



Women Save Together and Have Safer Deliveries, Healthier Babies

In the remote, mountainous areas of Gilgit-Baltistan, women have very little mobility due to the extremely rugged terrain and the conservative local culture. For those of childbearing age, this means poor access to basic reproductive health services. In Chitral District, for example, less than one-third of deliveries are attended by a professional healthcare provider. As a result, the region has one of the country's highest mortality rates for young mothers and newborns. While a major obstacle in accessing skilled care is the lack of appropriately trained health service providers, even where services do exist, women find it difficult to pay for them.

In response, with support from USAID, the Aga Khan Development Network (AKDN) implemented the Chitral Child Survival Program during 2008-2013. In collaboration with the Government

of Pakistan, 28 midwives were trained; and to help women pay for obstetric and neonatal services, the Aga Khan Rural Support Programme (AKRSP) introduced **Community Based Savings Groups**. The savings groups had a dual role, providing **a means to accumulate savings and take loans** in support of access to obstetric and neonatal services, and also serving as **a forum for delivering information about pregnancy, delivery, emergencies and newborn care**.

By the end of 2012, more than 400 groups had been established, reaching about 8,000 members. In 2013, a study published by BioMed Central reported that women participating in, or who had a family member participating in an AKRSP-supported community-based savings group, were at least three times as

likely to seek the services of a midwife, to ensure themselves safer deliveries and healthier babies.

Beyond Better Health: Members are “Sold” on the Benefits of Saving

In poor, isolated communities such as Chitral, savings groups have demonstrated enormous potential for improving the health and survival rates of young mothers and newborns. That said, certain **questions arise around the community-based savings groups as a financial service more generally. Are these groups viable in the long term?** Once programme support comes to a close, do they function independently, continuing to improve the quality of life of their members through sustained access to savings and loan services?

More than three years after their graduation, 47 out of 54 sample savings groups (87 percent) continue to operate, and operate *more successfully* than they had with the programme's start-up support.



Findings to Date

In an effort to respond to these questions, the Aga Khan Rural Support Programme has tracked 54 of the CCSP savings groups over five years so far. While this sample is limited in size and the data is highly variable, the study nevertheless reveals **encouraging patterns that – if validated by a study of larger and more comprehensive scale and design – could have significant implications for what savings groups can achieve for the poor.**

Nearly five years after their creation and more than three years after their graduation (after which they are no longer trained or supervised by the programme), 47 out of 54 sample groups (87 percent) continue to operate, and operate *more successfully* than they had with the programme's start-up support. In these groups:

- **membership has grown by 14 percent** (from 19.4 to 22.1 members per group)
- the amount of **new savings generated each year has more**

than doubled (from 612 to 1,565 Rupees per year, per member)

- the amount of **total savings** being managed by groups – including money carried over from one savings cycle to the next – **has increased by more than sixfold** (from 9,985 to 61,380 Rupees per group)
- **loan sizes have more than tripled, with more members taking loans** (from 31 percent of members holding loans averaging 1,240 Rupees, to 55 percent of members owing an average of 4,525 Rupees)

In short, men and women who may have had no convenient means to save in the past – due to competing demands on household income or simply a lack of safekeeping options – are now making routine deposits into their community-based savings groups, and at a steadily increasing rate. Not only that, most are foregoing the option to “cash-out” their full savings and profits at the end of each 12-month cycle. Confident in their groups, members are leaving in at least as much as they are taking out each year. As a result, more funds

are available for lending, permitting a greater number of members to access low-cost credit during the year, and in increasing sums.

What the Findings Suggest

With more stable cash flow, families involved in community-based savings groups have the potential to make better choices around their quality of life, and, amongst other things, pay for obstetric and neonatal services that permit safer deliveries and healthier young mothers and newborns. As well, **beyond the positive health outcomes, in such a remote context the community-based savings groups seem to show major potential from a financial inclusion perspective.** In view of the limited sample on which these findings were based, the questions that follow now are: Have the *majority* of the savings groups – which affect about 8,000 households or approximately 40,000 people in the region – experienced similar success? And if so, to what extent? A thorough study could answer this question conclusively.

The Aga Khan Development Network (AKDN) is a group of private development agencies working to empower communities and individuals, often in disadvantaged circumstances, to improve living conditions and opportunities, especially in Africa and Asia. Its agencies work in over 30 countries for the common good of all citizens, regardless of their gender, origin or religion. Its underlying impulse is the ethic of compassion for the vulnerable in society.

