

The Social and Financial Inclusion methodology

AUXFIN G50 APPROACH

COMMUNITY ACTIVATION - UMVA CAP REG REP

The **G50 APPROACH** is a development approach and has a variety of solutions within the Community Activation Platform, open to all members of a community, service providers, regulators, donors etc.

The rural, fragile, post disaster and post conflict regions have a problem of infrastructure, including ICT infrastructure. Development projects often start with collection of information and this is not shared in a common platform. With the G50 approach we are able to develop **social maps** for the region that can be shared with others. While building the social structure and global **mapping** of the region, the need for **registration** and financial systems arise, and all can benefit from an electronic transaction account. Also, the community needs information on financial systems, security of savings, leadership in financial institutions, etc. This is given with financial and social inclusion **trainings**.

After the structures are set up and members are registered and have a transaction account, the process can start to organize the groups. **Leadership** training will assist the groups to elect the leaders. The G50 approach has a standard process that can vary in detail. The group will develop its plan for the short and middle term future. First, they **select the problems** out of a prepared list based on **6 pillars** and the **development goals** and eventually add their specific problems and goals, and they will **prioritize** the problems and select solutions providers. Automatically, the system will make integrated **plans in time and finance**. Finally, they are able to **report** to the group and other stakeholders.

A special part in the solution is set for **business opportunities**, reporting existing businesses, exploring unused assets, making plans for new business activities.

The group leader will use the system to make a TOC (**Theory of Change**) plan, with assistance of selected service providers, and since all is electronically stored in central databases, an **Evidence based evaluation** can be made easily.



The G50 approach combines financial and social inclusion activities in networks. In our experience the sustainability is more secured by combining these 2 areas of intervention. Strong results can be expected in fragile states, post conflict or nature disaster regions, and also in emerging economies where the divide between urban and rural communities is widening.

The solution is introduced in Burundi and we have 1,231 groups of 50 families with in total 60,400 members, in 2017 extending to another 110,000 families in 2,200 groups.

G50 approach is a methodology with a foundation of old processes and new technology and can be used on existing networks or newly created networks. It is an all-inclusive approach, meaning that all members of a certain community are connected to the networks. Introduction of this approach will make a community more active, more coherent, have better economic growth, and be future proof.

Projects aiming on either FI or SI have many sustainability challenges.

The main problem in a poor or unstable region is availability of solutions and infrastructure; building the ICT infrastructure and the UMVA FINANCIAL ECO Platform delivers low cost solutions that are sustainable.

Mapping

Mapping is done in 2 stages, first a global map of the region where the existing networks and connections are documented. The 2nd stage is that the group leaders and community activators are able to detail the mapping for their network.

Social maps

Based on the mapping and documentation of problems the system can create reports such as a dash board report (that in fact is a social map, as used by the development organizations).

Training

The standard training programs that are the basis for this G50 approach are in general 18 hours, and are delivered as 1 hour per month. In case the project has less time or budget a basic approach is possible for 8 hours of training. A final test is part of the training plan and a certificate is given after passing the test.

Leadership

The leaders will get leadership training and are tested. A certificate is given.

Registration

The members are registered in the network; there are several ways and tools to assist the service provider or group leader to register the members. Since this registration can be connected to a Financial Institution the KYC (Know Your Customer) legal requirements are followed.

Electronic transaction account

The basis of the registration is the transaction account, with the different connections to partners and service providers. The transaction account can be in currency, such as EUR or USD, but also in product such as coffee, rice, sugarcane etc.

Select the problems

The group leaders will be able to use the Social inclusion system to identify the Problems, from an existing list in the system.

6 pillars and the development goals

The system has grouped the development goals by 6 pillars

- Finance
- Work and income
- Health

- Governance
- Social
- Education

Prioritize

The group in one of their meetings will prioritize the selected group development goals/problems.

This priority is the basis for selection of the service providers or to connect to existing programs in the region. The service providers will indicate the solution programs, with time and cost. The system will give alternatives and the group can select a solution of their preference.

Plans in time and finance

The priority and selected solutions will result in a plan automatically. The system has the possibility to generate a plan and alternatives based on reduction in time or cost.

Report

Group leaders will have a solution of reports available to support the group leaders or the group in reporting to different stakeholders.

Theory of Change

Many service providers and donors would like to see a TOC document. The system is able to report the activity plan in this format.

Evidence based evaluation

One of the missing elements in development projects is evaluation based on evidence. The UMVA platform is activity oriented, meaning that the activities are registered and automatically financial or production data is captured in the database. Based on these electronic transactions and weekly reports by the group leaders, users of the system can create all types of reports.

Technology

Parts of the UMVA Platform and solutions are used to support this G50 approach.

ICT support

The system runs in the "cloud" meaning that it is easy to connect a project or region.

AUXFIN offers technical assistance to service providers for deployment of this solution.