



# Integrating Financial Education and Savings Opportunities into Health Interventions for Adolescent Girls in the Kibera Slum of Nairobi, Kenya

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**Abstract.** Health interventions for youth typically include the provision of information about various health issues (i.e. RH, HIV) as well as skills building activities that build leadership, communication, and decision making skills. However, these interventions rarely respond to the interplay that poverty and the lack of economic independence of youth living in urban slums has on their health and health seeking behaviors. Since 2006, the authors have been involved in integrating financial education and savings activities into programming for adolescent girls in the Kibera slum of Nairobi, Kenya. These programs offer a critical set of activities that address both health, social, and economic empowerment. This integration, delivered in a safe space for girls that allows them to also make friends and access mentors from their own community, provides a powerful combination that increases girls knowledge, self-esteem, and positive health and economic behaviors. Data will be presented from two studies. The first is an evaluation done in 2007 of the integration of financial education into a health-based program of a center for adolescent girls in Kibera that now regularly combines both health and financial education in a safe space model. The second is the quantitative baseline study that was done as part of a project that is developing group-based savings accounts for adolescent girls in Kibera which involves 1000 girls ages 10-19 who have opened savings accounts in the last four months, as well as a comparison group of 520 girls. Both studies add weight to the theory that in order to improve the health of girls living in urban slums, these girls need not only health interventions, but critical money management skills and savings opportunities delivered through a safe spaces model program platform.

*Keywords:* Adolescent; Financial Education; Saving; Kenya; Safe Space

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## 1. Introduction

Health interventions for youth typically include the provision of information about various health issues (i.e. RH, HIV) as well as some skills building activities that build leadership, communication, and decision making skills. However, these interventions rarely respond to the interplay that poverty and lack of economic independence of youth living in urban slums has on their health and health seeking behaviors. What often prevents youth, especially adolescent girls, from making healthy decisions is their economic situation or lack of economic independence. For example, a 16 year-old girl might know that having unprotected sex puts her at risk of HIV infection and unwanted pregnancy, and she is confident and knows how to use a condom, however, she is dependent on her sugar daddy, or 25 year-old boyfriend, for money to help pay rent or buy new clothes. Therefore, she does not have the ability to successfully negotiate for safer sex with him. It is the combination of accurate health education, development of self confidence, communication and leadership skills, AND financial education and savings opportunities, delivered in a safe place for girls where they can access mentors and make friends with other girls in their community, that will allow her to safely and healthily make the transition into adulthood.

Since 2006, the authors have been involved in integrating financial education and savings activities into programming for adolescent girls in the Kibera slum of Nairobi, Kenya. These programs offer a critical set of activities that address both health, social, and economic empowerment. This integration is delivered in the context of the ‘safe spaces’ model of programming for girls that allows them to 1) regularly access a physically safe space at least once a week; 2) make friends with other girls her age that live in her same community; and 3) have a mentor who is an older adolescent girl or young women in her own community. This powerful combination has the ability to increase girls’ knowledge, self-esteem, and positive health and economic behaviors.

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## 2. The Binti Pamoja Center and Financial Education

The Binti Pamoja Center is a program for adolescent girls ages 10-22 in the Kibera slum of Nairobi, Kenya. The program focuses on providing girls in Kibera with safe spaces and mentors through which they are able to learn about reproductive health topics, adolescence, and financial education, as well as develop friendships and skills in communication, negotiation, and leadership. Girls are recruited into the core program once a year and meet twice a week for a period of approximately two years. Upon graduation from the core program, girls are taken through an intensive training of trainers and become group leaders in the Safe Spaces Program, through which they recruit and run their own girls groups throughout Kibera. The Center started in 2002 and in its initial years focused on training girls on HIV and reproductive health topics, as well as developing strong leadership and communication skills. However, as the program was growing and the girls were getting a bit older, it became clear to the staff that the inability of the program to address the economic situation in which the girls were living was posing a barrier to the girls being able to act on the health education that they were receiving. For example, one of the girls could lead a forum for youth on HIV prevention one day, and the next day come to the program staff requesting emergency contraception. When probed what led to her having unprotected sex, a typical answer was *'I needed money to pay the rent. I knew if I went to my boyfriend I could get the money.'*

Therefore, the staff, in consultation with the program members and parents, made the decision to expand the content of the program beyond health to include components of economic empowerment. This work began in March 2006 with the development of a financial education curriculum designed for adolescent girls in Kibera. The project conducted a market research study that assessed the existing knowledge, attitudes, and practices of adolescent girls – both older (15-19) and younger (10-14) as well as in-school and out-of-school – around money management, cash flow, and use of both formal and informal financial services. Key findings from the market research study included that 1) girls did indeed have money flowing in and out, although in small amounts and irregular in frequency; 2) girls expressed a strong desire to learn how to save and budget; 3) girls received money from both their parents/guardians, as well as boyfriends and sugar daddies (especially in the 15-19 age bracket); 4) girls were more interested in savings than receiving credit; 5) girls believed that savings could reduce their vulnerability by needing to rely less on transactional sexual relationships during times of economic need; and 6) if girls could not put their money somewhere safe, or have successful financial negotiations with their guardians, they risked having their money stolen.

The data from this study was used to design a curriculum with modules on savings, budgeting, banking services and earning money. The graduates of the Binti Pamoja Center pilot tested the curriculum and were later trained as trainers of financial education. These alumni leaders began training their girls groups in Kibera on financial education. The curriculum was also shared with and used by a number of other girls programs in Nairobi. A process evaluation was conducted six months after the integration of the financial education curriculum. The data showed that both girls and parents/guardians were overwhelmingly supportive of this new program component and 72% of girls had written budgets and 60% of girls reported saving in the month prior to the survey. When interviewed, two of the girls said:

*"Now when you added financial literacy, it is very good - it has expanded my knowledge – this idea of savings has come into my blood. I was not saving in the first place, but now I'm thinking about tomorrow, if I'm going to have a baby, what am I supposed to do. Personally, it has really helped me. I have started to save, which I was not doing in the past." -Binti Pamoja Alumni Member*

*"I learned a lot ... how to save my money and how to budget my money. It's a good thing because before was taking any money and using it recklessly, so, when we went for the training, I talked with my mother...she bought for me a home bank and now I'm saving... I will save for future use – if I save a lot of money – I will go to school." - Binti Pamoja Core Group Member*

Of those who saved, two-thirds reported that their parents knew of their savings, and a third reported that their parents did not know. Two-thirds of girls reported stretching their money in the last month. Over 80% of girls reported sharing the financial education information with their families. However, girls that reported saving were saving exclusively through informal methods (80% in a homebank). As the financial education program was taking effect among the girls, they began to express a desire to move from informal savings to having a formal, secure place in which they could save their money (i.e. a bank account).

### 3. Formal Savings Accounts for Adolescent Girls

At that point in time, the only “child accounts” that existed were operated by the guardian in the name of a child – not an account that adolescents could operate themselves. Therefore, in a move to develop formal savings products for vulnerable adolescent girls, a second market research study was conducted in Kibera in June 2007 by *MicroSave Consulting, Ltd.*, with over 200 adolescent girls (again of various age and schooling segments). Key findings from this study were that 1) girls had money; 2) if an appropriately designed savings account was available, girls would save their money in them; and 3) girls wanted health and social activities alongside the opportunity to save. A product concept for a group-based savings account was developed, in which the group model was used to address both the legal constraints of minors not being able to hold individual accounts, as well as providing the girls with access to the ‘Safe Spaces’ model of programming, building their social networks.

Based on the Population Council’s global body of work with adolescent girls, the Council has developed and promoted a program platform that includes three critical components: 1) a physical safe space where girls can meet regularly in their community; 2) a group of same sex friends their age living in the same community; and 3) a mentor who is a young woman from the community that also meets the girls regularly. With the appropriate program structure in place, it is then possible to develop the content of a girls program to focus on the area and topics of interest. Therefore, while the primary goal was to develop a financially viable saving account for adolescent girls, it was designed in such a way that encompasses each of the core elements of the Safe Spaces model. First, the financial institutions arrange for a safe place in the community for the girls to meet once a week (spaces include schools, churches, community halls, and others). Second, although each girl has her own account and can access only her own individual savings, girls are organized into groups so that they are able to make friends and form social relationships with a group of girls from the community that they meet regularly. Third, each group selects their own mentor who is a young woman above the age of 18 from Kibera who not only helps facilitate the financial transactions, but also leads discussions during the group meetings and serves as a role model and source of support in the community for the girls. Group members receive training in both financial education and a variety of health topics – combining the integrated topic content along with building in critical components of good girls programming into the design of the product.

- Savings groups of 10-15 Girls, Age 10-19
- Weekly group meetings
- One mentor per group age 18 and above, chosen by group members, who assists with financial transactions and facilitates group meetings
- Open account with any amount
- No fees to deposit or withdraw
- Girls rewarded for regular depositing and good group attendance/participation
- Girls receive t-shirt, home bank (piggy bank), and savings photo identification card
- Savings activities complemented with training on health topics and financial education
- Meetings supplemented with fun days and educational trips

Fig. 1. Saving Account Key Features

The group based savings account (see Fig. 1) is currently being piloted in Kibera with two financial institutions in Kenya – K-Rep Bank and Faulu-Kenya. Concurrent to the savings activities, a baseline survey was conducted of the girls who have opened savings accounts (n=911) and well as a comparison group (n=523). Girls will be surveyed at the end of the pilot period (late 2009) and again one year after the completion of the pilot (late 2010). The baseline survey results gave a summary of the characteristics of girls who voluntarily chose to open a savings account. Overall, 92% of girls are in school, 55% live with both parents, 28% with only one parent, and 17% with neither parent. While girls’ families owned six assets on average (out of a possible list of 16), 83% of girls did not own any assets - neither on their own nor together with someone else. Of the girls who had reported savings prior to opening an account, the majority saved informally (e.g. homebank, with parents/friend, or in a box) and the three most common reasons they were savings were for personal items like clothing and sanitary towels (70%), education, (52.5%) and emergencies (24%). Interesting to note is that only 39% of girls reported that they would have sole control over their savings – 36% stated they would decide together with someone else and 25% said that someone else would have sole control (most commonly their mother). This highlights the importance of engaging the girls’ female guardians in the program activities, which has thus far included various family events which not only educate the guardians about the program, but are also an opportunity for the financial institutions to enroll them in mainstream banking products.

Baseline measures were also taken on areas of social vulnerability, social networks, social mobility, gender norms, and self esteem. At endline we will be looking to see if having a savings account, which is delivered in the context of a Safe Spaces program structure, will result in change not only on indicators of economic empowerment, but also the above mentioned social indicators as well. Initial challenges in delivering the savings account lie not in the demand for the product, but in the financial institutions ability to balance its high costs with the needs of the girls, hesitance to engage a high-risk market, and overcoming legal barriers in reaching a population of minors. Thus far, these challenges have been overcome through subsidy of the pilot test (to be phased out in the roll-out phase), passionate product champions at the financial institutions, and use of mentors and community leaders.

After the pilot is evaluated, a strategy for rolling out the savings accounts country-wide will be developed together with the project partners. Additionally, similar work is underway in Uganda. During the recent market research study conducted in June 2009 in Kampala in preparation for designing the Uganda girls saving accounts, one participant confirmed our theory when she stated: *"If I have an account I don't have to rush to my boyfriend or I don't have to engage in risky behavior like sex, early marriage..."*

#### **4. Conclusion**

Both the Binti Pamoja Center financial education and Population Council/*MicroSave* savings projects are concrete examples of how programs can improve the overall health and well being of adolescent girls in an urban slum area by providing them with both health and financial education training, as well as savings opportunities – all in a setting where they have access to mentors and friends in their community. Both studies add weight to the theory that in order to improve the health of girls living in urban slums, these girls not only need health interventions, but also critical money management skills and savings opportunities delivered through a safe spaces model program platform.

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