easily accessible.
Risks	Low to medium	There low physical risk for the clients once the money has reached the office since Convergence 2000 has safes. There remains of course the institutional-level risk associated with the institution.
Satisfaction	Medium to high	In addition to enjoying the same advantages of proximity offered by the door-to-door tontine operators, the Convergence 2000 clients, for example, in Cotonou, can access loans as in financial co-operatives.

Clientele

Convergence 2000's clientele consists, for the most part, of those in the informal sector (the same clientele of independent door-to-door bankers): merchants, craftsmen, porters, uneducated and small retail vendors in the marketplaces in Cotonou, Parakou, Djougou and Bohicom, where it has branches. Civil servants and other workers in the private sector cannot benefit from its loan services because they are unable to make daily or weekly contributions. But they can enjoy the proceeds from interest-bearing deposits. Convergence 2000 is attempting to develop an insurance product in partnership with Africaine des Assurances, of which it is the general agent.

This experience of Convergence 2000 deserves to be analysed in greater detail to better understand the effectiveness of this approach—half door-to-door banker, half financial co-operative. It has been able to reach a clientele not familiar with the procedures of the formal MFIs.

4.0 BRIEF DESCRIPTIONS OF EXISTING FINANCIAL PRODUCTS OFFERED BY MFIS

While there is a wide range of financial products from both the MFIs and the informal financial systems, there is much greater diversity of loan products than savings products. However, for the purpose of this study, emphasis has been placed on the savings products. Loan products are mentioned when they are associated with savings (*a priori*, blocked, forced).

Prior to examining the perceptions of clients and non-clients about the financial products offered to the poorer segments of the population, this section briefly describes the main savings products encountered. It is a summary of the results obtained at the institutions located at the eight sites covered that is being presented rather than an analysis of the specific situation of each institution in Benin and Mali. This summary deals with: i) the type of savings products inventoried, and ii) the services associated with the savings products.

4.1 Savings Products

The following are savings products and variations inventoried during this study. The names are sometimes similar, but they mask different modalities.

1. Current savings
2. Demand savings or demand deposits
3. Special regime demand savings
4. Livestock savings or “on the hoof” savings
5. Rice storage savings
6. Term savings/deposit with several variations
7. *Tontine* term savings
8. Linked, blocked or joint savings
9. Voluntary blocked savings with a preferential rate
10. Systematic blocked savings
11. Wage deposit savings
12. High-yield savings
13. Mandatory savings — PASSEF/Cotonou variant
14. Forced savings with loan “Sotcha Doutcha” (PASSEF)
15. Entrepreneur savings
16. Loan savings with education

4.1.1 Current Savings

Current savings is a financial deposit service offered by the grassroots institution to all of its members by means of the deposit and withdrawal mechanism. The objective of this product is to shelter the member’s money from theft, termites, fire and the temptation for unnecessary expenditures. The member deposits what he has and is not subject to a minimum amount. He deposits what he wants and when he wants. The savings bear no interest, but the money is available to the member at all times. With the CAECE in Mali, all transactions related to these savings are free of fees, while a fee of 2,500 FCFA is assessed every half year from the FECECAM in Benin.

4.1.2 Demand Savings or Demand Deposit

Demand savings or demand deposits are a service similar to current savings with the same objective and the same deposit/withdrawal mechanism. Some institutions require a minimum deposit normally set at 1,000 FCFA. Savings accrue an annual interest rate of 3% on the minimum quarterly balance and interest is paid annually. The institution’s underlying objective is to reactivate inactive member accounts. In certain institutions analysed (for example Kafo Jiginew), these savings account for 60% of the savings collected. FECECAM delivers a similar product, called passbook savings with a minimum deposit of 5,000 FCFA with an interest of 3% per annum throughout the system.

4.1.3 Special Demand Savings

The CAECE in Mali has set up a special demand savings product for its large savings clients (individual or institution). For the individual or institutional depositor, the minimum balance is one million FCFA and two million for groups and societies. The minimum interest paid is 1.5% per annum. For groups and companies, the interest paid increases in relation to the average monthly savings balance.

4.1.4 Livestock Savings or "On the Hoof" Savings

This savings product was offered in areas where there was a lot of livestock. It allowed members to dispose of their livestock and convert proceeds into a monthly income, thus decreasing pastureland depletion aiding the struggle against desertification, in hopes of making the business of livestock both lucrative and more sustainable. This product, tested by Kafo Jiginew in Koutiala (Mali), consisted of encouraged the breeders to sell cattle and buy a savings bond of 50,000 FCFA a head. This savings bond drew an interest of 5% per annum. However, this product encountered difficulties. First, the 5% interest provided a lower income than that received from the direct sale of cattle, the devaluation of cattle through pre-selling is in the vicinity of 30%. Second, socially holding savings "on the hoof" is prestigious whilst selling cattle is a sign of impoverishment. Due to the effects of these financial and cultural reasons, the cattle savings product was eliminated.

4.1.5 Rice Storage Savings

This savings product operates in rice-growing areas. Rice is stored until its price rises, at which time it is sold and the surplus income after loan repayment becomes a term deposit under the same conditions as traditional term deposits. This type of savings is well received by the producers in the Ségou zone within the framework of the PACCEM (Grain Marketing Support Project in Mali).

4.1.6 Term Deposit

Under term deposits, savings are deposited for a certain time period, the terms and conditions of which are determined by a contract between the institution and the member. During the term, the member cannot access his savings. Several variations on term deposits were documented during field visits. Here are some that seem particularly noteworthy:

- *The Term-Deposit Variant: CVECA in Niono:* At the time of this study, this variant accounted for 80% of CVECA's deposit base. Originally the term lasted from three to 12 months or more. However, the three-month term deposit has now been withdrawn in favour of terms of six to twelve months. The interest paid varies from 5-12%, depending on the term. The 12-month term deposit accounted for 60% of the institution's deposit base. These term savings are a form of saving-up the objective of which is the "input credit" loan – a form of saving-down. Thus it is a form of forced savings. The unique aspect of these term-deposit savings is that there is no minimum required balance and they are also the basis for obtaining the input loan.

- *The KAFO Jiginew Variant:* This product is a type of term deposit savings as the member is unable to access their deposit for a given period of time. The minimum duration is one year and the minimum deposit 25,000 FCFA. The interest rate on savings has varied from 4-6.5% per annum, though since 1990 it has been 4% a year. Under pressure from clients, the product has been modified to accommodate certain exceptional cases, for example in the event of a death in the immediate family. In such cases, the term is cancelled and the member has access to his savings without the penalties linked to a breach of the contract. In short, in such a case, the term deposit becomes a demand deposit.

- *The Niesigiso Variant:* This variant has a minimum term of three months and a minimum amount of 50,000 FCFA. The interest rate ranges from 4-7% per annum depending on the term and the amount. Interest is payable upon maturity.

- *Beninese Savings and Credit Bank Variant (CBEC):* These are blocked interest-bearing savings with a required duration of one year and an interest rate of 12%. There is a total loss of interest and a penalty of 2% if the funds are withdrawn before the end of the term. The CBEC is a bank related to the entrepreneurs' bank in the Nyèsigiso system in Mali, but still operates under principles close to those of the *tontines*. It is one of the branches of the Tontine 71-96 MFI.

- *FECECAM Variant: Patriot Term Deposit:* This is a term savings product offered by the CLCAM. It is an off-site term deposit that enables the member to make withdrawals from two co-operatives. The target client is any individual or entity "aware of basic development problems". The terms are 6, 12, and 24 months with a minimum amount of 50,000 FCFA and a maximum of 5 million FCFA. This is, in fact, a registered payment bond that may be deposited in another co-operative, or may be used to secure a loan of a family member or someone from the saver's village. This product has been tried in 14 co-operatives, but success is questionable as 10 out of 14 have had repayment problems and do not make loans.

4.1.7 *Tontine* Term Savings
This is a variation of term savings tried in Niono inspired by the *tontine* formula current in Mali. The purpose of the *tontine* savings is to mobilise savings in small amounts to enable poor women to have access to credit. The target clientele is exclusively poor women. Each member deposits small amounts on a weekly or monthly basis for six months. The minimum deposit is 250 FCFA. The interest rate varies between 2.5- 5% per annum. In the event that the commitment is not observed, the member forfeits her interest and is expelled. The product operates well when the *tontine* is linked to a credit programme since the *tontine* term savings can serve as collateral for the institution.

4.1.8 The Linked Savings, Blocked Savings or Solidarity Savings
These savings are tied to obtaining a loan and are pledged in proportion to the amount of loan. The minimum loan is 5,000 FCFA. The required savings is 10% of a loan between 5,000 and one million FCFA; and 30% for loans greater than one million FCFA. These savings are not accessible to the members until the loan is paid off. It is a non-interest-bearing security deposit.

4.1.9 Preferential Voluntary Fixed Deposit Savings
The target public is associations, NGOs and companies. The minimum deposit is 50,000 FCFA and the minimum term is three (3) months. The interest paid increases with increasing term and amounts. The conditions are negotiated according to the amount, term and the nature of the partnership with the depositor.

4.1.10 Contractual Savings Agreements
The target clients are wage earners whether in the public or private sector, or those in the informal sector with a periodic income. The term lasts 2-3 years. The deposit period may be monthly or with some other fixed frequency. When the contract matures, the principal is returned with interest in a single lump-sum payment.

4.1.11 Payroll Deposit Savings
A payroll deposit or salary transfer is made directly by the employer into an employee's account. This saves the employer time, reduces absenteeism amongst staff. The addition of a tied loan facility allows the employer to avoid administering salary advances. A cash deposit as secured savings accompanies payroll deposits, which enables employees to obtain a loan. The loan amount available depends on the number of employees, and the term extends from 1-3 years.

4.1.12 Profit Savings
Profit savings are term savings ranging from 6-36 months, with interest rates that are higher than current savings accounts. It is the member who determines the term and the amount of savings deposit. There is a minimum deposit of 5,000 FCFA. Profit savings are aimed at clients with future projects. They maximise the yield on the savings with a rate of from 4-7.5% per annum. It makes it possible to build capital. These savings may also be used as collateral to obtain a loan.

4.1.13 PASSEF/Cotonou Mandatory Savings Variant
This is a savings product developed in connection with the group loan granted to poor women in the outlying neighbourhoods of Cotonou by the Women's Mutual Aid Association Project (PASSEF, according to the French acronym). The group loan is a graduated loan of five cycles with loan amounts increasing from 10,000-30,000 FCFA from the first to the fifth cycle. The term varies from two to six months according to the cycle. The interest paid is 2% per month. The novelty of this product lies in the fact that a woman who completes five cycles will then have built a mandatory savings of 12,000 FCFA, which enables her to purchase her equity share, pay the membership fee and thus be eligible for an individual loan.

4.1.14 PASSEF/Cotonou Forced Savings Variant
This is a savings product linked to the "Merchant Loan" or "Opportunity Loan". This loan is given to female merchants who have business opportunities and an immediate need for cash. The service charge for this loan is very high in relation to the other loans granted by the PASSEF (10% per month instead of 2% and for a term that does not exceed two months). What is special is that half of the interest charged is deposited as savings in the client's account. The clients seek this form of credit because there is no guarantee (savings or collateral) required to obtain a loan. Instead, it requires that two other clients of the bank guarantee the loan.

4.1.1.5 Entrepreneur Savings
The purpose of these savings is to secure a loan through savings made during the life of the loan. The amount of savings represents 10% of the loan. These savings may be retained to finance a project or they may cover certain exceptional expenses of the member.

4.1.16 Credit Savings with Education
"Credit savings with education" is an integrated programme that combines savings and credit for individual economic activities with informal education (health, nutrition, micro-enterprise, etc.). This product is aimed at destitute women in the rural sector, primarily those who have young children. The purpose of the product is to contribute to the improvement of living conditions of underprivileged rural women. This is done from village banks whose objectives are generally: i) to help underprivileged women develop their income generation activities; ii) to improve the health and nutritional situation of the women and their families; and iii) to develop the skills, abilities and know-how of women with the view toward self-sufficiency. The village banks are created by solidarity groups of poor women.

4.2 Seasonal Variations in Savings Mobilisation
The PRA tool "Seasonal Analysis of Income, Expenditure, Savings and Credit" made it possible to gather information that illuminated the seasonal trends of savings patterns. Figures 1 and 2 illustrate the average monthly savings maintained by merchant-clients of the CAECE in Bamako and that of the seamstresses of an outlying neighbourhood of Bamako.

Patterns of income, expenses, savings and credit varied from one target group to another (merchants/entrepreneurs, micro-entrepreneurs, cotton- or rice-growing farmers, women labourers, housewives, the unemployed, office workers, etc.) and between the rural and urban populations. Overall, income curves parallel savings curves; while periods of heavy expense coincide with the months in which the credit needs are greatest. In a rural environment, the growing seasons explain much of the variation. This was particularly evident in the village of Seto in Bohicon, in Benin where income is greater in the months of April and May when the farmers are paid for their cotton. These cotton proceeds correlate directly to high rates of saving between April and June.

Figure 1. CAECE Clients: Annual Variation in Savings (in thousands of FCFA)

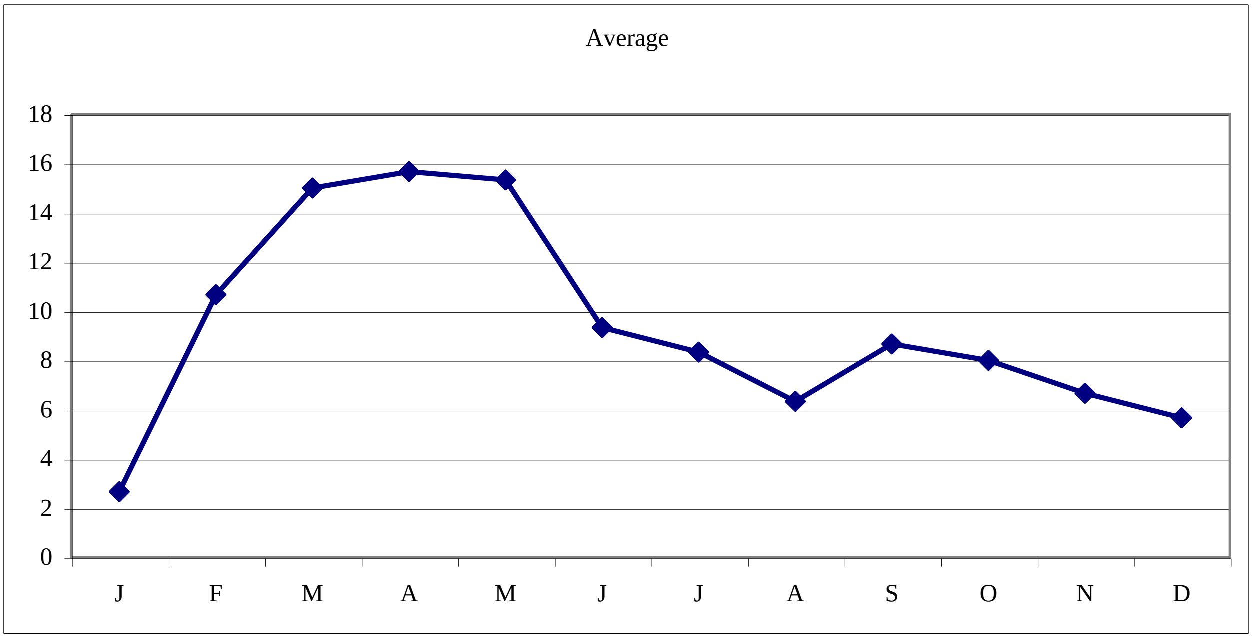
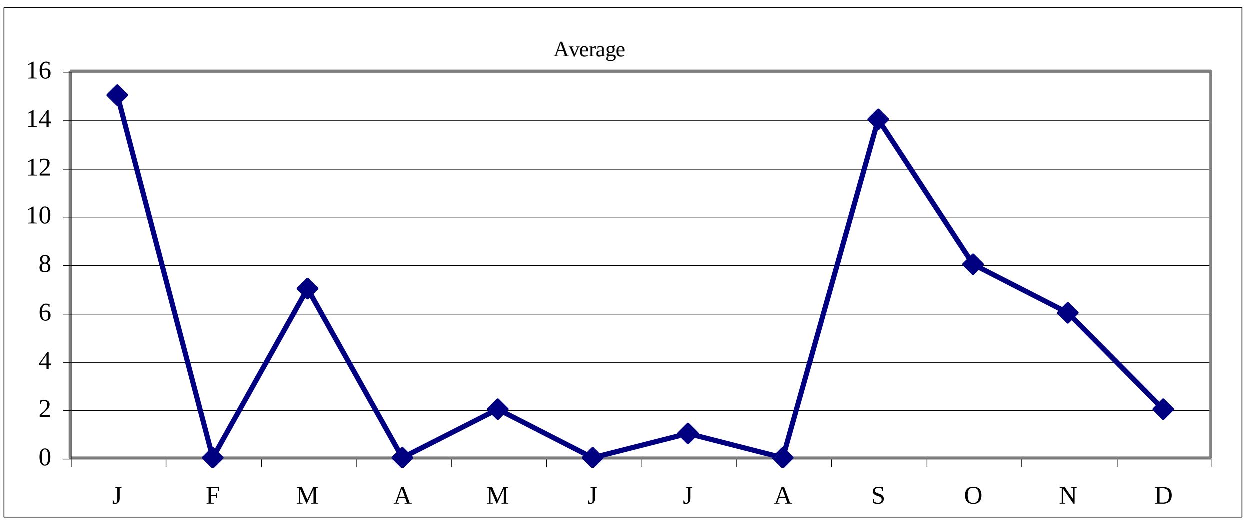


Figure 2. Seamstress in Bamako: Annual Variation in Savings (in thousands of FCFA)



The factors explaining the variation in the volume of saving were identified as being holidays, the start of the school year, farming seasons (farming calendar) and drops in economic activities. For the Bamako seamstress, the peak savings periods are parts of December/January and August/September, precisely the times when orders for garments are most numerous, just before the New Year festival and prior to the start of the school year.

Knowing when and why these periods of predictable savings and spending fluctuations occur is indispensable if products and services responsive to the realities of the environment are to be developed.

4.3 Use of Savings and Money Transfer Services

In an effort to protect the interests of those involved in financial products, a number of products and services have been developed. A brief description of these products and service found in Mali and Benin are found in this section. They can be classified into three broad categories: i) savings products specifically devoted to clients; ii) capitalisation products whose purpose is to protect the institution against the risks of non-payment or to enable the institution to diversify its financial products; and iii) insurance products, which are designed to protect both the member and the institution against future risks.

Loan Insurance or the Security Fund

The objective of this fund is to enable the client's family to pay back the loan in the event of the death of the borrower. The premium paid is 1-2.75% of the loan, depending on the age of the borrower and the amount of the loan. If the borrower dies, the loan insurance covers 80% of the outstanding balance. This product is in part offered because of religious considerations that require the deceased to have paid off all his debts in order to be able to rest in peace.

Mutual Guarantee

The guarantee fund serves to cover all of the expenses and charges related to legal proceedings. The mutual fund is only tapped in the event of a lawsuit. It is funded by a 2.5% withholding of a loan of a minimum size of 600,000 FCFA.

The Equity Share

For almost all MFIs reviewed in this study, access to savings services is subject to the purchase of an equity share, which confers upon the member an ownership right in the institution. This equity share ranges from 500-5,000 FCFA and even reaching higher than 30,000 FCFA for specialised institutions (i.e. CAECE in Mali and CBEC in Benin).

Payment Services

These are specific to one or two institutions. These are payment certificates or orders designed to facilitate transactions among the members themselves or between members and their outside business partners. It costs 500 FCFA for the contract to join the service and 700 FCFA for a coupon book with 25 vouchers. Along with the payment vouchers, the payment transfer service is offered. A business bank account, which is owned by the market financial institution, is made available to the client, who pays usage fees of 0.75% of the amount transferred with a minimum charge of 7,500 FCFA.

B-Class Capital Share

Membership in a co-operative MFI depends on an entry fee for current expenses and an equity share, which gives the client ownership and voting rights in the institution. Limited capitalisation is often linked low profitability of an MFI. However, the B-Class Capital Share accelerates the capitalisation of an MFI by opening the capital stock to other users and clients. Members receive a dividend based on the institution's profits. The purpose of this product is to stabilise the financial resources available to the institution to allow for safe lending transactions.

5.0 CLIENTS AWARENESS AND ASSESSMENT OF THE FINANCIAL PRODUCTS

Generally speaking, the clients of MFIs are quite familiar with the products and services offered by the institution to which they belong. Most products are generally well received by their clients. The main complaints relate to: i) the rigidity of the due dates of loan repayments, ii) the failure of the MFI to synchronise and adapt the supply of certain credit products to the specific needs and activities of the clients (i.e. crop loan granted two months after the start of the work in the fields etc.); and iii) the lack of proximity of the institution to their clients. A few examples that illustrate these points are given here, first of all discussing the perceptions of former clients of formal banks and then those of the clients of MFIs.

5.1 Severe Judgement of Traditional Banks

As might be expected, most people who participated in the surveys are not clients of traditional banks. Nevertheless, we found some **former** clients formal sector banks. As indicated by the following comments, the opinion that they have about the products and services offered is quite negative. Former clients left the banks because they were not satisfied as noted by a micro-entrepreneur from Ségou in Mali in Box 2.

Box 2. Opinion of a Micro-Entrepreneur Concerning Formal Malian Bank Services

"I am a client of the BMCD (Malian Credit and Deposit Bank). I never had a loan there. I did not have one because of the fact that they claim that I didn't have enough transactions. To this day, he (the person in charge) has refused to give me a loan. In fact it was he who led me to the Merchants and Entrepreneurs Savings and Credit Association Bank (CAECE). I have collateral (real estate deeds), but this was not enough to justify my request."… The Mali Development Bank (BDM) and the Malian Credit and Deposit Bank (BNCD) are "the structures of the wealthy, people who have too much. ... They prefer to do business with large merchants, the big depositors…".

A similar opinion to that of the micro-entrepreneur in Ségou was given about the National Agricultural Development Bank (BNDA), which works particularly with the rural poor through village organisations given their own legal status by the peasants of Zambougou-Zoumara (30 km from Ségou) and Tesserla (35 kilometers from Ségou). Respondents maintained that this organisation was losing ground to the PACCEM (Mali Grain Marketing Support Project). Their complaints had to do with the approach, namely a lack of information about the services offered and interest rates (which are deemed too high). The lack of a proper explanation of the objectives of the financial products may lead to illusions and misinterpretations as indicated in Box 3.

Box 3. Formal Banks: Double Talk, Double Payback
The Case of the Village of Tesserla

"In our village, we have taken 7,000,000 FCFA and we have paid back 11,000,000 FCFA; and this repayment is still not over! We are ready to go to jail. I swear by God's name that there is no end to the penalties. Those of use who have been to school have no more valid arguments for the village ... I speak French well and I am capable of explaining the interest calculation procedures. They have confused us. These people have stolen too much from the peasants. For example, if you need 70,000 FCFA, first of all they ask you for 8,000 FCFA. But even if you pay the 70,000 FCFA, the BNDA does not pay you your 8,000 FCFA back. This is robbery. Robbery pure and simple. And to say that when the agents of the BNDA have granted this amount to the village, we first of all felt that this was a gift; others immediately thought that it did not have to be paid back."

5.2 Parastatal Services, Projects and NGOs

The Venn diagram PRA tool highlighted that in certain places, several NGOs and parastatal institutions are involved in providing financial services. For example, in the village of Bla in Mali, the study found that there are more than five different institutions targeting the same women's groups. People complained that they do not have the same approach or the same objectives, so that in many cases the women find it challenging to accommodate the demands of each one of the institutions, because they do not want to refuse anyone. There are situations in which a women's group have taken a loan from one side to pay back another with the danger of becoming excessively indebted. A system of consultation between the providers of financial products and services active in the same area should make improvements possible.

5.3 Formal Microfinance Institutions (CVCAs, Financial cooperatives, CLCAMs, etc.)

Access to loans is one of the reasons given to differentiate traditional banks from co-operative institutions by most survey respondents. The presence of these has enabled those excluded from the traditional banking system to accumulate savings and have access to loans. Box 4 illustrates this fact.

Box 4. Loan Payments Still Mean Making Money
Merchants and Entrepreneurs Association Savings and Credit Bank Member in Bamako

A tailor embroiderer from Bamako notes, "For me, nothing is worth as much as setting aside funds to purchase equipment like this embroidering machine. Thanks to this machine, my work is easier. Prior to the support from the CAECE, I was unable to take large orders because, in order to fill them, I was obligated to call on other embroiderers with all the disadvantages of taking this step. In fact, this involves costs because sometimes the work has to be redone when it has been poorly done by the sub-contractors. But since I have been able to purchase a good machine, the volume of orders filled by me has increased."

However, it should be underscored that several negative comparisons were made between the methods/ conditions for access to loans engaged in by the formal MFIs and the practices common in the informal sector.

For example, the members of the Bamako CAECE dislike the way a loans are granted gradually (beginning with small amounts regardless of the financial means of the applicants), the requirements (papers to be filled out) to receive the loan, the payment terms, the large amount of collateral required, the large personal contribution, the endless "comings and goings" of the agents of the banks to the homes of the loanees, the very short and rigid repayment schedules, and the failure to grant loans to pre-finance business deals and unscheduled activities. At the same time however, certain members of this same entrepreneurs' co-operative agree with the provisions surrounding the granting of the loan because they deem them indispensable for the survival of the institution. *"The strictness in granting a loan (mandatory savings, guarantee) and the payment conditions (penalty: each five-day delay entails a penalty of 2,000 FCFA and 2% of the amount if the arrears last until the next month for the monthly payment) make it possible to contain the poor payers and to make sure that the service will continue."*

The concerns expressed by the clients of rural co-operatives are not exactly the same as those in a more urban setting, taking into account to the differences in their living conditions. It is known that in the countryside, respect for the agricultural calendar is a condition to ensure minimum production and monetary income. People complain that farm loans, for example, are sometimes disbursed two to three months late (in March instead of January). When the fields are cleared and prepared for sowing, the clients of the CLCAMs, the CAVECAs or the CREPs, etc. are obligated to turn to merchants at the start of the season in order not to miss the season. They still take the funds provided for the crop loan even if they are disbursed late because they think that this is their right. During the harvest, they have to pay back two loans—to the merchants and the co-operative involved. Since the merchant looks out for his business more closely, he is generally the first one to be repaid. The co-operative bank is at the end of the list, so the level of delinquencies is quite high in certain institutions. The practice of forced sale of crops at lower prices to pay back the different loans is a particular grievance (Box 5):

Box 5. Timing is Everything with Rural Payback
Gbagla Hanfan Farming Community Co-operative Member in Benin

"Three months ago a sack of maize cost 6,000 FCFA. Currently (April 2000) it is selling for 10,600 FCFA. We were forced to sell the maize when it was harvested to pay off our debts and cover the expenses for the festivals. If we had the possibility of storing our produce we would have been able to do good business now. The CREP could give us a little time to pay back the loan or else find another type of loan for us that would enable us at this time to keep our produce and not sell it off at a discount. It is the people who don't have fields (they are not farmers) who do good business. They buy and store to sell at a better price later. We want a loan that could be called a Storage Loan."

5.4 Appreciation for Several Specific Financial Products

Current Savings: Current savings products make it possible to avoid risks due to fire, water (flooding), parasites (termites) and theft: *"In the past, we put our money in boxes that we then buried (hoarding). Often, we don't know where to dig to find it and the money disappeared leaving us bitter"(*a woman in Ségou).

Mandatory Savings: People who concur with the mandatory savings principles point to the following facts: i) these savings are always returned after the loan is actually paid; ii) is the savings are automatically used as a personal contribution for the new loan; and iii) this way, the loanee does not have to commit other funds/assets as collateral. Lastly, since savings are increased by the mandatory weekly contribution, this allows the client access to a larger loan in the next cycle.

Social Security Fund: The social security fund which represents the amount required by the CAECE as an "insurance" fund and whose rate varies according to the age of the beneficiary (i.e. 1.5% of the amount would be granted if the age of the beneficiary was 18-35 years; 35-50 years, the rate is 2%; after age 50, the rate is 2.75% of the amount of the loan). According to those who welcome social security funds, this fund protects dependants in the event that the beneficiary dies. When a beneficiary dies, the fund is used to pay back any unpaid debt and also provide a certain amount of funds to the family.

Term Deposit: This is a product that was rarely mentioned by the clients. Those who spoke about it thought that it was not proper to pay an interest of 3-6% on the blocked funds and charge the clients 12-20% interest for the loan during the same period. But they did think that the product per se was indispensable for the financial institution that profits from it the most by making loans to other people.

The PACCEM Product: Most of the interviewees appreciated PACCEM and had a hard time coming up with suggestions for improvement. They even went so far as to say that PACCEM is one of the best rural projects.

5.5 The Services of the Door-to-Door Bankers?

Door-to-door bankers play a significant role in the financial programmes available to the poor. Research carried out in 1992 estimated that door-to-door bankers collected savings contribution around 750 million FCFA a month in Benin or an annual revenue in the vicinity of 10 billion FCFA. This is and estimated three times the amounts collected during the same period by the financial co-operative network (Gentil, 1992: 33).

The main complaints by the clients about the door-to-door bankers are the following: dishonesty, delays in refunding savings, irregularity and bankruptcy because of their lack of professionalism. However, most clients of door-to-door bankers were very satisfied with the financial services rendered: nearly 70% of the clients studied by the Tomety (1999) did not mention any major problems. The clientele appreciate this formula particularly the proximity of the banker, the trust associated with a personalised relationship, the flexibility making deposits and the possibility of making them at different times during the day taking into account their "income" without having to abandon their activities.

6.0 NON-CLIENTS AND THE MICROFINANCE FINANCE SYSTEMS

6.1 Why Not Use the MFIs?

With regard to non-clients the study attempted to discover: i) whether non-clients are familiar with the MFIs' financial systems, as well as the products/services offered; ii) the reasons for their failure to join the MFIs available; and iii) the changes needed for them to participate in the MFIs' systems.

The general finding that emerges from all of the information gathered is that, despite the proliferation of offices, branches and service points for the MFIs, there are still many men and women who are not members or who do not want to join. In all eight sites covered by the study, interviews were held with non-clients.

Lack of Information or Misinterpretations
Most people are aware of the existence of these institutions, but they are not very informed about the specific products and services offered as well as the methods used (see Box 6).

Box 6. Lack of Information about the Products and Services Offered

A carpenter from Koutiala in Mali said, "I am aware of the existence of Kafo Jiginew, but I have never worked with that system because I have no knowledge about its products and services, except that I have heard it said that it makes loans to women in the villages of Koutiala. I have never sought to benefit from its services because I am not well informed about it. My wish is to actually approach them when the occasion arises."

In another case, a woman who is a dyer in Koutiala noted, "I was aware of the existence of Kafo Jiginew and its products and services: loans to merchants, craftsmen, civil servants, education sessions and money-saving. I wanted to join, but it is God who still didn't want me to do so. When the time comes, I will open a savings account; then I will apply for a loan. The money that has enabled me to start my dyeing activities comes from the savings accumulated by my participation in the *pari pagore*, *pari savon* and *pari argent*[11]."

Some explanations given by the respondents on the difficulties encountered by the clients show the need for an ongoing education campaign to inform the communities about the services and products offered. Box 7 discusses what one female vendor in an outlying neighbourhood of Bamako reported.

Box 7. Reasons for Not Joining: This Is Cursed Money
Female Vendor Outside of Bamako

First of all, she states that she is quite familiar with the existence of the financial co-operative systems. Not only has she heard them talked about, but in some places in the town, she has seen posters. To the question, "Why hasn't she joined?" she replied as follows: "One of my aunts had a loan at the financial co-operative and went bankrupt. Afterwards, she always blamed her misfortune on the financial co-operatives. She blames the financial co-operative, which gave her loans, for everything bad. She tells anyone willing to hear her out that the money from the financial co-operatives is not good, that it is cursed money and causes unhappiness and ruins business. She has succeeded in convincing people around her (including myself) and discourages them from applying for loans from these systems."

"This is why," she says, "I've been frightened and no longer tried to go to these systems."

To remedy all of this and enable everybody to understand the operating mechanisms, activities and the objectives of these systems, she asks for an educational or informational campaign. According to her, the systems should do a good job of reporting their activities and, from time to time, present beneficiaries whose business is doing well (through meetings and discussions) to cut off at the root the rumours and propaganda campaign tarnish the co-operatives' image.

[11] *Pari pagore*: The women contribute at the end of each month 6,000 FCFA. The total amount is used to buy cloth that will be given to a single woman. The process continues until all of the women have had their turn. There are eight members. *Pari savon*: every Sunday, the women contribute 500 FCFA. They buy soap with the amount collected, which they give to one of the members of the *pari*. *Pari argent*: They pay 6,000 FCFA every month. For this amount, 5,000 FCFA are given to one of the members in turn and the remaining 1,000 FCFA are deposited in a solidarity fund to help the members in the event of needs or social problems (birth, death, etc.).

Lack of Required Resources

In many of the cases encountered, failure to participate was due to fear of having insufficient financial resources to repay loans. This is illustrated in the interviews found in Box 8:

Box 8. Lack of Resources as a Reason Not To Join

Tomato vendor in the great Dantokpa Marketplace in Cotonou

"I started to sell fresh tomatoes thanks to my small savings. I still didn't feel I was ready to turn to an institution to save or apply for a loan. In my opinion, tomato vendors shouldn't borrow money because of their inability to pay. I know two institutions that make loans: CLCAM and CODES. I have never approached them; I am satisfied with the daily *tontines* where I contribute 1,000 FCFA a day, which I get back at the end of the month."

It should be noted however, that most of the non-clients encountered, even if they were well informed about the products and services offered by these financial systems, were kept from joining primarily because of the initial formalities, the money required for the membership fee and the equity share, the fear of humiliation should they fail to pay back a loan, and the remote locations of the institutions. Box 9 describes what emerges from the words from a non-client in Bamako:

Box 9. If I Had Everything They Required, I'd Already Be Rich!

"… the membership procedures were explained to me . . . the fees to open an account and procedures for granting loans - mandatory savings, collateral funds, regular deposits, three-month waiting period after opening the account, mandatory, regular contribution, ownership of physical assets,. . . how the loans are disbursed - a one-month wait after the loan is granted, a monthly payment . . . and the penalties. Since that day, I have never again set foot in that place, because, since I don't have the resources to make the deposits after opening the account, nor for the personal contribution which is too high for me and then no refrigerator, television set or house, considered as collateral. Furthermore, if I had all these assets asked for, this would mean that I am not poor and so I would never turn to these systems for support. So, my wish would be that the collateral be reduced and the personal contribution decreased."

Distrust

During the field visits, interviews were also held with people who did not trust the financial co-operatives or *tontines* because of their bad experiences, among others, of tontine operators who ran off with the accumulated savings. People interviewed were aware of the existence of these informal systems, but they do not participate in them because of the lack of seriousness of some people in charge and the insecurity associated with them. According to these members, these are systems in which the first beneficiaries disappear, thus giving the slip to the others, absconding with their booty which is, in fact, the savings of the entire group; thus leaving the others without getting the expected pay-outs (see Box 10).

Box 10. I Will Never Again Participate in a Tontine: Sometimes Dirty Tricks Happen!

"I live in Djèdjèlayé. I am married and have a three-year-old daughter. I am 37 years old. After my BEPC degree, I joined an office that trains secretaries. Going along with my classmates, I joined a group of *tontine* members, whose monthly contribution was 5,000 FCFA. Since I was new in the group, the older members obligated me to receive the money in the pooled funds in the next to the last position. The group was composed of 26 women and I had to wait 24 months (two years) to be able to collect 130,000 FCFA. After 20 months of regular savings, in other words, 100,000 FCFA, when I was going to deposit the 5,000 FCFA of my 21st month, I learned to my regret that the woman who collected the money had died. Her closest collaborators, who had already benefited their credit turn, no longer wanted to organise the rest of tontine. I didn't know whom to ask. So I lost my 100,000 FCFA! Since that time (two years ago, in other words 1998), I haven't wanted to hear anything else about tontine groups or a *tontine* card."

People who distrust the co-operatives and other savings systems prefer to keep their savings at home, despite the risks of theft, termites and fire. Given this, they stand to benefit particularly from innovations aimed at providing a secure place for their savings.

6.2 What Would it Take to Attract Non-Client to the MFIs?

As developed in the next chapter about new products, several unsatisfied needs have been detected during the interviews with the non-clients. These are mainly financial needs related to social events and periodic expenses, such as marriage, births, school expenses, expenses related to different festivals and religious ceremonies, the farming season, storage, rent for housing, etc. In the following pages, we will analyse some of these items in detail.

7.0 PRELIMINARY IDEAS FOR NEW SAVINGS PRODUCTS

The application of the PRA tool, "Life Cycle Profile" (which analyses changes in monetary needs over time), as well as the individual in-depth discussions have brought to light unsatisfied needs, which differ from one target group to another. The results enable us to begin addressing these unsatisfied needs.

We have grouped together into the box next to this paragraph the items cited most often at the eight sites visited during the study in both countries and which could be investigated as part of the CIF activities. These are health, school expenses, rent, pilgrimages, farming season, produce storage/processing, automobile/motorbike, pre-financing, emergency credit and bringing door-to-door bankers and financial co-operatives together.

As in other parts of this report, we describe by way of examples, some of these needs.

Table 6: New Savings Products Cited

- Pilgrimage
- Health
- School expenses
- Social and unexpected cases
  Automobile/motorbike
- Loan in line with the revenue and good-client loan
- Proximity loan following the example of the door-to-door bankers
- Produce storage/processing
- Rent/housing
- Retirement

It should, be pointed out that savings and credit products addressing many of the needs listed in table 6 have begun to be tested. This is particularly the case of products specifically earmarked for school expenses savings, and storage and growing-season credit.

Pilgrimage Savings

One of the pillars of Islam is the pilgrimage. The pilgrimage involves enormous expenses for the client and his family. The basic idea of this product is to introduce a notion of progressive savings of small amounts over a period of two years to mobilise 50% of the total cost of the pilgrimage. Once this objective is reached, a matching pilgrimage loan could be offered.

Health Savings: Health Fund
The question of health was underscored in almost all the sites as an important need that has yet to be satisfied. Some experiments in creating health mutual aid societies were pointed out by people encountered during the field visits. The health mutual aid societies were presented as an alternative way of financing community healthcare through regular contributions, either by way of saving or insurance for members. The problem is that the required equity shares or the insurance premium (from 15,000 to 25,000 FCFA per household) is a very large amount for some poor families. As shown by the case of the Rural Community Village Bank (CVMSR), set up by the community of Gbagla near Porto-Novo in Benin, formulas need to be found to help the poor meet this specific need. Some attempts have been made to introduce health credit without much success. In the specific case of the Gbagla village, the poor created a specific tontine to enable the members of the community to meet the financial requirements to become a member of the CVMSR (see Box 11).

Box 11. The Health Mutual Aid Society of Gbagla (Porto-Novo) in Benin

"The CREP only gives loans for income-generating activities. We have turned down loans for ceremonies, marriage, graduation of studying children (graduation or procurement of the diploma), but thought has been given to the health problem, i.e., the cases of illnesses, which has led us to set up a Rural Social Mutuality Village Bank (CVMSR). There are times, in fact, when the peasant receives money or, under other circumstances, he has none. Does this mean that if he is danger of dying, he is going to be left to die because if he is loaned the money, there is no certainty that he will pay it back? It has been said that, for example, for cases of childbirth, the doctors require medicines to be bought. Where can the money be found if this happens at a time when the peasant does not have much money? Thought has been given to this and, with the help of SASAKAWA 2000, a village called Assrossa has been visited, where the people have already made progress in this area. It has been said that one can save for the hospital. At Assrossa, you give for one year 25,000 FCFA as an equity share, of which 20,000 FCFA go for treatment and 5,000 FCFA for insurance. In order to find enough members among us for this in Gbagla, this was reduced to 15,000 FCFA: 12,000 FCFA for treatments/medications and 3,000 FCFA for insurance. This is the amount a household head with 11 dependants must pay to be supported by the CVMSR. If this number is exceeded, he must have two accounts. But before joining the CVMSR, you have to pay 1,200 FCFA as initial fees. If you are a member in order, you will enjoy a 25% discount on the purchases of medications at the health fund pharmacy. Instead of paying 1,000 FCFA for birth, you pay 750 FCFA. In the case of illnesses beyond the capabilities of the CVMSR, you are evacuated to Porto-Novo and the CVMSR pays for everything until you are well."

The Gbagla CVMSR was founded early this year (2000). Currently 150 people have paid the membership fee, but only 20 of these have paid for their equity share. To help members pay for their equity share, people set up a tontine of 500 FCFA every Monday for 20 persons. This gives a "pot" or "prize" of 10,000 FCFA, which is distributed in rotation. Each participant can then use the amount received to pay for the equity share and thereby benefit from the services of the CVMSR.

This is a typical case in which the clients of a co-operative institution (the CREP, in this case) turn to *tontines* to obtain a savings product not provided by the co-operative: health fund savings. It would be possible for institutions to mimic the behaviour of a tontine, by collecting a health fund premium alongside loan instalment payments. At the end of the term of his/her loan, the client will have saved enough to create a health fund as in the case of the village of Gbagla.

School Savings/Loan
A client of the Médine co-operative in Ségou summarises this need by saying, "*The start of the school year is a problem in Mali. People have a lot of children. The school, although it is public, is no longer free. So you pay for the tuition, school books and the clothes and school has a cost. If a product is created that takes this expense into account, those who are in it (the MFI) would become loyal member*s."

Several attempts to offer school loans have been made. The results are not encouraging in terms of delinquency rates. Once a school loan has been obtained and spent on school fees it cannot generate other resources as in the case of loans for income-generating activities. Therefore, as long as this loan is not linked to a school expense savings product, it will be difficult to rectify the approach. Nevertheless, each person has to do whatever she can to send his or her children to school!

Emergency Credit for Social Cases and Unexpected Events
A client of an existing co-operative gave this anecdote: "*Last year, a child had a strangled hernia. The child had to have an operation. His mother came to the co-operative crying. The co-operative became his mother and father. It is not easy, but this has to be done. Nearby, a flood had claimed victims. Someone who joined the co-operative should have an emergency loan so he could buy a net and didn't have to sleep surrounded by mosquitoes. This confirms the validity of the co-operative.*" There is a clear need for short term emergency loans to meet these types of loans.

Automobile/Motorbike Savings
This is a specific need stressed by the *clandors* taximen drivers of Bamako who are capable of mobilising significant amounts of money at times. Even though this was not followed up during the study, we think that the the *Zimedza* or motorbike taxi drivers of Cotonou feel the same need.

Pre-financing/Circumstantial or Occasional Financial Support Loan
Clients of the CAECE in Bamako expressed a need for a pre-financing loan. These loans would be granted to merchants specialising in the supply of materials and equipment in the event that they have business agreements the conditions that do not allow them to buy on credit. The payment for the supplies/equipment would be made by CAECE thus setting up a loan account for the merchant.

A Loan in Line with Revenue and "Good Client" Loans
Some of CAECE's clients have little appreciation for the system that sets a standard size for everybody's first loans. According to them, it would be more realistic for the amounts granted to be in proportion with the applicant's sales. They also think that the co-operative would be fairer if the lending policy treated good payers differently with regard to accessing subsequent loans.

Proximity Savings Following the Example of the Door-to-Door Bankers
Something new came from the study—a desire for the co-operative (for example, CLCAM in Benin) and the tontine operators or door-to-door bankers to get together. The latter could help the CLCAM in collecting savings and loans from the CLCAM's members while benefiting from a line of credit in the co-operative that would make it possible for them to advance funds to their own clients. CLCAM clients would be able to benefit from the nearby services of the door-to-door bankers to supply their savings account and make the payments required to the CLCAM without having to travel.

Produce Storage/Processing
Processing of produce involves many women in the rural and urban environment. Most female discussants expressed the need to have a financial product designed to enable them to improve the storage conditions of the produce they have to sell, as it is often highly perishable.

Rental/Housing Savings
Making regular monthly rental payments for their homes is a real headache for a large number of the citizens, in both Bamako and Cotonou. Eviction often results from failure to pay the rent. In Mali, the

"rental *pari*" exists to enable the tenants of the same property to make small daily contributions (100 FCFA) to be able to amass the required amount every month. This is a real need that exists and not everyone is organised into a "rental *pari*" to make their payments. This is a clientele that the MFIs should capture by developing an appropriate product for hundreds of thousands of poor people who live in the outlying urban areas in West Africa.

Retirement Savings

Retirement takes most civil servants in West Africa by surprise. Few have been able to prepare adequately for their life in retirement. Since the MFIs have set up consumer credits for civil servants alone, it would be worthwhile for them to test a product with retirement in view. This product could also be directed toward the thousands of micro-entrepreneurs of the informal sector—setting money aside for their old age, when they will no longer be capable of engaging in their current economic activity.

AND IN CONCLUSION

The results of this study reveal that a participatory methodology, carried out with the support of resource persons from the locality who speak the local language, enables clearer understanding of the financial concerns and needs of several groups still not served by the MFIs. It can help to identify a group of potential clients who share certain characteristics and are likely to be attracted by a specific combination of financial products and services.

The challenge to the MFIs in implementing new products lies precisely in their capacity to define a promising target market or segment. "Target market" should be understood as a definite market segment, composed of identifiable clients who have specific financial needs or represent a potential demand for these financial products/services. To define the target market, the MFIs must define their own objectives, become well acquainted with the motivations of potential groups of clients and make decisions about the potential to satisfy financial needs on a sustainable basis whether ongoing or limited in time.

Five stages can be distinguished in the development of new products:

- Identification/analysis of the demand/needs in financial services and identification of the potential market segments (exploration of hypotheses on new products)
- Development and design of new products (including costing/pricing)
- Pilot testing of the products considered
- Evaluation of pilot test
- Roll out of the successful tested products

The first stage is to accurately identify the respective financial needs and target groups in a given market. This exploratory analysis should result in a number of hypotheses on possible new products. These must be coherent with the objectives of the financial institution.

The second stage consists of refining hypotheses and developing new product prototypes to undergo pilot testing. This will necessarily include a process of developing and refining product concepts into product prototypes ready for pilot testing as well as a detail costing/pricing activity as an integral part of this process. It will be necessary to reconcile the search for institutional profitability with the debt capacity of the potential clients.

The products deemed feasible must be tested according to realistic test protocols and at test sites that take into account the diversity of the situations observed and of the contemplated target group.

Lastly, the results obtained must be systematically evaluated at the different sites and a final choice of the new products to be implemented must be made.

In this entire process, it should be recalled that poor households are ready to deposit their savings in the MFIs when the delivery processes as well as the saving products offered suit them or respond to their true needs. Those in charge of MFIs, therefore, should be interested in having a good understanding of the needs of the clients (both current and potential) to ensure that the savings products to be implemented will meet the expectations of these clients. By diversifying the savings products and services offered, established institutions should be able to serve a wider range of clients, including those who currently benefit from informal mechanisms, in particular the clients of door-to-door bankers.

Lastly the potential of linking the institutional strength of the formal sector with the flexibility and proximity of the informal sector should be explored, in an effort to better serve poor clients.

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LIST OF ACRONYMS

BCEAO:	Central Bank of West African States (French acronym)
BOAD:	West African Development Bank (French acronym)
BNDA:	Banque Nationale de Développement Agricole
CAECE:	Caisse Associative d'Epargne et de Crédit aux Entrepreneurs
CANEF:	Centre d'Appui Nutritionnel et Économique des Femmes
CBEC:	Caisse Béninoise d'Epargne et de Crédit
CBDIBA:	Centre Béninois pour le Développement des Initiatives à la Base
CGAP:	Consultative Group to Assist the Poorest
CIF:	Centre d'Innovations Financières
CLCA:	Caisse Locale de Crédit Agricole et Mutuel
CNCA:	Caisse Nationale de Crédit Agricole
CNE:	Caisse Nationale d'Épargne
CRE:	Caisse Rurale d'Epargne et de Prêt
CVECA:	Caisse Villageoise d'Épargne et de Crédit Autogérée
DFS:	Decentralised Financial System
DID:	Développement International Desjardins
FECECAM:	Fédération des Caisses d'Épargne et de Crédit Agricole Mutuel
FENACREP:	Fédération Nationale des Caisses Rurales d'Épargne et de Crédit
FENU:	Fonds d'Équipement des Nations Unies
MFI:	Microfinance Institution
FUCEC:	Fédération des Unions Coopératives d'Épargne et de Crédit
IRAM:	Institut de Recherches et d'Applications des Méthodes de Développement
NGO:	Non-Governmental Organisation
PACCEM:	Projet d'appui à la Commercialisation des Céréales
PADME:	Projet d'Appui au Développement des Micro-Entreprises
PADSA:	Projet d'appui au Développement du Secteur Agricole
PARMEC:	Projet d'Appui à la Réglementation sur les Mutuelles d'Épargne et de Crédit
PASSEF:	Projet d'Association et d'Entraide des Femmes
PNUD:	Programme des Nations Unies pour le Développement
PRA:	Participatory Rapid Appraisal
RCPB:	Réseau des Caisses Populaires du Burkina
ROSCAS:	Rotating Savings and Credit Associations
SUM:	Special Unit for Microfinance
UEMOA:	Union Economique et Monétaire de l'Ouest Afrique
UTA:	Union des Tontiniers d'Akpakpa