



Reaching an Independent Economic Life (RIEL)

End of Project Evaluation Report

2015

Acknowledgements

The CUFA staff member leading this evaluation appreciates the time and contributions of staff which enabled the collection of data. Particular appreciation is extended to the community members of the five sites: Phnom Penh; Sihanoukville; Pursat; Battambang and Poipet for generously sharing their time and personal experiences as part of this evaluation.

List of Acronyms

ADB	– Asian Development Bank
CFL	– Children’s Financial Literacy
CRP	– Compliance Review Panel
DFAT	– Department of Foreign Affairs and Trade
EIRP	– Expanded Income Restoration Program
MFI	– Micro-Finance Institution
RIEL	– Reaching an Independent Economic Life
SHG	– Self-Help Group

List of Tables

Table 1	Evaluation participants.....	28
Table 2	RIEL Project ranking	30
Table 3	Training participation by gender and region.....	38
Table 4	Bookkeeping training by location and gender	39
Table 5	Children’s financial literacy attendees by location and gender	41
Table 6	Financial counselling sessions by gender, sessions and location.....	43
Table 7	Financial helpline by location and gender	45
Table 8	People with a disability project attendance	46
Table 9	People with a disability by region, gender, age and disability type	46
Table 10	Phnom Penh	49
Table 11	Proportionate share of lender type Phnom Penh	52
Table 12	Pursat.....	61
Table 13	Proportionate share of lender type Pursat	64
Table 14	Battambang	69
Table 15	Proportionate share of lender type Battambang.....	72
Table 16	Progress of Village Entrepreneurs - Battambang	75
Table 17	Poipet.....	81
Table 18	Proportionate share of lender type Poipet	84
Table 19	Sihanoukville.....	90
Table 20	Lender type Sihanoukville	93
Table 21	Children's Financial Literacy attendees	97

List of Graphs

Figure 1	Comparison on average household incomes	31
Figure 2	Comparison on average household debts.....	33
Figure 3	Average income less all expenses	34
Figure 4	Average total assets	34
Figure 5	Gender participation across all project delivery modalities	36
Figure 7	Gender participation in Bookkeeping training.....	39
Figure 8	Gender participation in children’s financial literacy training.....	40
Figure 9	Gender participation in financial counselling sessions	42

Figure 10 Gender participation in financial helpline sessions 44
Figure 11 Theory of Change 108

List of Maps

Map 1 Geographical location of RIEL Project 19

Note

Please note all dollar amounts used in this report are in US Dollars.

To protect the identity of participants, identification numbers and pseudonyms have been used.

Contents

Acknowledgements.....	2
List of Acronyms.....	3
List of Tables	3
List of Graphs	3
List of Maps.....	4
Note	4
Executive Summary.....	8
1. Summary of Key Findings.....	12
1.1. Program implementation activities	12
1.1.1. Key program statistics: December 2012 to March 2015	12
1.2. Progress towards achieving program goals	12
1.2.1. Key program statistics: December 2012 to March 2015	12
1.3. Progress towards cross-cutting issues	12
1.3.1. Gender	12
1.3.2. Disability.....	12
1.3.3. Youth.....	12
2. Summary of Recommendations.....	13
2.1. For future projects of a similar nature.....	13
2.1.1. Program model	13
2.1.2. Financial literacy	14
2.1.3. Livelihood and vocational skills development	14
2.1.4. Program models and materials	14
2.1.5. Promoting sustainable savings habits.....	15
2.1.6. Children’s Financial Literacy.....	15
3. Introduction	17
3.1. Document purpose	17
3.2. Project background.....	17
3.2.1. History and problem statement.....	17
3.3. Geographical location	18
3.3.1. Project delivery	20
3.3.2. Project funding.....	21
3.4. Project summary	21

3.4.1.	Project objectives (Phase one).....	21
3.4.2.	Project objectives (Phase two – six month extension) and (Phase three – three month extension)	22
3.4.3.	Cross-cutting issues.....	22
3.5.	Evaluation scope	22
4.	Methodology.....	23
4.1.	Approach.....	23
4.2.	Theoretical framework	23
4.3.	Research tools.....	24
4.4.	Evaluation methods	24
4.4.1.	Quantitative assessment.....	24
4.4.2.	Qualitative assessment	25
4.5.	Sampling.....	27
4.6.	Research team	28
4.7.	Limitations encountered.....	28
5.	Findings	30
5.1.	Project delivery overview	30
5.2.	Progress towards achieving program goals	31
5.2.1.	Income, expense and debt levels.....	31
5.2.2.	Sensible borrowing, managing debt repayments and saving for the future	33
5.3.	Contribution to cross-cutting issues	36
5.3.1.	Gender	36
5.3.2.	Disability.....	46
5.3.3.	Youth	47
5.3.4.	Financial and Rural Development.....	47
5.4.	Financial position and impact of training on the resettlement sites.....	49
5.4.1.	Phnom Penh.....	49
5.4.2.	Income, expenses, debt and asset levels: Phnom Penh	50
5.4.3.	Pursat	61
5.4.4.	Income, expenses, debt and asset levels: Pursat.....	62
5.4.5.	Battambang.....	69
5.4.6.	Income, expenses, debt and asset levels: Battambang	70
5.4.7.	Poipet	81
5.4.8.	Income, expenses, debt and asset levels: Poipet	82

5.4.9.	Sihanoukville	90
5.4.10.	Income, expenses, debt and asset levels: Sihanoukville.....	91
5.5.	Children’s Financial Literacy.....	97
6.	Conclusion.....	101
7.	References	102
8.	Appendices.....	105
8.1.	Appendix 1: Participant evaluation.....	105
	<i>Training</i>	105
	<i>Family budgeting</i>	105
	<i>Setting: short, medium, long term goals</i>	105
8.2.	Appendix 2: Participant evaluation.....	106
	<i>Children’s Financial Literacy</i>	106
8.3.	Appendix 3: Participant evaluation.....	107
	<i>Village Entrepreneur Participants</i>	107
8.4.	Appendix 4: Theory of Change diagram.....	108

Executive Summary

The Reaching an Independent Economic Life (RIEL) project has worked alongside communities that have been resettled as part of the Cambodia Railways Rehabilitation Project from December 2012 to March 2015. To deliver this project CUFA was engaged by the Department of Foreign Affairs and Trade (DFAT) (formally known as AusAid) to work with communities across the five geographical areas of Phnom Penh, Sihanoukville, Battambang, Pursat and Poipet to increase their understanding of financial literacy and assist them to improve their economic circumstances.

The initial project scope included CUFA providing financial literacy support to 720 resettled households; however this number was modified to 375 households in light of changes to the project scope. The reduced number of households ensured that a more individualised training and support program was able to be established. This evaluation examines through qualitative and quantitative analysis how the delivery of the RIEL project has impacted the economic circumstances of households. Financial data has been assessed based on the participants' situation post resettlement, between December 2012 and March 2015. Participants' reflection on their quality of life prior to relocation is based on anecdotal qualitative information as there is no reliable quantitative data on their financial situation prior to resettlement.

The aim of the project has been to provide small group training and individual financial counselling sessions to resettled communities across the five sites. Since December 2012, RIEL project staff have held 299 emergency financial counselling sessions to households to assist them with urgent loan enquires and provided 1,550 training sessions under the core components: Understanding Financial Concepts; Family Budgeting; Sensible Borrowing; Managing Debt Repayments; Setting Financial Goals; Micro-Enterprise Development and Finding a Balance: Spending and Savings. RIEL project staff have also delivered financial support using a door to door approach where 3,484 one hour face-to-face financial counselling sessions were conducted to provide tailored support to individual households. To encourage children to develop good savings habits from a young age, 166 children's financial literacy training sessions were also provided, with each child on average receiving nine lessons each.

There has been positive involvement by women, constituting 66 per cent of training participants in group training for the core modules and 64 per cent of the attendees in the face-to-face financial counselling sessions. The higher participation of women is partly due to the fact that more women are regularly present in the community through child-minding and livelihood opportunities, whereas more men travel outside the resettled community to seek work and are thus less available to attend the training sessions. In contrast, across the five sites more men than women held leadership positions in the SHGs and accordingly training to self-help group committees focusing on bookkeeping had only 31 per cent participation by women.

The project also supported 14 people with a known disability, half of whom were leg amputees. To assist these men and women to attend training project staff frequently conducted small group training close to their residence and additional one-on-one sessions when requested.

In order to achieve the overall goal of the program, to assist households to learn basic financial literacy skills so they can make good financial decisions, particularly when faced with hardship, CUFA applied a community development approach. Under this approach CUFA developed a theory of

change framework that illustrates the relationship between actions and outcomes, and how outcomes are related to each other over the lifespan of the project. This evaluation, through qualitative and quantitative data analysis found that the pedagogical elements of the project were intrinsically linked and the training modules appropriate for the project design. An illustrative representation of this process is provided as an appendix to this report¹.

The RIEL project has performed strongly in terms of delivering lasting financial literacy skills to 375 households across the five sites; in particular by providing them with practical strategies to reduce their expenses which in turn have allowed them to reduce their debt levels and place them in an improved economic position. The monthly training, individualised assistance via a case management approach, and the 24/7 financial helpline have been essential assets of the program, which have greatly helped households to improve their financial well-being.

The success of resettled households in changing their circumstances is reflected by the improvement in their financial positions. On average, household incomes less all expenses increased by 435 per cent between December 2012 and March 2015, and average asset levels correspondingly increased by 269 per cent in the same period. The reduction in expenses can be largely attributed to the simple strategies and the interactive and engaging teaching methodologies employed by trainers, such as role plays and imagery which have helped participants to reduce their expenses and increase their savings.

The average household debt levels have similarly decreased over the course of the project by 28 per cent. Throughout the project, debt levels have however fluctuated as a result of households obtaining larger debts just prior to the festive seasons, as well as acquiring additional assets to support their business ventures. Households sought additional cash flow in order to capitalise on the expected increase in sales during festivals such as Khmer New Year and Chinese New Year; and an increase in income and asset levels can correspondingly be seen in the subsequent months.

These positive results are a testament to monthly training sessions and the case management approach where tailored individual assistance was provided to each household, as well as the monitoring of the financial performance of each household on a quarterly basis. Through this approach staff were flexible to ensure that the needs and availability of households were met, with the provision of training in the evenings, during the day as well as on the weekends. Additionally households had access to the 24/7 financial helpline where CUFA staff were able to provide financial advice via the phone. Also, face-to-face support was delivered if further assistance and support were required.

While income levels across Sihanoukville, Pursat, Battambang and Poipet have increased on average by 59 per cent over the course of the project; income levels in Phnom Penh decreased by 14 per cent in the same period. The decline in income levels at Phnom Penh can be associated with a myriad of factors; however the principal reasons as perceived by participants during the evaluation was the geographical location of the new site. Many stated that they had previously lived in closer proximity to central Phnom Penh which provided easy access to market hubs, income sources and a constant flow of customers. In comparison, the new site, being up to 30 kilometres away from

¹ Refer to Appendix 4

central Phnom Penh presented a lower population density, fewer markets and correspondingly fewer income generating streams.

Following an additional request from DFAT, CUFA in November 2013 conducted an audit on 13 self-help groups (SHGs) across the five sites. As a result of this audit, CUFA since mid-2013 has provided 145 bookkeeping training sessions to 297 committee members² to assist them to develop robust policies and procedures for their SHGs.

The SHGs were established in 2011 under the Income Restoration Program and since this time have received training and support from CUFA as well as SBK (a locally based NGO), the Expanded Income Restoration Program and Community Organisers. The presence of a strong, motivated and committed community leader is an extremely valuable element to ensuring that SHGs become sustainable institutions within communities. As can be seen in Pursat, the dedication and passion of the SHG leader to mobilise monthly savings contributions and their proactive approach to assisting members to create business plans has resulted in a strong sense of savings amongst the community. The households buoyed by the SHG leader are passionate and committed to applying the skills learnt in training, and zealous to continue learning skills that will help not just themselves but also the SHG.

This evaluation found that SHGs still lack the required technical skills to effectively operate the groups. To further build on the capacity of SHGs across the five sites, and to encourage greater member and saving mobilisation, more technical training focusing on bookkeeping is recommended. While SHGs have received some training in bookkeeping and account keeping, feedback from this evaluation strongly indicated that SHGs would like to receive additional training in these components to help them provide more rigour in their record keeping practices and processes.

As demonstrated through the data contained within this report, any future financial literacy training to resettled communities would similarly benefit by adopting a case management approach where households receive tailored face-to-face training and support based on their individual financial situation. Continual training by the same individual, Cambodian nationals who understand the local context, has created continuity and trust building between CUFA and the households. This in turn has allowed CUFA to collect detailed information about the individual circumstances of each household. The recording of detailed financial information is a valuable component of the program and has ensured that individual needs are considered in relation to any financial distress that occurred. In response to financial data collected, project staff are able to provide tailored assistance in the form of financial counselling to each household to assist them to improve their financial well-being.

This evaluation has assessed the Program against the Australian Aid Program's Quality Assessment Framework and found that the project activities and design were appropriate in assisting resettled families to improve their financial well-being. The ratings based on the findings of this report are as follows:

Program quality rating assessment

- Relevance: Fully satisfactory
- Efficiency: Fully satisfactory

² Number represents repeat attendees

- Effectiveness: Fully satisfactory
- Sustainability: Satisfactory

1. Summary of Key Findings

1.1. Program implementation activities

1.1.1. Key program statistics: December 2012 to March 2015

- Delivered 299 emergency financial counselling sessions to assist households in the event of an urgent need for financial assistance in relation to loan applications and debt repayments.
- Held 1,550 training sessions in: Understanding Financial Concepts; Family Budgeting; Sensible Borrowing; Managing Debt Repayments; Setting Financial Goals; Micro-Enterprise Development and Finding a Balance: Spending and Savings to 375 households.
- Delivered 166 Children's Financial Literacy sessions with each student receiving nine sessions on average.
- Provided 3,484 face-to-face financial counselling sessions where households receive regular refresher training focused on core financial literacy concepts such as loan repayments, family budgeting and minimising spending and maximising saving.
- Conducted an audit in November 2013 on 13 SHGs to identify their strengths and make recommendations to improve their processes and procedures; to help them work towards achieving best practice and financial sustainability.
- Assisted 277 SHG committee members to gain better understanding in the importance of bookkeeping through 148 bookkeeping sessions between July 2014 and March 2015.

1.2. Progress towards achieving program goals

1.2.1. Key program statistics: December 2012 to March 2015

- **435%** increase in average income less all expenses across the five sites.
- Across all sites there was a **269%** increase in average asset levels.
- Average household debt size, across the five sites reduced by **26%** as a result of expenses reducing by **17%**.

1.3. Progress towards cross-cutting issues

1.3.1. Gender

- Women represented **64%** of attendees in financial counselling sessions and **66%** of attendees in core training modules.
- **54%** of calls to the financial helpline were by women.
- Bookkeeping training to committee members was delivered to **277** people³, **38%** women.

1.3.2. Disability

- **14** people with a known disability attended RIEL training and support sessions.

1.3.3. Youth

- 166 children's financial literacy lessons were delivered, with 55% of participants girls.

³ Represents repeat attendance.

2. Summary of Recommendations

2.1. For future projects of a similar nature

2.1.1. Program model

- Continue detailed household financial data collection and reporting on a quarterly basis in order to collate cumulative financial knowledge on each site, as well as the monitor and track the financial circumstances of each household.
- Foster strategic relationships throughout the whole project duration between CUFA and community leaders to ensure that the expectations and roles and responsibilities of each party are defined and well-understood.
- Continue ongoing training and a case management approach where communities primarily receive consistent and personalised support from the same individual for the purposes of creating continuity and trust building.
- To ensure that individual household needs are considered, financial assistance is tailored and the financial situation of households is monitored, by recording detailed information about the each participating household.
- Continue to consult with communities on a regular basis to ensure that training components and sessions times are adequately suited to their needs and skill levels.
- Retain current teaching structure, content, materials, duration and frequency and continue to engage on an ongoing basis with communities to ensure these remain suitable to their needs.
- Continue the community development approach where savings habits are developed throughout the age demographics of the community, with financial literacy provided to both children and their parents.
- Maintain the financial counselling help-line, thus providing 24/7 emergency financial assistance to households.
- Retain the flexible delivery model; whereby small group training, face-to-face financial coaching, emergency financial counselling and a financial helpline are provided.
- Sustain the flexible delivery schedule where project officers provide training during work hours, after work hours and on the weekends to ensure the greatest accessibility and participation by households.

2.1.2. Financial literacy

- Continue to provide financial literacy training to communities before resettlement occurs to minimise the risk of money lenders preying on their vulnerability and pressuring them into loan agreements they can ill-afford.
- Sustain financial literacy training in the resettlement area for a continuous period of time to ensure participants have the ability to set and apply short, medium and long term goals.
- Provide refresher training in core components such as family budgeting and managing debt payments to heighten the opportunity for community members to grasp and apply these skills.

2.1.3. Livelihood and vocational skills development

- To advance economic development of resettled households consider implementing a financial literacy program that is delivered together with and aligned to a livelihoods and/or vocational training program.
- Continue delivery of the micro-enterprise development component in collaboration with a livelihoods and vocational skills development program to enable participants the opportunity to apply the skills learnt into their small businesses⁴.

2.1.4. Program models and materials

Any future training should consider the following points:

- Ensure that training programs remain interactive and engaging by employing role playing and group activities as well as games, illustrations, flash cards and interactive technology. For example this could include sharing experiences of financial hardships and allowing participants to decipher solutions within a group situation.
- Review activities and factors which contribute to success in each site and consider application in other sites, for example through case studies, study tours and interactive technology.
- To enhance performance outcomes and to support participants who are unable to travel far from their households focus on small group training and individual sessions that are close to their homes.
- To promote and encourage attendance among households, hold social events such as film nights to promote training sessions, financial counselling and the financial helpline.

⁴ Supplementary to the RIEL project CUFA delivered a micro-enterprise development program (Village Entrepreneur Initiative) in Battambang to assist 8 households establish micro-enterprises.

- Illustrate positive case studies of wise financial management decisions that resonate with participants. For example invite participants to visit the household of a family who maintains a regular family budget and spends thriftily to inspire and illuminate the benefits of sensible financial management.
- Continually review training materials and training manuals to ensure they are relevant and captivating to the target audience.

2.1.5. Promoting sustainable savings habits

- Conduct thorough capacity assessments with each SHG prior to program implementation to determine their current capacity in order to develop customised training components and module materials.
- Ensure a solid methodology and simplified materials/manual (either in text or picture form) are developed prior to the commencement of the SHGs.
- Provide additional training to SHG committee members to enable the groups to have robust and rigorous accounting and bookkeeping practices.
- Establish active partnerships with community leaders. Active partnerships would involve informing village chiefs of the goals and outcomes of program activities; provide basic information about the importance of financial literacy and establish a relationship whereby community leaders are the agents to promote savings and membership mobilisation within their communities.

2.1.6. Children's Financial Literacy

- Improving financial literacy is a long-term behavioural change that enables people the opportunity to break the cycle of poverty, hence it is imperative that have they the opportunity to develop sensible money management habits from a young age. To ensure this, the continuation of financial literacy training to children in the age groups of 7-14 to assist them to build life-long financial literacy skills is recommended. This age group is the most appropriate as the children have already commenced earning pocket money by helping their parents around the household and selling small items after school to generate additional income.
- Continue to deliver the community development approach whereby children and their parents receive financial literacy training and strengthen the linkage between children, parents and the SHGs to ensure there is a sustained impact on children's savings habits which in turn will boost the financial capabilities of the SHGs.

- Provide SHG committee members with financial literacy training to promote the advantages of children's membership and the economic benefits that their membership and savings can have on the financial sustainability of the group.
- CUFA to promote policies and procedures within SHGs to encourage children's accounts.
- Sustain the children's financial literacy training in an area for a sustained period of time to assist children to save for short, medium and long term savings goals.
- Teach children how to build a piggy bank to encourage them to save even if their piggy bank is lost or damaged.
- Encourage parents to reinforce good savings behaviour by their children. For example inspiring them to continue saving following the achievement of their first savings goal or for special events such as Khmer New Year.
- Review the factors and materials which contribute to the success in CUFA's existing children's financial literacy program and consider application into future project work across the RIEL project sites.

3. Introduction

3.1. Document purpose

This document reports the process and findings for evaluating the impact the RIEL project in Cambodia. CUFA has implemented the project from December 2012 until March 2015 with assistance from DFAT.

The intended use of this evaluation report is to examine the implementation and impact of CUFA's activities with respect to individual financial well-being through quantitative analysis of RIEL project data and a qualitative assessment of selected individuals' representative of the five project sites.

3.2. Project background

3.2.1. History and problem statement

Australia has supported the Asian Development Bank (ADB) to upgrade the national railway of Cambodia, from the port of Sihanoukville in the south, via the capital Phnom Penh, to Poipet on the Thai border in the north through the Rehabilitation of the Railway in Cambodia project⁵. The project was proposed as the Cambodian railway had fallen into disuse and disrepair during the past civil war and conflict. Over time people had moved in and settled along the disused railway and as such slum villages supporting hundreds of families started to develop along the tracks. For years these people, mostly the poor and vulnerable, had sought an existence along the railway tracks and found work in the nearby towns of Phnom Penh, Sihanoukville, Pursat, Poipet and Battambang⁶.

As a result of the project, households from five sites along the railway were required to be resettled: Phnom Penh, Sihanoukville, Pursat, Poipet and Battambang. The project was classified under ADB as category A⁷, involuntary resettlement, and as part of the resettlement plan households were allocated plots of land with land title, a guaranteed five year right of residence for households shifting from the rail corridor and access to an income restoration program.

In response to a request for a compliance review, a Compliance Review Panel (CRP) conducted a review of the project design. As part of this review it was found that there were flaws in the original resettlement plan, including a lack of provisions for inflation-indexed compensation⁸. Additionally, a lack of compensation for livelihood restoration was also identified as it did not adequately allocate for the increased distance of some resettlement sites from the original place of residence. As a

5 Asian Development Bank (2014) "Final Report on Compliance Review Panel Request No. 2012/2 on the Greater Mekong Subregion: Rehabilitation of the Railway Project in the Kingdom of Cambodia", Compliance Review Panel, pp. v

6 Asian Development Bank (2014) "Final Report on Compliance Review Panel Request No. 2012/2 on the Greater Mekong Subregion: Rehabilitation of the Railway Project in the Kingdom of Cambodia", Compliance Review Panel, pp. v

7 Asian Development Bank (2014) "Final Report on Compliance Review Panel Request No. 2012/2 on the Greater Mekong Subregion: Rehabilitation of the Railway Project in the Kingdom of Cambodia", Compliance Review Panel, pp. vi

8 Asian Development Bank (2014) "Final Report on Compliance Review Panel Request No. 2012/2 on the Greater Mekong Subregion: Rehabilitation of the Railway Project in the Kingdom of Cambodia", Compliance Review Panel, pp. vi-vii

result this made it costly and at times impossible for affected households to work from their original location⁹.

The CRP further found that the initial income restoration program was poorly designed and provided training opportunities without capital support¹⁰. A more suitably designed program was introduced in mid-2012 through DFAT, 12 months or more after the households had been resettled. By this time it could be seen that many of the households had already experienced significant income losses, and as most of these households were poor the income losses resulting from resettlement attributed to increased indebtedness¹¹. The loss of income was varied across the sites, however seen to be most notable in Phnom Penh where households were resettled between 25 to 30 kilometres from their original location¹².

The CRP as well as the Office of Special Training Facilitator found that a large number of households were under-compensated for the value of their houses and other assets, a significant factor for the higher debt levels after resettlement¹³. While some of the higher debt levels were contributed to by, the construction of bigger houses and better quality materials, inadequate compensation largely contributed to many households being pushed into a debt trap. The CRP found that while some households had been able to improve their standards, many were worse off and impoverished¹⁴.

In order to further assist households to improve their financial circumstances DFAT engaged CUFA from December 2012 to March 2015 to work in parallel with the existing Expanded Income Restoration Program (EIRP). The premise of CUFA's engagement was to provide basic financial literacy skills to assist households that have been impacted through the resettlement process to improve their financial circumstances and make good financial decisions, particularly when faced with hardship. As a result CUFA provided financial literacy training with a focus on debt repayments and sensible borrowing to households across the five sites for the duration of CUFA's engagement.

3.3. Geographical location

CUFA was engaged to work across all five geographical locations: Phnom Penh; Sihanoukville; Pursat, Battambang and Poipet. The five sites represent: a mix of small and large sites; different geographical locations in the north-west, west, south-west and centre of Cambodia; varying population sizes and levels of urbanisation; resettlement of small and large distances from original locations; and unique livelihood opportunities.

9 Asian Development Bank (2014) "Final Report on Compliance Review Panel Request No. 2012/2 on the Greater Mekong Subregion: Rehabilitation of the Railway Project in the Kingdom of Cambodia", Compliance Review Panel, pp. vii

10 Asian Development Bank (2014) "Final Report on Compliance Review Panel Request No. 2012/2 on the Greater Mekong Subregion: Rehabilitation of the Railway Project in the Kingdom of Cambodia", Compliance Review Panel, pp. vii

11 Asian Development Bank (2014) "Final Report on Compliance Review Panel Request No. 2012/2 on the Greater Mekong Subregion: Rehabilitation of the Railway Project in the Kingdom of Cambodia", Compliance Review Panel, pp. vii

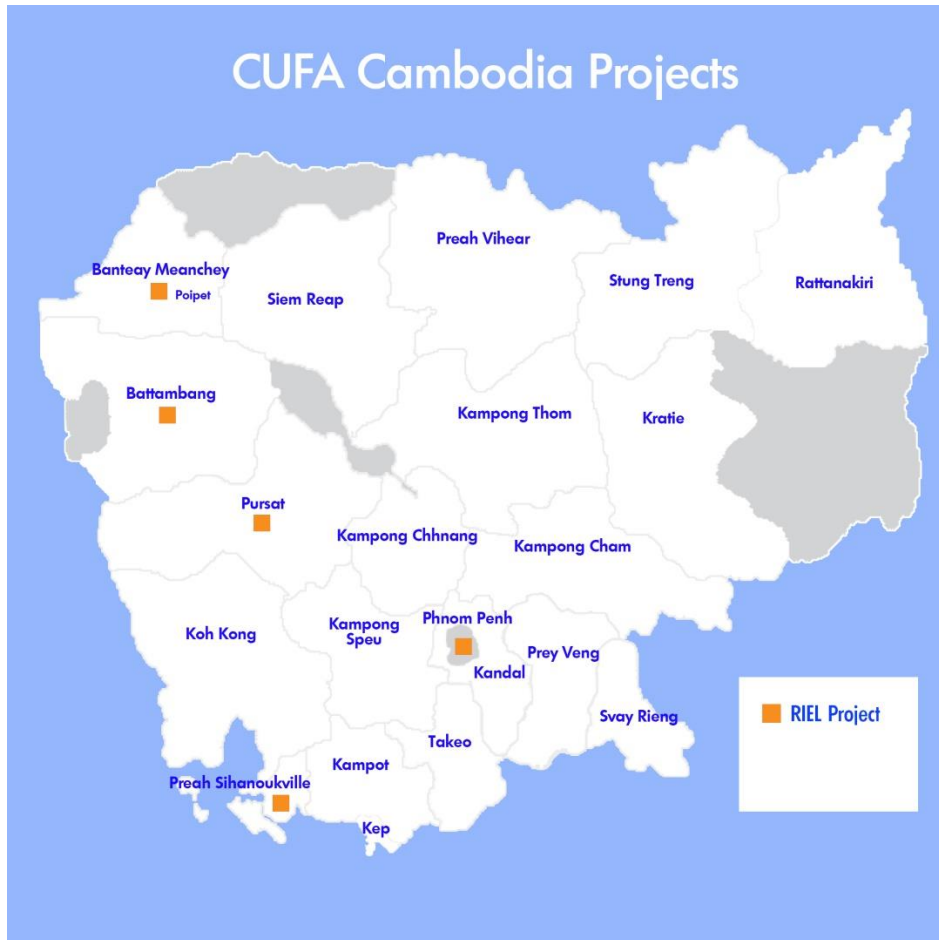
12 Asian Development Bank (2014) "Final Report on Compliance Review Panel Request No. 2012/2 on the Greater Mekong Subregion: Rehabilitation of the Railway Project in the Kingdom of Cambodia", Compliance Review Panel, pp. vii

13 Asian Development Bank (2014) "Final Report on Compliance Review Panel Request No. 2012/2 on the Greater Mekong Subregion: Rehabilitation of the Railway Project in the Kingdom of Cambodia", Compliance Review Panel, pp. vii

14 Asian Development Bank (2014) "Final Report on Compliance Review Panel Request No. 2012/2 on the Greater Mekong Subregion: Rehabilitation of the Railway Project in the Kingdom of Cambodia", Compliance Review Panel, pp. vii

The main challenges faced by people living across the five targeted areas relate to the loss of livelihoods as a result of relocation, their vulnerability to the cycle of debt and prey of money lenders, and MFIs who provided households with loans they could ill-afford.

Map 1 Geographical location of RIEL Project



Phnom Penh

Phnom Penh is Cambodia’s capital, and CUFA has worked with 66¹⁵ households located here. These households have been resettled the furthest away of the five sites; between 25 to 30 kilometres from their original home in the city, to an outlying area of the city’s outskirts. While the households have remained in the proximity of Phnom Penh, given the large distance from their original home together with the move from an urban to peri-urban area, many have struggled to maintain previous jobs and income streams due to the time and cost associated with travelling back to the city. A number of the resettled households have fallen prey to money lenders and MFIs, and have taken on unaffordable levels of debt and in some instances provided their title deeds as collateral. Some initially took on monthly interest payments that exceeded their income levels, with compounding interest (and late payments) resulting in debt levels exceeding the initial loan amount.

¹⁵ Numbers fluctuate throughout the duration of the project due to the availability of households to attend training and support sessions.

Sihanoukville

Sihanoukville is the smallest site, with seven households¹⁶ receiving training from CUFA. The households have been resettled up to five kilometres away from their previous locations. Situated in Cambodia's south-west of the Gulf of Thailand, many of the resettled community members were fishermen and now further away from these water sources.

Battambang

CUFA worked with 20 families in Battambang¹⁷ who have been relocated up to five kilometres from their original home. Battambang is located in Cambodia's North-West and is a prominent rice growing region. The resettled residents at Battambang are recognised as the poorest of the poor and most of the families experienced high debt levels upon relocating. The five kilometre relocation, away from the town centre has illustrated financial hardship for many of the residents, with the relocation making their businesses not as viable due to loss of trade.

Pursat

CUFA worked with 21¹⁸ households in Pursat, the resettled households in most cases moved around 500 metres from their initial location; and as a result minimal impact on their livelihood activities. Of the five sites Pursat could be said to have had the least impact, with livelihood opportunities only marginally affected and living situations generally enhanced due to the relocation.

Poipet

Poipet is the largest of the sites, with CUFA supporting 261¹⁹ households, who have been relocated from near the main highway and close to the Thai Border and local markets to approximately five kilometres away (further distance to the border). Poipet is located in the north-west of Cambodia, a border town with Thailand. The location of Poipet lends itself to community members seeking employment opportunities over the border in Thailand.

3.3.1. Project delivery

CUFA provided support to 375 households across the five project sites. It was recognised at the initial stages of the project that each site would have different needs and require diverse strategies of support. The core components (detailed below) were designed to be delivered flexibly; in topic, duration and delivery style in order to accommodate varying community needs.

The project comprised six core financial literacy components with the ongoing support service of financial counselling and a help line, as well as a Children's Financial Literacy component. Project delivery was conducted in both group training, small group session (two-five families) and one-to-one training.

Training components include:

16 Numbers fluctuate throughout the duration of the project due to the availability of households to attend training and support sessions.

17 Numbers fluctuate throughout the duration of the project due to the availability of households to attend training and support sessions.

18 Numbers fluctuate throughout the duration of the project due to the availability of households to attend training and support sessions.

19 Numbers fluctuate throughout the duration of the project due to the availability of households to attend training and support sessions.

- Understanding Financial Concepts;
- Family Budgeting;
- Setting and Achieving Financial Goals;
- Micro-Enterprise Development;
- Finding a Balance: Spending and Saving;
- Children's Financial Literacy;
- Sensible Borrowing; and
- Managing Debt Repayments.

Note: Two components are interchangeable: Sensible Borrowing and Managing Debt Repayments; dependent on whether or not loans have been negotiated with either money lenders or MFIs.

The project collected quantitative data of project participants, measuring household data (resident status); resettled household income; expense and debt situation; average monthly repayments; income and expenses by household; monthly average household finances by region; training sessions and; children's financial literacy attendees.

To deliver the training modules above, the following delivery methods were utilised:

- Small group training;
- Face-to-face support (home visits);
- Large group training (lecture style);
- Group brainstorming and discussions;
- Scenario-based learning using case studies;
- Peer-to-peer mentoring;
- Role plays;
- Financial help-line (providing emergency financial counselling);
- RIEL calendar, including pictorial diagrams highlighting key financial concepts; and
- Presence of a locally engaged Local Field Officer to provide ongoing assistance where required.

3.3.2. Project funding

The CUFA Riel Project received funding from DFAT from 1 December 2012 until 31 March 2015. CUFA in addition to support from DFAT added project funds via its Village Entrepreneur Program to support eight households in Battambang to receive micro-enterprise training and support through a cash transfer program to assist them to establish a micro-enterprise in their communities.

3.4. Project summary

3.4.1. Project objectives (Phase one)

- Increase households understanding of basic financial concepts and apply this to loan documentation to assess the affordability of loans;
- Manage household income and expenditure through careful budgeting, financial goal setting, and finding a balance between their earning and spending habits,
- Maximise households potential to support their family through micro-enterprises; and

- Enable the households' children to commence good savings habits from an early age to increase financial literacy and reduce the financial vulnerability of the next generation.

3.4.2. Project objectives (Phase two – six month extension) and (Phase three – three month extension)

- Continue to focus on training delivery elements from phase one;
- Provide support to SHGs in particular bookkeeping training; and
- Provide SHGs with standardised materials;

3.4.3. Cross-cutting issues

- Gender
- Disability;
- Youth; and
- Rural development.

3.5. Evaluation scope

As per the initial project plan with DFAT, an end of project evaluation was to be undertaken at the end of the project. This end of project evaluation complements the quarterly monitoring reports provided by CUFA to DFAT.

The purpose of this evaluation is to assess:

- Progress towards achieving project objectives;
- The relevance, efficiency, effectiveness and sustainability of the project; and
- Provide recommendations for future projects of a similar nature.

4. Methodology

4.1. Approach

This evaluation consisted of a quantitative, qualitative and exploratory assessment across the five resettlement sites (Phnom Penh; Sihanoukville; Pursat; Battambang; and Poipet) of participants that partook in the RIEL project. Quantitative data is only based on information collected during the project period, December 2012 to March 2015. As there is no reliable data on the financial situation of households prior to resettlement, and any comments made by participants about their circumstances before relocating is anecdotal.

The evaluator visited all five sites and spoke face-to-face with resettled households from each of the sites which form the qualitative component of this assessment. Additionally the quarterly project data submitted to DFAT was assessed and analysed.

4.2. Theoretical framework

In order to evaluate the impact of the RIEL project, integration of the following frameworks is used:

- **The Australian Aid Programs NGO Quality Assessment Framework (QAF):** a framework to assess the quality of NGO project implementation employed by the Australian Aid Programs Quality Assurance Group for:
 - Relevance: the extent to which activity objectives and designs are appropriate;
 - Efficiency: the extent to which activities have been managed in a professional manner;
 - Effectiveness: evidence that the activity is likely to achieve the desired results;
 - Sustainability: evidence that the activity is likely to foster sustainable outcomes.

- **The Australian Aids Programs NGO Quality Ratings Guide:** a framework developed to report on the achievement of project objectives as required in the Australian Aid Programs Performance Report as:
 - **Best Practice**
Represents a situation where something over and above normal good aid practice has occurred, particularly something innovative.

 - **Fully Satisfactory**
There are only a few minor weaknesses in the program as a whole.

 - **Satisfactory Overall**
There are weaknesses as well as strengths but that the weaknesses are not severe enough to threaten the program.

 - **Marginally Satisfactory**
There are serious weaknesses which require early action if the program is to continue to progress.

 - **Weak**
The program is seriously deficient. Problems are widespread throughout the project/program and that immediate and decisive action is needed to address them.

4.3. Research tools

As part of this evaluation, the evaluator visited the five RIEL sites and spoke to representatives from 70 households across the five sites. Individual interviews, depending on the time availability of participants varied from 30 minutes to one hour in duration each. Group interviews varied from one hour to one and a half hours each. It is noted that not all group interview participants attended for the whole duration, with participants required to attend to their businesses and other activities at certain points of time and then re-attending as available.

Due to children being at school, only a small sample of children was able to be assessed across three sites, however parents of children who attended CUFA's Children's Financial Literacy sessions provided information and feedback on their children's attendance and learning about the classes.

In order to assess the impact of the RIEL Project in processing project outcomes and contributing to cross-cutting themes, both qualitative and quantitative methods were used to gather data and information on the impacts of the RIEL project. The specific methods of inquiry included:

- Desk review of project plan and quarterly data compiled by CUFA;
- Desk review of Battambang Village Entrepreneur progress reports (Business Work Plans and Business Progress Reports);
- Review of Asian Development Bank reports;
- Review of CUFA's Self-Help Group Audit Report;
- Individual interviews with representatives resettled households;
- Group interviews with representatives from resettled households;
- On-site observations; and
- Discussions with RIEL project delivery staff and CUFA Cambodia Management overseeing the project.

4.4. Evaluation methods

In conducting this evaluation qualitative and quantitative methods were used. The qualitative assessment included a semi-structured and unstructured format in order to examine the resettled communities lives, experiences and behaviours in response to training delivered.

4.4.1. Quantitative assessment

A comparative analysis of quantitative data of progress made and project deliverables across all five sites from December 2012 until March 2015 was undertaken. This includes assessing the financial well-being of participants over the course of the project with regards to: average total debt; money lender type; average debt interest rate; average expenses and debt repayment; and average income less all expenses and average total assets. All data collected refers to the situation of households in the new resettlement site, with no reliable data available on the financial situation prior to resettlement.

Desk review of project plan and quarterly data compiled by CUFA

Each quarter household data was collected and collated by CUFA into a quarterly report which was submitted to DFAT. The reports detailed progress made and project deliverables achieved for each

quarter, as well as a comparative analysis in relation to previous quarters. In preparing this evaluation report, reference was made to the following information:

- Project plan: Review of topics and background information.
- Household data: Household list and residence status.
- Income and debt situation: Average debt size per household and average monthly repayments, income and expenses per household, average household finances per region.
- Core training: Attendance by session, gender, region and participation by people with a disability.
- Children's Financial Literacy: Attendance by region and gender.
- Financial counselling and financial help-line: Attendance by region and gender.
- Household loans by lender type.

Desk review of Battambang Village Entrepreneur progress reports

- Business Work Plans: Start-up business costs.
- Business Progress Reports: Sales, expenses and profits.

Review of Asian Development Bank reports

- Compliance Review Panel Report: First Annual Monitoring Report to the Board of Directors.
- Compliance Review Panel Report: Final Report.
- Technical Assistance Reports: Kingdom of Cambodia: Strengthening Resettlement and Income Restoration Implementation.

4.4.2. Qualitative assessment

The use of qualitative methods provided the opportunity to examine how the resettled households' experiences complement the quantitative data on household debt, income and expense levels. Interviews took place in both households of resettled women and men as well as in community centres to enable interviewees to feel at ease and comfortable with the interview environment.

Semi-structured interview: The semi-structured interview format used an interview guide listing containing a set of issues to be explored. This included training delivery, family budgeting, financial goals, and techniques to reduce spending and increase saving and the savings habits of children.

Unstructured interview: Based on the responses provided in the semi-structured interview, a spontaneous generation of questions were asked based on the natural flow of interaction. This resulted in the interviews being driven by the lessons learnt and changed behaviours of interviewees, rather than the interviewer instigating the flow of discussion.

Throughout this report quotes by participants have been used and include comments about their situation pre-relocation. Any reference to previous situations is anecdotal and in reference to differences in quality of life, such as the time and costs associated to travel to work rather than monetary circumstances.

Phnom Penh:

CUFA spoke to 18 households in Phnom Penh to understand and assess the impact of training and support provided. To ensure the greatest number of households would be available, discussions occurred on one weekday evening (3:30pm to 8:00pm) and on one weekday (7:30am to 1:00pm).

- Six individual interviews with households;
- One group interview with eight households; and
- Two group interviews, each with two households (four households in total).

Sihanoukville:

CUFA spoke to seven households in Sihanoukville to understand and assess the impact of training and support provided. Due to the small number of households, CUFA pre-arranged with the Community Leader a suitable time where the most households would be available and as such as group interview was conducted from 9:00am to 11:00am on a weekday.

- One group interview with seven households.

Pursat:

CUFA spoke to 14 households in Pursat to understand and assess the impact of training and support provided. As most households were busy with livelihood opportunities in the early morning and meal preparations in the afternoon, group discussions occurred on a weekday afternoon (2:00pm to 4:30pm).

- Two group interviews, with seven households in each group (14 households in total); and
- Individual discussions with three children who attended Children's Financial Literacy training.

Battambang:

CUFA spoke to nine households in Battambang to understand and assess the impact of training and support provided. Discussions occurred during the day (weekday) from 9:00am to 2:00pm. Participants were generally busy in the late afternoon to conduct livelihood activities in Battambang city.

- Two individual interviews with RIEL participants who are also supported under CUFA's Village Entrepreneur program;
- One group interview with seven households; and
- Individual discussions with two children who attended Children's Financial Literacy training.

Poipet

CUFA spoke to 22²⁰ households to understand and assess the impact of training and support provided. Due to the large number of households in this site, long work hours of participants and work over the Thai Border interviews occurred over two days, a Saturday morning (8:00am to

²⁰ One household is a double block

11:00am), a Saturday evening (5:00pm to 8:00pm), a Sunday morning (9:00am to 12:30pm) and a Sunday evening (5:30pm to 8:00pm).

- One group interview with seven households;
- Seven individual interviews with households;
- Four group interviews with two households in attendance at each (eight households in total); and
- Individual discussions with three children who attended Children’s Financial Literacy training.

Project staff discussions

As part of this evaluation discussions also occurred with two RIEL Project Officers and CUFA Cambodia management to gauge feedback on training delivery and recommendations for future training of this nature.

4.5. Sampling

In total representatives from 70 households were sampled across the five sites. Table 1 below provides a summary of attendees.

Table 1 Evaluation participants

	Phnom Penh	Sihanoukville	Pursat	Battambang	Poipet	TOTAL
Total number of households	18	7	14	9	22	70
Household number	82, 14, 150, 88, 167, 11, 49, 87, 9, 1, 88, 136, 149, 148, 143, 158, 34, 32	28, 11, 23, 18, 19, 22, 20	15, 36, 28, 16, 30, 22, 10, 21, 17, 33, 27, 2	21, 30, 15, 60, 8, 33, 126 (2 unknown)	517, 79, 93, 347, 72, 585, 57, 137, 91, 583, 21, 291, 286, 284, 278-279 (double), 576, 594, 566, 132, 173, 446, 425	
Number of participants (note some households had more than one person representative)	19	8	16	16	28	87
Gender breakdown	16f, 3m	6f, 2m	14f, 1m, 1g	9f, 5m, 2g	14f, 11m, 3b	59f 22m 3g 3b

4.6. Research team

A CUFA Sydney staff member, independent to the CUFA RIEL project led the evaluation and was accompanied by two CUFA Cambodia staff members who acted as translators. One translator conducted the translation at Phnom Penh and Sihanoukville and the other translator conducted translation at Pursat, Battambang and Poipet. Both translators were independent of the RIEL project delivery. To assist with logistics the Local Field Officers at Phnom Penh, Battambang and Poipet were engaged to identify households and were not present during the interviews.

4.7. Limitations encountered

Some limitations were encountered throughout the course of this evaluation.

- Availability of participants: Notably in the instances of Phnom Penh and Poipet many participants were not available largely due to undertaking livelihood activities away from their households. To increase the likelihood of participants being home, interviews with participants were undertaken in the evening, on weekends and in the early morning.

- Availability of children: Many children who partook in Children Financial Literacy classes were unavailable as they were at school or unavailable during the evaluation sessions. Discussions where possible occurred with parents to understand their children's saving habits and attendance at training sessions.
- CUFA staff involvement: A CUFA staff member undertook this evaluation and CUFA Cambodia staff members acted as translators. While this does influence the impartiality of responses provided by participants, all CUFA staff engaged in the evaluation were independent of the RIEL project delivery.
- Availability of data prior to December 2012: There is no data on the financial situation of households prior to resettlement and as such there is reliance on participants' sentiments through qualitative data on the comparison between their circumstances prior to relocation and at the new site.

5. Findings

Table 2 RIEL Project ranking

Area	Best practice	Fully satisfactory	Satisfactory	Marginally satisfactory	Weak
Relevance					
Project model and design		✓			
Efficiency					
Project activities		✓			
Effectiveness					
Project activities		✓			
Sustainability					
Project activities			✓		

5.1. Project delivery overview

CUFA has delivered the RIEL project to five communities: Phnom Penh, Pursat, Battambang, Poipet and Sihanoukville from December 2012 until March 2015. The total household list across the five sites is 531; however 149 households are rented, bought, sold as the result of a death, or counted as a double block of another household. During the project CUFA has provided support to resettled households that have a residential status as owner [375] and did not provide support to households with a residential status of renters or buyers given these households were not resettled as part of the project.

Over the course of the project CUFA has held 299 emergency financial counselling sessions to households and provided 1,550 training sessions under the core components of Understanding Financial Concepts; Family Budgeting; Sensible Borrowing; Managing Debt Repayments; Setting Financial Goals; Micro-Enterprise Development and Finding a Balance: Spending and Savings. Additionally, RIEL project staff delivered financial support using a door-to-door approach with 3,484 one hour face-to-face financial counselling sessions, providing tailored support to individual households.

299 emergency financial counselling sessions

1,500 core component training sessions

3,484 one hour face-to-face financial counselling training sessions

Project staff in collaboration with CUFA’s Gender and Disability Specialist, conducted outreach to provide one-on-one financial counselling to 14 attendees with a known disability (12 physical and two psychological) and provided additional training support in line with CUFA’s Disability toolkit where requested.

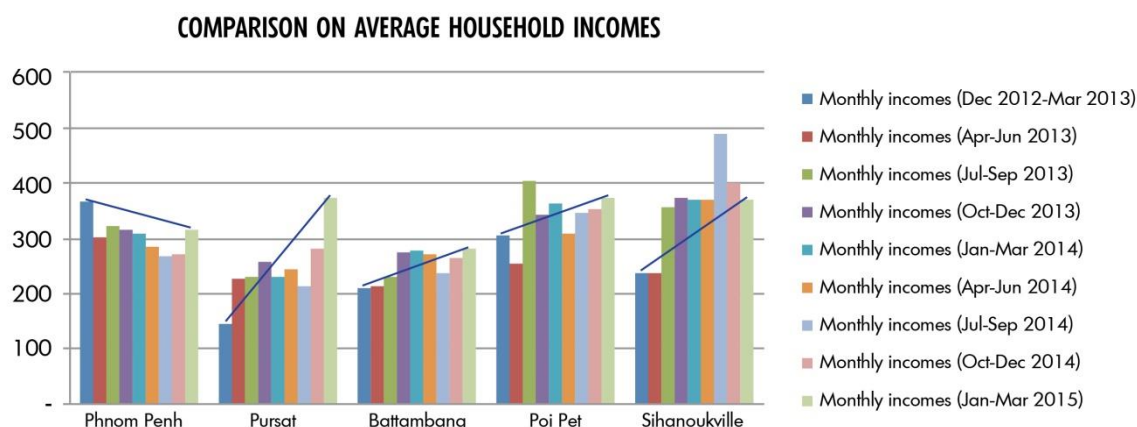
From July 2014, to address issues raised in the December 2013 CUFA audit of the SHG, training commenced to assist the groups improve their bookkeeping records. From July 2014 to March 2015 CUFA provided 145 bookkeeping sessions to 297 committee members²¹ (29 per cent female) across the five sites. The aim of the training was to assist the committee members to gain basic bookkeeping skills to help them better understand how money flows may be recorded in a transparent manner to provide a clear understanding of each groups financial position.

As detailed below in the narratives of each of the five sites, while the SHGs have gained basic bookkeeping skills, more intensive training is required in order for them to become operationally and financially sustainable. To assist the groups achieve sustainability it is imperative that additional technical training is provided to SHG leaders to help them keep more accurate accounting records.

5.2. Progress towards achieving program goals

5.2.1. Income, expense and debt levels

Figure 1 Comparison on average household incomes



The RIEL project has performed very strongly in terms of delivering lasting financial literacy skills to resettled communities with 375 households receiving training and financial training to assist them to improve their financial well-being.

All sites have seen a significant improvement in their financial well-being, with average income less all expenses increasing by 435 per cent from \$12 on average in December 2012²² to \$64.26 in March 2015²³. Households in the same period have congruently increased their average asset levels by 269 per cent from \$355.80 in December 2012 to \$1,314.28 in March 2015. As can be seen in Figure 1, average household incomes in four sites (Pursat, Battambang, Poipet and Sihanoukville) have

21 Number includes repeat attendees

22 Represents 57 households

23 Represents 313 households

similarly followed an upwards spiral of growth, since March 2013, although fluctuating due to seasonal changes.

Average income less all expenses has increased by 435% across the five sites from \$12 in December 2012 to \$64.26 in March 2015.

Average asset levels have increased by 269% from \$355.80 in December 2012 to \$1,314.28 in March 2015.

From December 2012 to March 2015 the RIEL program activities have successfully focused upon developing, enhancing and delivering RIEL lessons. The success of RIEL participants retaining knowledge and applying techniques was demonstrated throughout the evaluation, with many of the participants able to explain how they utilise the skills learnt in the RIEL project to reduce their expenses and increase their savings.

The success of resettled communities being able to reduce their expenses and improve their overall financial well-being is a testament to the case management approach which involved intensive face-to-face support and coaching to assist households develop household budgets to manage their savings and expenses. Additionally, the flexible nature of training and support provided during the week and on the weekends, as well as during the day and evenings ensured that the majority of households were able to attend training at a time convenient to them.

The engaging lesson content, lesson structure and varied teaching methodologies were positively received by participants. Many participants commented that they came to training as they found the teaching styles entertaining and interactive, which greatly assisted them to learn and apply the strategies taught. As referenced in the *'History and Problem Statement'* section above, as a result of the relocation further away from Phnom Penh city some of the resettled households commented that they experienced difficulties in matching the income levels from their old location. While on the whole households documented an albeit, small income increase the relocation from the old to the new site arguably resulted in reduced livelihood opportunities. As a result of this there some difficulties in applying the skills and techniques learnt from training due to limited opportunity to apply these skills into practice.

While a livelihoods development program, separate to the RIEL project had been delivered to residents in the Phnom Penh site, in order to provide households the greatest opportunity to foster livelihood opportunities it is recommended that future projects of a similar nature have financial literacy training delivered contemporaneously with a livelihoods program. The concurrent delivery of these two programs would provide additional opportunities for households to better draw upon the linkages between these, specifically they could develop ways to apply and integrate financial literacy

and micro-enterprise development skills into their daily lives, thus increasing the likelihood of improved economic circumstances.

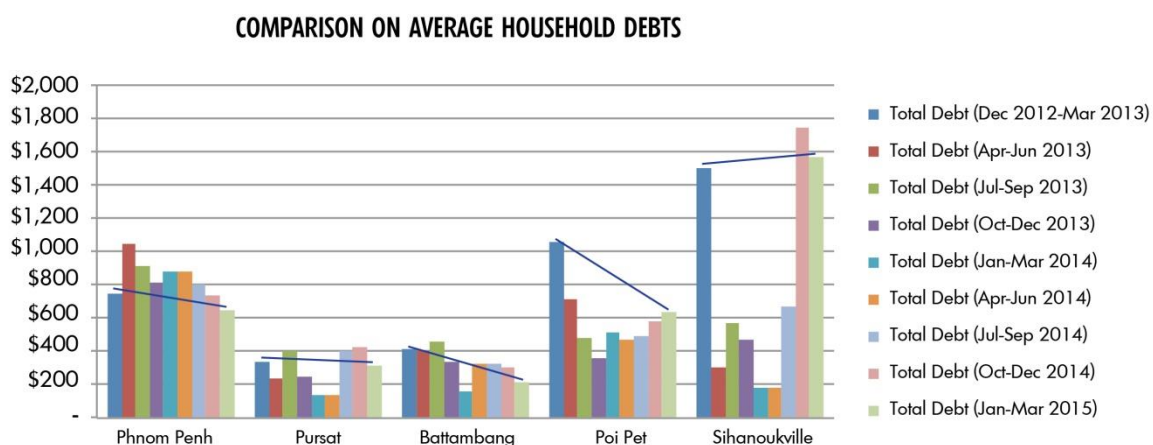
5.2.2. Sensible borrowing, managing debt repayments and saving for the future

With the exception of Poipet, loans by SHGs were the dominant lender type across the resettlement sites in the last reporting quarter of March 2015. Across the five sites loans dispersed by SHGs accounted for 48 per cent of loans, closely followed by loans by MFIs (41 per cent).

Across the five sites, 48% of loans have been disbursed by Self-Help Groups.

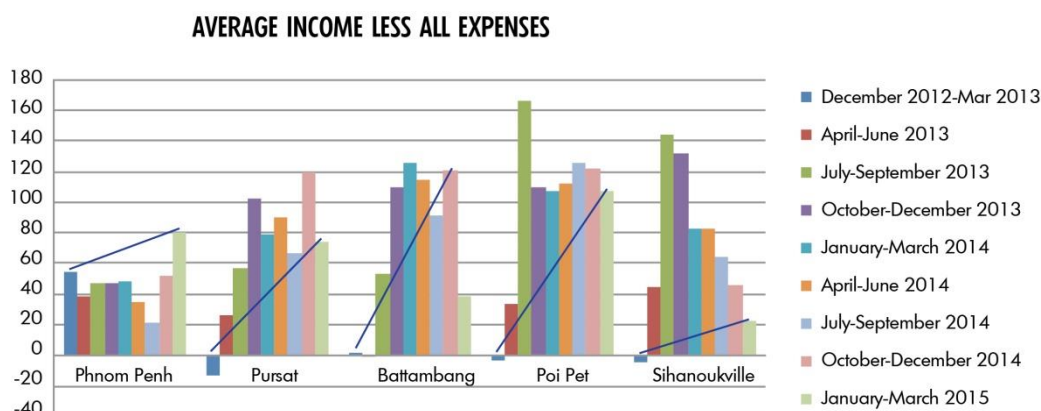
A comparison of average household debt trends since December 2012 (refer to Figure 2 below) illustrates that the large majority of households have been able to reduce their debt levels with the largest site Poipet decreasing debt levels by \$411.35, a 39 per cent debt reduction.

Figure 2 Comparison on average household debts



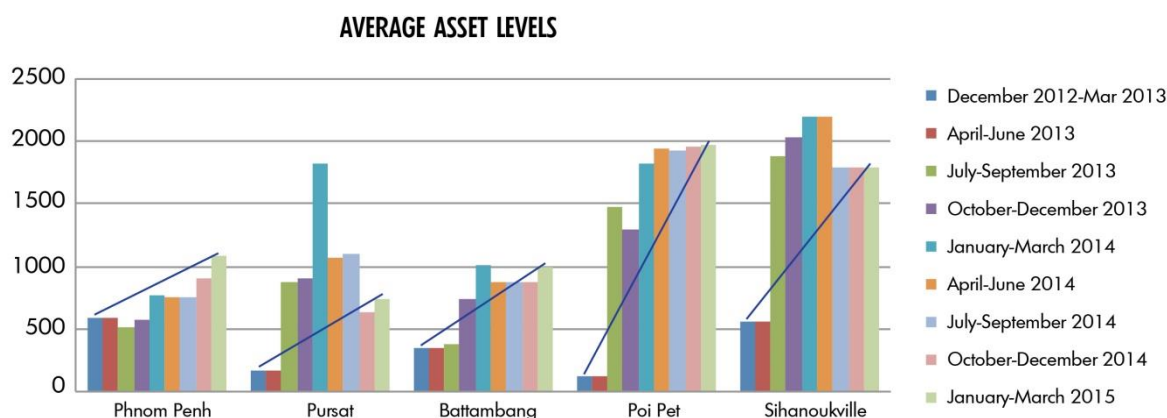
Debt levels have however fluctuated over the course of the project, largely due to the fact that households spend more during the rainy season (September to October) in order to plan crops for the commencement of the agriculture season. Similarly expenses generally increase during the Water Festival (November) and during Khmer New Year (April) as households increase expenses in anticipation of improved sales throughout these periods. Whilst the debt levels have fluctuated due to cyclic and seasonal changes, overall debt levels have decreased over time.

Figure 3 Average income less all expenses



Additionally, the financial well-being of households has continued to increase with average asset levels growing. Figure 4 shows that average total assets have increased on average by \$958.48 from March 2013 to March 2015.

Figure 4 Average total assets



While SHGs have remained the dominant source of loans, in order to ensure that participation in the RIEL Project positively influences household saving habits into the future, it is imperative that a combination of technical training, one-to-one support, mentoring focusing on savings and member mobilisation, and bookkeeping are provided to SHGs. Throughout the evaluation some issues emerged surrounding the operational practices of SHGs, and these in some instances had resulted in members withdrawing their membership and savings.

In addition, some households had also ‘forgot’ about saving when CUFA completed their training sessions in early 2015. It seems likely that in the absence of training that households may cease their savings behaviour, and the motivation and inclination to save will likely reduce further without trusted and sustainable SHGs. To ensure that households continue to save post-CUFA engagement it is crucial that there is the presence of SHGs with strong operational and financial governance, and as such more training to further build the capacity of these groups is strongly recommended.

Children's Financial Literacy

Children's Financial Literacy (CFL) has been delivered to children of resettled households across the five sites. As detailed in the sections below, due to school commitments and the time required to travel to and from school lessons were reduced in Phnom Penh, and resources allocated to other aspects of RIEL project delivery.

The CFL component of the RIEL project has performed very strongly in terms of delivering engaging and results orientated financial literacy skills to 1,324 students²⁴ through 166 sessions between December 2012 and March 2015. Children spoken to as part of the evaluation indicated that they sustain good savings habits whilst attending classroom activities, however some children indicated that they 'forgot' about saving when the RIEL lessons were completed. In addition, some children ceased saving once their money box broke or once they had saved for their short term goal. Although some children indicated that they had ceased saving once they had saved for their short term goal, many indicated that they would begin to save when an opportunity arose (for example a celebratory festival).

The engaging and interactive teaching methodologies by project delivery staff have been a fundamental aspect to the success of the CFL lessons. Students stated that they were excited to join the classes and many looked forward to CUFA's arrival. The children stated that the lessons were an opportunity to make new friends in their community, play educational games and be able to learn skills to save money which has helped many purchase items such as bicycles and clothes for festivals such as Khmer New Year. Key factors in addition to the CFL lessons which positively influence children's saving habits are parents who are well informed about the benefits of savings, who encourage and support their children to save.

The delivery of financial literacy training to both parents and students has been a strong and welcomed aspect of the RIEL project. As informed by the CUFA 2010 Children's Financial Literacy evaluation report, parental knowledge and savings behaviour is one of the mostly highly influential factors on children's savings habits leading to either positive or negative results. In the context of rural Cambodia with low financial literacy and knowledge of savings, the importance of strong and complementary family saving habits is critical to ensuring that students continue to save for the future.

Children do not live in isolation from society, and strengthening the community development approach which actively links parents, students, SHGs and community leaders into program activities has and will continue to have a sustained impact on children's savings habits. To strengthen this approach further, the future development of children specific savings accounts into the SHGs and continued training to both parents and children will contribute to children being able to maintain positive savings habits, and be able to save safely for long term goals.

²⁴ Number represents repeat attendees.

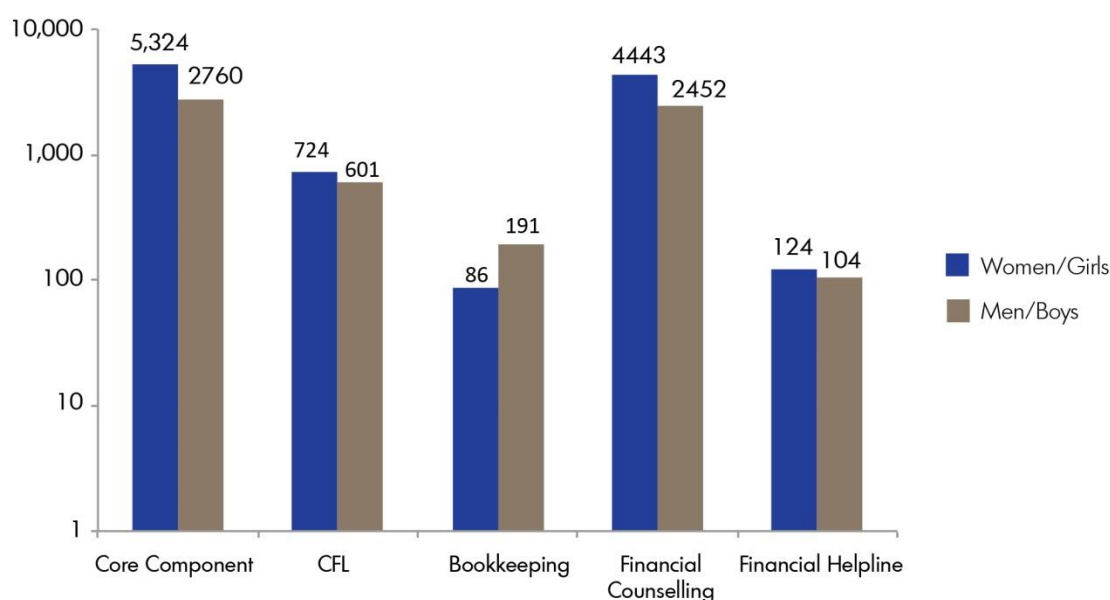
5.3. Contribution to cross-cutting issues

5.3.1. Gender

CUFA recognises that gender equality and the empowerment of women have significant positive impacts on economic growth, an essential driver in poverty reduction. CUFA is committed to ensuring that there is an equal opportunity for women, men, girls and boys to participate in each of its programs, and design and implementation of the RIEL project was inevitably based on this principle.

As can be seen in Figure 5 women's/girls participation exceeds that of men/boys in four of the five delivery modalities.

Figure 5 Gender participation across all project delivery modalities



Training of core components

Over the reporting period of the project, as shown in Table 3, a total of 9,963 attendees²⁵ participated in one of more of the 1,750 training sessions delivered in which women accounted for 66 per cent of attendees (Figure 6).

The higher proportion of women participating in training sessions was consistent throughout the project. This can be attributed to more women than men present in the community, commonly due to livelihood opportunities or child mind responsibilities while more men sought work prospects outside of the resettled community. In undertaking this evaluation, the evaluator noticed a similar trend where the availability of men was less frequent and women comprised 73 per cent of all participants.

²⁵ Number of participants represents repeat attendees.

Figure 6 Gender participation core training components

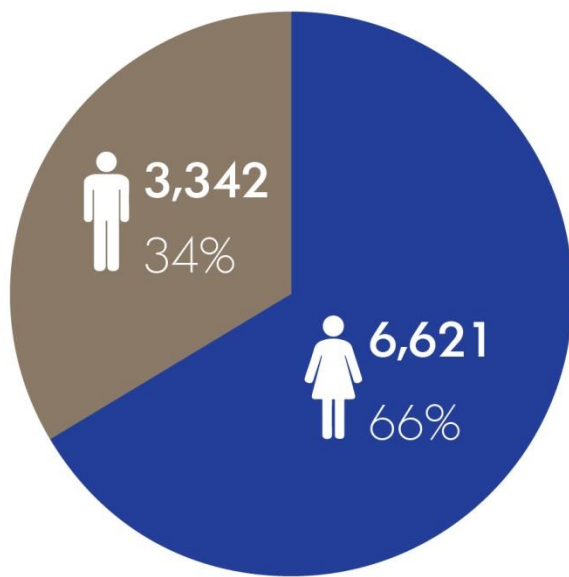


Table 3 Training participation by gender and region

Regions	Dec 2012-Mar 2013			Apr-Jun 2013			Jul-Sep 2013			Oct-Dec 2013			Jan-Mar 2014			Apr - Jun 2014		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Phnom Penh	135	63	198	171	92	263	246	97	343	389	178	567	272	112	384	223	103	326
Pursat	47	22	69	138	43	181	87	13	100	111	9	120	84	8	92	42	6	48
Battambang	34	12	46	113	32	145	61	22	83	94	27	121	74	17	91	37	13	50
Poi Pet	191	189	380	546	405	951	563	363	926	418	301	719	407	267	674	412	225	637
Sihanoukville	15	3	18	45	9	54	58	12	70	60	12	72	33	8	41	11	4	15
TOTAL	422	289	711	1,013	581	1,594	1,015	507	1,522	1,072	527	1,599	870	412	1,282	725	351	1076
Percentage	59	41	100	64	36	100	67	33	100	67	33	100	68	32	100	67	33	100

Regions	Jul - Sept 2014			Oct - Dec 2014			Jan - Mar 2015		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Phnom Penh	259	95	354	282	151	433	199	99	298
Pursat	34	3	37	35	6	41	14	0	14
Battambang	27	9	36	28	9	37	24	9	33
Poi Pet	196	99	295	172	83	255	165	97	262
Sihanoukville	20	5	25	25	3	28	24	7	31
TOTAL	536	211	747	542	252	794	426	212	638
Percentage	72	28	100	68	32	100	67	33	100

Bookkeeping training

Since July 2014, CUFA delivered bookkeeping training sessions to SHG committee members across the five resettlement sites. During this period, 145 bookkeeping sessions were provided to 277 participants, of which 31 per cent of participants were women. While the proportion of women participants was lower than men, the percentage of women’s participation in committee training did increase overtime from 26 per cent (July-September 2014) to 36 per cent (January-March 2015) as showed in Table 4 and Figure 7 below.

Figure 7 Gender participation in Bookkeeping training

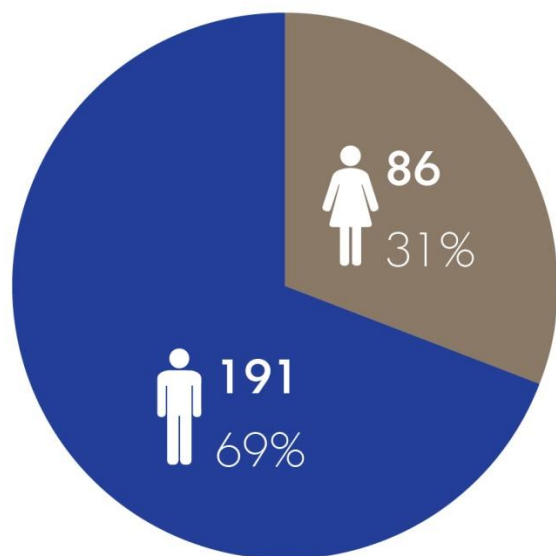


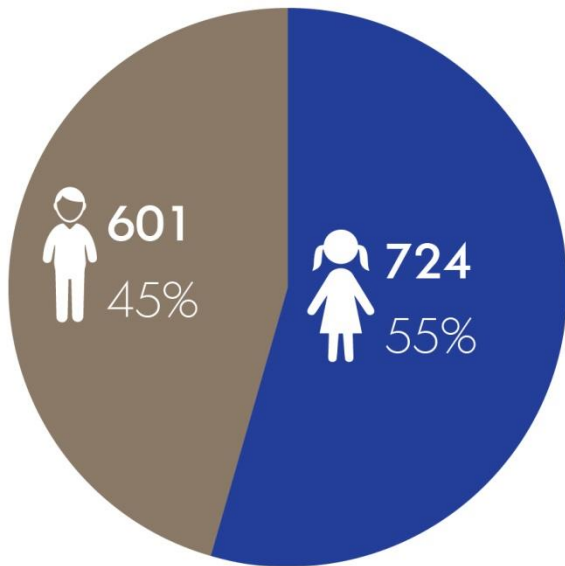
Table 4 Bookkeeping training by location and gender

Regions	Jul - Sept 2014			Oct - Dec 2014			Jan - Mar 2015		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Phnom Penh	0	7	7	0	9	9	0	8	8
Pursat	6	4	10	6	6	12	7	5	12
Battambang	7	3	10	9	3	12	10	4	14
Poi Pet	10	51	61	14	44	58	13	36	49
Sihanoukville	1	3	4	0	3	3	3	5	8
TOTAL	24	68	92	29	65	94	33	58	91
Percentage	26.09	73.91	100	30.85	69.15	100	36.26	63.74	100

Children's financial literacy

RIEL project staff also provided financial literacy training to children across the five resettlement sites. As illustrated in Table 5 below, a total of 1,325²⁶ children attended 166 training sessions during the project, of which 55 per cent of attendees were girls (Figure 8).

Figure 8 Gender participation in children's financial literacy training



²⁶ Number of participants represents repeat attendees.

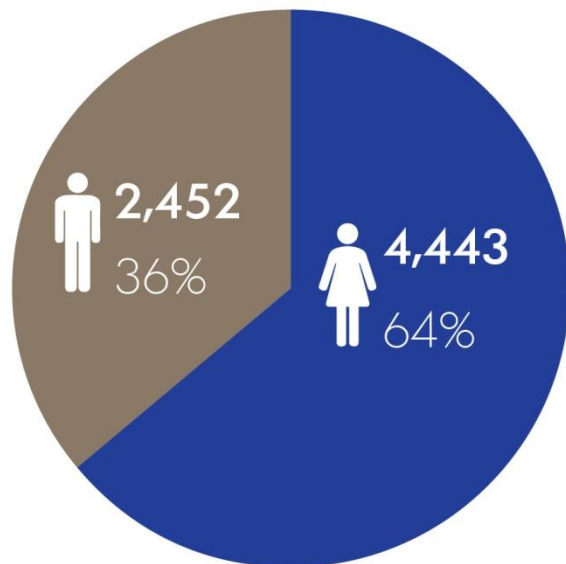
Table 5 Children's financial literacy attendees by location and gender

Regions	Dec 2012-Mar 2013			Apr-Jun 2013			Jul-Sep 2013			Oct-Dec 2013			Jan-Mar 2014			Apr - Jun 2014			Jul - Sept 2014		
	Girls	Boys	Total	Girls	Boys	Total	Girls	Boys	Total	Girls	Boys	Total	Girls	Boys	Total	Girls	Boys	Total	Girls	Boys	Total
Phnom Penh	38	30	68	14	12	26	20	27	47	14	14	28	0	0	0	0	0	0	0	0	0
Pursat	8	2	10	14	11	25	7	5	12	0	0	0	16	2	18	0	0	0	22	9	31
Battambang	10	7	17	12	18	30	0	0	0	0	0	0	16	2	18	0	0	0	20	7	27
Poi Pet	64	55	119	95	96	191	41	41	82	6	3	9	59	57	116	44	42	86	65	45	110
Sihanoukville	8	2	10	4	5	9	0	0	0	0	0	0	6	5	11	13	7	20	0	0	0
TOTAL	128	96	224	139	142	281	68	73	141	20	17	37	97	66	163	57	49	106	107	61	168
	Oct - Dec 2014			Jan - Mar 2015																	
	Girls	Boys	Total	Girls	Boys	Total															
	0	0	0	0	0	0															
	9	8	17	0	0	0															
	9	4	13	0	0	0															
	41	25	66	38	41	79															
	11	19	30	0	0	0															
	70	56	126	38	41	79															

Financial counselling sessions

RIEL project staff in addition to training sessions provided close financial support using a door-to-door approach. Across the project duration as can be seen in Table 6, 3,484 sessions (1,742 hours) were delivered to 6,895²⁷ attendees, of which 64 per cent of attendees were women (Figure 9). Similar to training attendance, higher participation by women is due to the fact that more women are available in the community during the day time and early evenings, as more men travel further afield to seek work.

Figure 9 Gender participation in financial counselling sessions



²⁷ Number represents repeat attendees.

Table 6 Financial counselling sessions by gender, sessions and location

Region	Dec 2012-Mar 2013					Apr-Jun 2013					Jul-Sep 2013					Oct-Dec 2013					
	Session	Hours	Face to Face (Schedules)			Session	Hours	Face to Face (Schedules)			Session	Hours	Face to Face (Schedules)			Session	Hours	Face to Face (Schedules)			
			Female	Male	Total			Female	Male	Total			Female	Male	Total			Female	Male	Total	
Phnom Penh	18	9	30	18	48	64	32	85	67	152	84	42	135	65	200	146	73	267	135	402	
Pursat	7	3.5	12	7	19	36	18	29	10	39	36	18	30	5	35	13	6.5	36	3	39	
Battambang	6	3	10	6	16	16	8	28	8	36	16	8	26	10	36	14	7	32	8	40	
Poipet	36	18	60	35	95	98	49	149	162	311	98	49	176	107	283	290	145	393	421	814	
Sihanoukville	4	2	8	2	10	16	8	15	3	18	16	8	11	3	14	6	3	15	3	18	
TOTAL	71	35.5	120	68	188	230	115	306	250	556	250	125	378	190	568	469	234.5	743	570	1,313	
	Jan-Mar 2014					Apr-Jun 2014					Jul - Sept 2014					Oct - Dec 2014					
	Session	Hours	Face to Face (Schedules)			Session	Hours	Face to Face (Schedules)			Session	Hours	Face to Face (Schedules)			Session	Hours	Face to Face (Schedules)			
Female			Male	Total	Female			Male	Total	Female			Male	Total	Female			Male	Total		
	150	75	267	116	383	132	66	223	113	336	108	54	252	100	352	112	56	189	120	309	
	39	19.5	35	3	38	34	17	30	4	34	34	17	29	3	32	36	18	34	3	37	
	39	19.5	34	5	39	32	16	24	8	32	35	17.5	27	9	36	36	18	24	9	33	
	352	176	414	265	679	343	171.5	312	171	483	269	134.5	165	91	256	192	96	173	86	259	
	15	7.5	16	3	19	12	6	24	6	30	30	15	19	5	24	42	21	19	6	25	
	595	297.5	766	392	1,158	553	276.5	613	302	915	476	238	492	208	700	418	209	439	224	663	
	Jan - Mar 2015																				
	Session	Hours	Face to Face (Schedules)																		
Female			Male	Total																	
	102	51	197	105	302																
	48	24	47	7	54																
	136	68	92	35	127																
	106	53	210	88	298																
	30	15	40	13	53																
	422	211	586	248	834																

Financial helpline sessions

From January 2013 CUFA introduced a financial helpline to provide participants with assistance when project staff were not available. In total, as can be seen in Table 7, 228 calls were made to the helpline 54 per cent by women (Figure 10).

Figure 10 Gender participation in financial helpline sessions

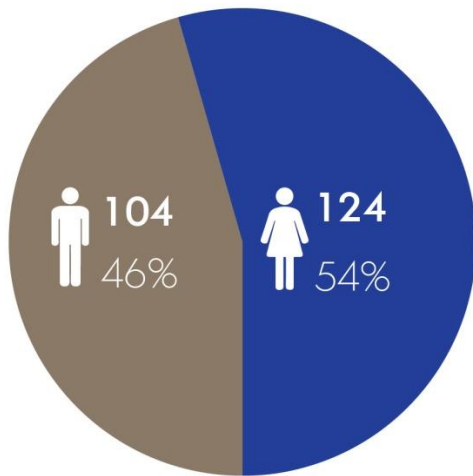


Table 7 Financial helpline by location and gender

Region	Dec 2012-Mar 2013			Apr-Jun 2013			Jul-Sep 2013			Oct-Dec 2013			Jan-Mar 2014			Apr - Jun 2014			Jul - Sept 2014								
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total						
Phnom Penh	0	0	0	0	0	0	18	34	52	2	0	2	2	0	2	0	0	0	0	0	0						
Pursat	0	0	0	0	0	0	7	6	13	0	0	0	0	0	0	0	0	0	0	0	0						
Battambang	0	0	0	0	0	0	9	18	27	0	0	0	0	0	0	0	0	0	0	0	0						
Poipet	0	0	0	4	7	11	57	26	83	0	2	2	1	0	1	0	0	0	0	0	0						
Sihanoukville	0	0	0	4	0	4	4	7	11	0	0	0	0	0	0	0	0	0	0	0	0						
TOTAL	0	0	0	8	7	15	95	91	186	2	2	4	3	0	3	0	0	0	0	0	0						
	Oct - Dec 2014			Jan -Mar 2015																							
	Female	Male	Total	Female	Male	Total																					
	0	0	0	0	0	0																					
	0	0	0	0	0	0																					
	0	0	0	0	0	0																					
	0	0	0	16	4	20																					
	0	0	0	0	0	0																					
	0	0	0	16	4	20																					

5.3.2. Disability

In late 2012 CUFA finalised a disability inclusion strategy, for which implementation across all programs commenced in early 2013. During the RIEL project CUFA's Gender and Disability Specialist worked with project staff and the partnering communities to raise awareness about issues of access to financial and educational services for people living with a disability.

Project staff with guidance from the Gender and Disability Specialist and CUFA's disability tool kit employed a number of strategies to ensure equal opportunity and access to training. This included providing training in close proximity to participant's households to ensure ease of access, holding small group and individual training and tailoring training materials, such as using large font and images to assist participants with a visual or hearing impairment.

Below Tables 8 and 9 detail information of the 14 project attendees with a known disability who participated in the project.

Table 8 People with a disability project attendance

Region	Female	Male	Total
Phnom Penh	3	2	5
Pursat	0	1	1
Battambang	1	1	2
Poi Pet	2	4	6
Sihanoukville	0	0	0
TOTAL	6	8	14

Table 9 People with a disability by region, gender, age and disability type

ADB HHs ID	Region	Gender	Age	Disability Types
PP020	Phnom Penh	Female	62	Physical Disability (two legs)
PP029	Phnom Penh	Female	62	Physical Disability (one hand)
PP077	Phnom Penh	Female	34	Physical Disability (one hand)
PP003	Phnom Penh	Male	58	Physical Disability (one leg)
PP141	Phnom Penh	Male	52	Physical Disability (one leg)
PO085	Poi Pet	Male	52	Physical Disability (blind one eye)
PO266	Poi Pet	Female	57	Physical Disability (one leg)
PO478	Poi Pet	Male	23	Psychological Disability
PO501	Poi Pet	Male	12	Psychological Disability
PO062	Poi Pet	Male	61	Physical Disability (two legs)
PO482	Poi Pet	Female	54	Physical Disability (one leg)
BB042	Battambang	Female	72	Physical Disability (Low vision one eye)
BB003/BB015	Battambang	Male	47	Physical Disability (one leg)
PU031	Pursat	Male	38	Physical Disability (Low vision one eye)

5.3.3. Youth

The RIEL project in addition to providing households with training to assist them in managing their income, expenses and debt situation provided children with financial literacy training. By targeting a generation of children, the children's financial literacy component expects to not only teach children lifelong lessons about the important merits of saving, but to also contribute to the long term capacity and sustainability of the self-help groups.

The logical progress is that teaching financial literacy from an early age and linking children with the local self-help group increases future opportunities for these children when they reach adulthood because they will have saved money to meet educational costs or to start a local business to earn an income. A strength of the RIEL project has been the delivery of financial literacy training to both parents and children. Interviews conducted as part of this evaluation evidently demonstrated that children's likelihood of saving is greatly enhanced when parents themselves appreciate and understand the merits of savings and positively reinforce saving behaviour at home.

At this stage the children have short term savings goals to purchase items such as bicycles, watches or new clothes to celebrate festivals such as Khmer New Year and the savings are primarily kept in the home. Due to the infancy stage of the SHGs, children's accounts are not yet an option, and there has been no emphasis on encouraging children to become members. You children who are savers have the potential to contribute to the financial sustainability of SHG particularly the potential capital that can earned through children's accounts. As such it is recommended that as the SHGs mature both financially and operationally, that emphasis is placed on introducing children's accounts and encouraging child savers.

5.3.4. Financial and Rural Development

The World Bank estimates that approximately 75 per cent of adults or 2.5 billion people earning less than \$2 per day do not have a bank account²⁸. Poor people, like everyone else need access to financial services; to save small amounts of money for future expenditures and emergencies, for social and religious obligations or to invest in their homes or businesses. The role of the financial sector is a fundamental one, as increasing access to financial services for the poor can have a positive impact on economic growth and alleviation of poverty²⁹.

Women in particular make up a disproportionately large share of the unbanked. For example, the World Bank³⁰ details that in developing countries while 46 per cent of men have an account, only 37 per cent of women do. That gap is even bigger for those living in poverty with women living on less than \$2 per day 28% less likely to have a bank account than men.

Without the presence of a formal place to save money people are more likely to resort to risky measures such as saving money under a mattress making it difficult to build up reserves and access financial tools such as loans and insurance.

28 The World Bank (2012) "Three quarters of the world's poor are unbanked", Data and Research available at: <https://go.worldbank.org/61TLX5WSP0>

29 Rabo Bank (2005) "Access to financial services in developing countries", The Rabo Bank Review, p2.

30 The World Bank (2012) "Three quarters of the world's poor are unbanked", Data and Research available at: <https://go.worldbank.org/61TLX5WSP0>

Research by the World Bank³¹ identified that while nearly two third of the world's unbanked cite poverty as a barrier to accessing financial services, almost a third of them also blame the cost of opening a bank account, maintaining an account and the distance to reach the institution as a contributing factor.

The establishment and continuation of well governed and operating SHGs across the five resettlement sites is therefore an important step to ensuring that poor men and women are able to lift themselves out of poverty.

³¹ The World Bank (2012) "Three quarters of the world's poor are unbanked", Data and Research available at: <https://go.worldbank.org/61TLX5WSP0>

5.4. Financial position and impact of training on the resettlement sites

5.4.1. Phnom Penh

Table 10 Phnom Penh

Quarter	# of households	Average total monthly income (USD)	Percentage change from previous quarter	Average total monthly expenses (USD)	Percentage change from previous quarter	Average monthly debt repayment	Percentage change from previous quarter	Average income less all expenses (USD)	Percentage change from previous quarter	Average total assets (USD)	Percentage change from previous quarter	Average debt size by household	Percentage change from previous quarter
December 2012 – March 2013	16	\$366.60		\$242.90		\$68.80		\$54.80		\$591.80		\$875.00	
April-June 2013	20	\$301.00	-17.89%	\$174.19	-28.29%	\$88.90	+29.22%	\$37.91	-30.82%	\$591.80	0%	\$1,049.50	+19.94%
July-September 2013	57	\$323.09	+7.34%	\$195.18	+12.05%	\$81.14	-8.73%	\$46.77	+23.37%	\$506.79	-14.36%	\$910.00	-13.29%
October-December 2013	60	\$317.08	-1.87%	\$224.33	+14.93%	\$46.08	-43.21%	\$46.68	-0.19%	\$566.48	+11.79%	\$813.33	-13.29%
January-March 2014	60	\$309.17	-2.49%	\$213.29	-4.91%	\$47.50	+3.08%	\$48.38	+3.64%	\$767.13	+35.42%	\$882.50	+8.50%
April-June 2014	60	\$285.15	-7.77%	\$203.37	-4.66%	\$46.66	-1.77%	\$35.12	-27.41%	\$751.48	-2.04%	\$880.00	-0.28%
July-September 2014	60	\$267.80	-6.08%	\$199.53	-1.89%	\$46.75	+0.19%	\$21.53	-38.70%	\$747.89	-0.48%	\$801.67	-8.90%
October-December 2014	60	\$270.92	+1.16%	\$181.78	-8.86%	\$37.67	-19.42%	\$51.48	+47.98%	\$899.62	+20.29%	\$731.67	-8.73%
January-March 2015	59	\$316.44	-16.80%	\$200.52	+10.31%	\$35.37	-6.10%	\$80.56	+56.49%	\$1,089.06	+21.58%	\$643.56	-12.04%
Change from March 2013 to March 2015		-\$50.16	-13.68%	-\$42.38	-17.45%	-\$33.43	-48.60%	+\$25.76	+47.01%	+\$497.26	+84.02%	-\$231.44	-26.45%

5.4.2. Income, expenses, debt and asset levels: Phnom Penh

Debt levels

The RIEL project has delivered face-to-face and group training to 60 resettled households from Phnom Penh. As illustrated above in Table 10, the overall financial circumstances for resettled households in Phnom Penh have improved over the duration of the project. Average debt size per household can be seen to be decreasing each quarter, reducing by 26 per cent between March 2013 and March 2015, and average asset levels increasing from \$591.80 in March 2013 to \$1,089.06 in March 2015. The average household debt size increased between April and September 2013 as a result of households taking out loans from MFIs, with much lower interest rates than the private lenders to repay their debt levels, and high demand from the resettled community members to access loans for the purpose of business expansion.

Average household debt levels decreased by 26 per cent between December 2012 and March 2015.

Average asset levels increased from \$591.80 in March 2013 to \$1,089.06 in March 2015.

Lender type

Table 4 below demonstrates that loans from SHGs have remained as the dominant lender type across the Phnom Penh site, followed by loans by money lenders. During the first three quarters, it can be seen that the share of loans from private money lenders hovered between 27 and 45 per cent; as a result of private lenders not requiring collateral or paperwork in issuing loans. A peak in loans from private lenders also occurred in March 2014 (eight per cent increase from the prior quarter) due to a high demand for loans and a short supply of capital from the SHGs, as a result of business expansion for Khmer New Year and Cheang Meng. Subsequently, CUFA provided additional training to resettled communities in relation to sensible borrowing, to further educate households on some of the consequences of inadequate paperwork when acquiring a loan. In particular households were taught that without paperwork they are at considerable risk of not having proof of what is borrowed and the agreed interest rate.

Following these refresher courses it can be that the proportion of loans to private money lenders and subsequently the average interest rate both reduced. The average interest rate decreased significantly from 2.8 per cent in the first quarter to 1.26 per cent in the final quarter, and the share of loans to private lenders decreased from 45 per cent in June 2013 to 21 per cent in March 2015. It is a notably positive indication that resettled communities have moved their loans from money lenders to SHGs over the course of the project.

Average interest rates repayments decreased from 2.8 % in December 2012 to 1.26% in March 2015.

As can be seen by the results in Table 11 loans from money lenders are still prevalent. It is therefore recommended that any future expansion of the project continues to focus on sensible borrowing strategies, as well as further capacity building of the SHGs so that they are operationally and financially capable of meeting demand.

Table 11 Proportionate share of lender type Phnom Penh

Quarter	Average interest rate	Unknown	Bank	MFI	Credit Union	SHG/ Saving Group	Money Lender	Relative/ Friend	Total loans
March 2013	2.8%	3 9%	0	3 9%	0	16 47%	11 32%	1 3%	34
June 2013	2.25%	0	0	2 5%	0	20 50%	18 45%	0	40
September 2013	2.51%	0	0	8 10%	0	49 63%	21 27%	0	78
December 2013	1.73%	0	0	22 27%	0	50 61%	10 12%	0	82
March 2014	1.63%	0	0	8 11%	0	49 69%	14 20%	0	71
June 2014	1.63%	0	0	3 4%	0	49 73%	14 12%	1 1%	67
September 2014	1.48%	1 1%	0	9 11%	0	48 60%	22 28%	0	80

December 2014	1.19%	0	0	7 10%	0	48 71%	11 16%	2 3%	68
March 2015	1.26%	0	0	5 8%	0	46 70%	14 21%	1 2%	66

Income and expenses

While the average asset levels have increased and debt levels have decreased over time, Phnom Penh was the only site where average household incomes did not improve over the course of the project. As described in section '4.2.3: Geographical location' above, of all sites the households at Phnom Penh have been resettled the furthest distance, up to 30 kilometres. Whereas households were previously located in busy market hubs, they are now on the outskirts of Phnom Penh surrounded by agricultural fields. It is perceived by many of the Phnom Penh participants that livelihood opportunities, due to a myriad of factors, are less abundant in the resettled site. While the scope of this evaluation does not assess whether livelihood opportunities have been adversely impacted, the lower income levels at Phnom Penh could be attributed to this.

"I used to be a rice seller. It was better for business in the city. I sold rice in front of the factory and could make \$20 per day. It's now more difficult to do this type of work, as it costs more for transportation. I need 1L of petrol to travel to and back to city, which costs 4,000 Riel". **Male (focus group), Phnom Penh**

"My husband is a garment factory worker. At our old place he worked in a garment factory in Phnom Penh. He was able to earn \$200USD per month and a 5min walk to work. Now he's had to move to a new factory, and because he's a new worker he needs to do the easier jobs. He now earns \$90USD per month, and as the factory is 10km from our home he needs to take a truck, which costs \$8 a month". **Female, household #34, Phnom Penh**

The cyclic and seasonal nature of work can also be seen to be an attributing factor to the fluctuating income levels, with reported heavy rain and flooding in the July-September 2013 quarter restricting the livelihood opportunities of motor-taxi drivers and construction workers.

Although income levels have not increased, expenses while fluctuating have gradually decreased over the course of the project indicating that households have gained knowledge and skills on finding a balance between spending and savings to manage debt repayments. The extent to which participants have been able to retain and apply skills has however varied. Most respondents were able to clearly demonstrate how CUFA training has allowed them to reduce their expenses and make more sound financial decisions, however some respondents expressed difficulty in remembering the content of CUFA lessons, and stated that due to financial stresses found it challenging to apply CUFA's ideas.

"The CUFA officer provided me with good ideas on how to save a little bit of money. He always told me to try and save 100 Riel a day and to try and save a little bit of extra rice. It's a good idea, but I can't do it. I can't afford to because my income is low. I need to spend 10,000 Riel a day so my son can take a tuk tuk to work". **Female, household #87, Phnom Penh**

"CUFA taught me how to save and how to manage expenses, like bookkeeping. CUFA told me that if I earn 20,000 Riel I can't spend it all, I should keep some to pay back my debt and also to save some to buy important things. I learnt about managing my expenses, I can't spend more than I earn". **Male, household #150, Phnom Penh**

“CUFA gave me some ideas. He told me to try and spend 8,000 Riel rather than 10,000 Riel on food per day. He told me rather than buying meat every day to try and buy more vegetables. I like this idea, but my grandchildren always ask me for money, so I find it hard to save”. **Female, (focus group), Phnom Penh**

“CUFA has good ideas about savings, but in reality I can’t save as I don’t have any money. Before I became sick I earned money by sewing, but now I have trouble with my eyes, so I don’t receive any income”. **Female (focus group), Phnom Penh**

“I like to learn how to save money and manage my budget (income and expenses). I was taught how to record expenses, i.e. write down what I spent today and see how much I spent and saved at the end of the month. But in reality, it’s not possible, we earn little money.” **Female, (focus group), Phnom Penh**

Most of the respondents, however, were able to articulate how lessons learnt from CUFA training have had a positive impact on their financial situation. Many respondents noted that their understanding of budgeting, saving and borrowing was somewhat limited, and that the training has provided them with the opportunity to learn new practical ideas, such as growing their own vegetables, freezing and pickling food to reduce waste and utilising the surrounding natural resources.

“CUFA explained to me the importance of saving money. I learnt ideas on different ways my family could save money. After speaking to the CUFA officer he explained that my household food expenses could maybe be reduced. He suggested I could grow vegetables and collect from the field rather than buying them each day. I also collected sunflower seeds and morning glory from the lake, that helped me save a little bit of money. CUFA told me to try and save the money in a plastic piggy bank, I have now saved 50,000 Riel- this is the first time I have ever saved money.” **Female, household #9, Phnom Penh**

“CUFA spoke to me about trying to reduce the amount of food waste as sometimes the vegetables went off before we could eat them. I have a freezer so he suggested to me to freeze the vegetables and also to make pickled vegetables and keep them in a jar. This helped us save around 2,000 Riel a day.” **Female, household #87, Phnom Penh**

“He taught us how to save money and by recording our costs. He showed me how to mark down how much we spend for rice, utilities and transportation on the calendar. I could then see that we spent around \$3-\$5 per day and at the end of the month I could see how much I save. I still remember what he showed me, and I still do it, but now I don’t write down every day because I’m busy but I still remember in my head.” **Female, household #167, Phnom Penh**

“We were able to save some money by reducing our food costs. We didn’t have less food, just spent less money on food. Sometimes my children collect crabs from the rice fields and fish from the lake, this way we didn’t have to spend money to buy the food.” **Female, household #148, Phnom Penh**

Finding a balance between spending and saving

As per each of the other sites, the most popular training module at Phnom Penh was savings. Participants throughout the evaluation were able to demonstrate their understanding of prioritising expenditure to ensure that basic financial needs are met, and using budgets to ensure that expenditure does not exceed income.

“CUFA teaches us about savings. Save some income, save some money for community, for our family and save for an emergency. Before CUFA came I spent all the money. Now I try and save 500 Riel a day (in the piggy bank) for example only buy new clothes when we need them and only going to wedding parties once a month (in Cambodia guests pay a financial contribution to attend) and also I have reduced my mobile phone credit from \$10 per month to \$2 per month.” **Male, household #88, Phnom Penh**

“I don’t use the calendar any more (new year), but I remember how much I spend and save. I give my children 2,000 Riel a day; we spend \$3 a day on food and \$120 a month on repayments. And my wife and I earn approximately \$200 per month each. Each month our expenses are around \$260, but if there’s a wedding it’s a little more.” **Male, household #150, Phnom Penh**

“The most important thing I learnt from CUFA is expenses and income. I learnt to not spend all my money, but to save some. I like the group training; we can talk to others and get new ideas. Sometimes if I don’t understand what the teacher says, I can ask the other people and they give me ideas too.” **Female, household #11, Phnom Penh**

“I think savings is a good idea. When we need money we can have it immediately, for example for medicine and not have to borrow money from our family and neighbours.” **Female, household #136, Phnom Penh**

“I save because it makes it easier to pay the interest on my loan.” **Female, household #88, Phnom Penh**

Additionally, respondents were able to distinguish between needs and wants. However it is noted that while many understand the difference, continual reinforcement of this topic was required over the course of the project as some households were inclined to purchase items that were not in their best financial interest in order to save face within their communities. For example, CUFA staff observed that households would purchase a colour television, as they would be perceived to be poor by their neighbours if they did not have one.

In understanding needs and wants, participants were generally able to demonstrate the concept of sensible borrowing and financial decisions.

“New more fancy clothes are an example of a want and medicine is an example of a need”. **Female, household #14, Phnom Penh**

“Food is a need and a colour television is a want. It is better to have a loan to buy chickens to raise than a television. A television is for entertainment, that’s not important. Chickens can make us money, and then we can buy a television.” **Female, household #88, Phnom Penh**

“Some families want a modern, expensive moto. They don’t earn enough money so they have to give the MFI collateral. They don’t earn enough money to buy this moto; they should have bought one that isn’t as expensive. That’s a bad decision, it’s best to borrow money for good investments.” **Male, household #1, Phnom Penh**

Saving for the future

Many of the participants expressed that since participating in the RIEL project they had learnt about the importance of saving, a behaviour many had not been familiar with previously. However, it became evident that while many households had for the first time started saving, some concerns and complications regarding the SHGs had deterred some households from saving regularly in the community groups.

“I save by myself in the house, before I saved in the SHG but now no. There were problems with the group; I didn’t trust my money would be safe.” **Female, household #14, Phnom Penh**

“I used to save in the SHG for two years. I’ve now stopped saving. I couldn’t get a loan so I stopped saving. I couldn’t get my money back, there’s no money left in the group.” **Female, household #148, Phnom Penh**

Without the presence of a sustainable option to save and borrow money, it seems likely that the lessons learnt in the RIEL project will be short lived and long term savings objectives unreachable. The evaluation was conducted three months after the last training session was provided and already there was evidence that some participants had ceased saving. Some participants had simply ‘forgotten to save’ and others ceased saving once the piggy bank was broken, or discouraged to save at home due to temptation to spend and apprehension that family members would simply spend their savings.

In the context of Cambodia, a country where trust of institutional bodies is low, corruption is rife, and financial literacy knowledge is low, the importance of strongly governed and complementary community oriented savings bank is paramount. Strengthening the community development approach through a well governed SHG group will play an important part in enhancing individuals’ retention to save each month as individuals are required to contribute monthly savings in order to remain a member of the group and have access to loans.

A recommendation of this evaluation to increase the governance and technical capacity of the SHGs would be to provide more training reiterating core elements and a case management approach to ensure focus can be placed on components requiring additional development. The SHGs although they received technical training under CUFA’s project and other project partners still presented some difficulties and confidence in applying skills learnt into daily operations. To ensure participants’ learning needs and educational levels are appropriately accommodated, it is also recommended that one training provider deliver both the technical capacity and bookkeeping skills training to the SHGs. This would also assist in avoiding any duplication and provide increased efficiencies measures for the project.

Sensible borrowing and managing debt repayments

As highlighted above, despite Phnom Penh residents experiencing difficulties to significantly increase their incomes, average household debt levels were in fact able to be reduced. There are a combination of factors that have contributed to this result such as reduced expenses, as well as households gaining a stronger understanding of sensible borrowing techniques. A strong focus of CUFA training was helping participants understand the borrower-lender relationship and have the tools and knowledge to assess the affordability of loan arrangements, and whether they are suited to their current financial situation and needs.

Of the five resettlement sites, this evaluation through participant interviews found that the residents at Phnom Penh have faced some of the greatest difficulties in the process of resettlement. Due to the close proximity to Phnom Penh city, various MFIs and money lenders have approached households offering a range of financial services all with variable terms and conditions. Many households found themselves in a vicious cycle of debt, some with four loans and frequently these additional loans serving as a 'safety net' to repay previous loans with high interest rates that also required collateral. As such training on sensible borrowing and how to manage debt repayments has been a critical focus of CUFA training.

Through group activities and role plays, participants have been able to gain a simple understanding on how to assess whether a loan is affordable. However more complex concepts such as clauses used in loan applications and how to calculate the true cost of a loan have not yet been mastered. Participants while able to identify that a loan with for example a one per cent interest rate is better than one with two per cent and that a certain amount is due on a certain day; many do not fully understand how this rate is calculated and thus the true cost of the loan. Due to their difficult financial predicament, some residents although understanding that certain loans are difficult to pay back, require collateral or have higher interest rates are faced with no other option.

"I have no choice; if I don't have a loan then I don't have any money to buy food or enough money to buy medicine. The interest rate is high, but I had no choice, I'd already provided my land title certificate for another loan." **Female, (focus group), Phnom Penh**

"I would like to start chicken or pig raising or to even start a small grocery stall. But I can't open a stall or buy any pigs or chickens- because I don't have the capital. I don't want a loan because of the interest rate; 20 per cent per month from a money lender. There are no other options, I can't go to an NGO with a lower interest rate because I can only get a small loan, because I need land title. Yes, I have a land title but that's with another loan. I initially borrowed money from an MFI; I borrowed \$4,000 USD and required to pay \$167 a month for three years. I didn't have enough money to pay back the loan, so I had to stop paying for 8 months. MFI came and wanted to take my house, they wanted to sell it. The only way I kept my house is that the community helped him.

{CUFA: Why did you choose a loan from that MFI?}

Before I had a loan from a broker. I borrowed \$1,500 USD to build a house, and had to pay \$105 a month. I didn't have enough money to pay the interest rate, so the broker took my

land title and gave it to the MFI. The MFI then lent me the money (explained above), and I now have to pay back the MFI. I now owe the MFI \$4,000 USD.

My goal now is to just pay off the loan. I've heard that Vision Fund has low interest rate, I'm waiting to get a loan from them, and I want to borrow money to repay the MFI".

*CUFA taught me about debt repayments, about the different NGOs and MFIs. He taught me to borrow money from NGO with a low interest rate. He told me that if someone approaches me about a loan, I have to think about the loan duration and whether I can pay the amount back. CUFA told me to ask questions about the loan, the interest rate and how much I have to pay." **Female, (focus group), Phnom Penh***

However, as can be seen in the examples above and below there was indication that participants had acquired knowledge to make more informed financial decisions in the future. As the financial position of households has improved and as more favourable loan providers have become available in the community, the opportunity for more people to access loans with lower interest rates has resulted.

*"CUFA gave me ideas on what loans are good. CUFA explained to borrow from lenders with lower interest rates. They told me how to manage the interest. I pay more if there's a higher interest rate. Before I borrowed \$700 USD from a private lender, they charged 10 per cent per month. I think this is very high, so I received another loan from another MFI, it has a low interest rate, 2 per cent." **Male, household #88, Phnom Penh***

*"I know to consider my options before I look at taking a loan. I shouldn't borrow from a private lender because the interest rate is very high. I should borrow from an NGO like Vision Fund because lower interest rate and I can afford to pay the interest and the principal." **Female, household #14, Phnom Penh***

*"I liked training. CUFA taught me about the difference between borrowing from private lenders and NGOs. CUFA told me to change from a private lender to an NGO, as the interest rate is lower and I'd be able to pay less money overall and pay of my loans sooner." **Male, household #155, Phnom Penh***

Delivery modalities

As per the other sites, delivery modality at Phnom Penh has involved multiple elements: group training, financial counselling sessions (small group and individual), as well as a financial counselling helpline. After the first year of project delivery, many of the participants found attending training difficult due to home-based businesses, as well as caring for young children. As such it was determined that individual and small group training was the most effective delivery method, and as such further emphasis and resources were dedicated to these activities. A personalised approach has ensured that more participants, particularly women are able to attend training as they could still tend to domestic activities and look after children while CUFA delivered financial counselling sessions at their home.

This personalised approach has greatly attributed to assisting households improving their financial outlook, as demonstrated by the positive reductions in debt levels, as well as a reduction in the

number of debts, and their corresponding interest rates. It has also helped to build trust between the participants and CUFA, an important element in ensuring that participants actively participate in training and share an accurate portrayal of their households' financial situation.

Future training in Phnom Penh would continue to benefit from small group training and would also provide CUFA project staff the ability to monitor individuals more closely, and provide personalised assistance where required. Interactive training such as role plays have proved to be successful in engaging participants' interests and helping them understand topics. Further focus on this as well as small study tours whereby participants visit and observe another household in their community who undertake good financial decisions and share personal stories would likewise add value to the training sessions.

5.4.3. Pursat

Table 12 Pursat

Quarter	# households covered	Average total monthly income (USD)	Percentage change from previous quarter	Average total monthly expenses (USD)	Percentage change from previous quarter	Average monthly debt repayment	Percentage change from previous quarter	Average income less all expenses (USD)	Percentage change from previous quarter	Average total assets (USD)	Percentage change from previous quarter	Average debt size by household	Percentage change from previous quarter
December 2012 – March 2013	12	\$145.20		\$104.30		\$53.30		-\$12.50		\$160.50		\$379.40	
April-June 2013	16	\$228.44	+57.33%	\$151.75	+45.49%	\$50.47	-5.31%	\$26.22	+5,244%	\$160.50	0%	\$240.31	-36.66%
July-September 2013	21	\$229.98	+0.67%	\$121.20	-20.13%	\$51.32	+1.68%	\$57.46	+119.15%	\$878.48	+447.34%	\$408.45	+69.97%
October-December 2013	22	\$256.76	+11.65%	\$111.10	-8.33%	\$43.32	-15.59%	\$102.34	+78.11%	\$907.62	+3.32%	\$248.33	-39.20%
January-March 2014	17	\$231.94	-9.67%	\$122.38	+10.15%	\$30.58	-29.41%	\$78.98	-22.83%	\$1,824.13	+100.98%	\$133.97	-46.05
April-June 2014	21	\$244.95	+5.61%	\$111.23	-9.11%	\$43.94	+43.69%	\$89.78	+13.67%	\$1,065.38	-41.60%	\$137.74	+2.81%
July-September 2014	21	\$212.63	-13.19%	\$100.06	-10.04%	\$46.31	+5.39%	\$66.26	-26.20%	\$1,104.76	+3.70%	\$398.33	+189.19%
October-December 2014	21	\$282.62	+32.92%	\$112.60	+12.53%	\$50.51	+9.07%	\$119.51	+80.37%	\$639.00	-42.20%	\$421.43	+5.80%
January-March 2015	17	\$373.59	+32.19%	\$253.43	+125.07%	\$46.72	-7.50%	\$73.44	-38.55%	\$732.44	+14.62%	\$317.22	-24.73%
Change from March 2013 to March 2015		\$228.39	+123.28%	+\$149.13	+166.71%	-\$6.58	-17.41%	+\$85.94	+678.52%	+\$571.94	+356.35%	-\$62.18	-16.39%

5.4.4. Income, expenses, debt and asset levels: Pursat

Findings from this evaluation found that Pursat is led by a dedicated leader and it is evident that the presence of good quality leadership within the community is an essential ingredient in ensuring successful SHGs and continued community participation. The findings illustrated below further reiterate the correlation between strong community leadership and improved financial well-being of the community.

Debt levels

Debt levels in Pursat as seen in Table 12 have continued to fluctuate between March 2013 and March 2015, with average debt size per household reaching their lowest in June 2014 (\$137.74) and peaking in December 2014 (\$421.43), as a result of community members accessing loans for business expansion. While debt levels have oscillated, average household asset levels, income levels and overall net position (income minus all expenses) have continued to increase, illustrating that the financial wellbeing of households have improved.

Lender type

Table 13, below illustrates that loans by SHGs have remained over the course of the project the dominant lender type. On average throughout the project, SHG loans have represented 63 per cent of the share of loans provided to resettled households. As explained in the sections below the SHG in Pursat is led by a dedicated leader, and has gathered strong interest and commitment from the community. However, as can be seen below there have been proportional decreases in loans issued by SHGs between June 2013 and June 2014, as the SHG was not able to meet the demand for loans. As a result the percentage share of loans issued to MFIs subsequently increased as well during this time.

RIEL project staff subsequently provided additional technical support to the community on how to manage loan repayments and loan conditions; and from September 2014 it can be seen that the proportion of loans from SHGs has increased in comparison to MFIs. This can be explained by the high demand of community members to purchase tuk tuks and the SHGs did not have the capacity to lend the households the required amount. Furthermore, another driving factor for the increase in MFIs is that the majority of households in Pursat grow rice for a living and therefore required a significant amount of capital to buy the seeds and fertiliser to start farming production.

As can be seen in Table 13, by March 2015, the proportion of loans to SHGs compared to MFIs had significantly increased; 70 per cent and 30 per cent respectively. This demonstrates that not only has the capacity of the SHG loan pool increased, but that households have benefited from the training sessions, and applied the skills learnt about managing debt repayments and sensible borrowing to help minimise potential risks.

A further contributing factor in the swing towards more loans from SHGs is that the community are passionate about supporting the SHG. Interviews from the evaluation demonstrated that community members were more inclined to borrow from the SHG (on the provision that funds are available), even if the interest rate was slightly higher than that of a MFI, as they believed in supporting their community, and aware that borrowing from the SHG ensures that their community has the opportunity to prosper. In addition, the community members mentioned that the interest rate in the

SHGs is determined by the members, and in the past year the interest rate has reduced by one per cent.

“The interest rate in the SHG is higher than the MFIs. But all members agree that that are happy to pay the higher interest as it raises the capital of the SHG. The members and committee decide on the policies, and we’ve reduced the interest rate by 1% over the past year. When we borrow from the SHG the money belongs in the community.” **Female, household #15, Pursat**

Table 13 Proportionate share of lender type Pursat

Quarter	Average interest rate	Unknown	Bank	MFI	Credit Union	SHG/ Saving Group	Money Lender	Relative/ Friend	Total loans
March 2013	4.20%	0	0	5 19%	0	22 81%	0	0	27
June 2013	1.28%	0	0	6 30%	0	14 70%	0	0	20
September 2013	1.57%	0	0	12 41%	0	17 59%	0	0	29
December 2013	1.38%	0	0	10 38%	0	16 62%	0	0	26
March 2014	0.85%	0	0	6 43%	0	8 57%	0	0	14
June 2014	1.21%	0	0	6 67%	0	3 33%	0	0	9
September 2014	1.24%	1 3%	0	9 30%	0	20 67%	0	0	30
December 2014	1.12%	0	0	10 34%	0	19 66%	0	0	29
March 2015	1.24%	0	0	8 30%	0	19 70%	0	0	27

Income and expenses

As can be seen in Table 12 income levels in Pursat have continued to increase in all quarters except two since March 2013. Of all sites, average household income in Pursat has increased the most significantly since the commencement of the project. There are numerous reasons contributing to Pursat having the highest income increase, however CUFA project delivery staff and the community leader identified three potential leading reasons: the short distance relocated (approximately 500 metres), the availability of work in nearby local markets and farms, and the strong leadership by the SHG leaders who have proactively worked with community members to create business plans and assist households with business expansion ideas.

Across all households income levels increased by 123% in Pursat, the most significant increase across the five sites.

As noted above debt levels have fluctuated as a result of households acquiring debts to invest in income generating activities, such as motor-taxis the steady increase in asset levels notably complements this.

Participants noted that one of the strategies that helped them decrease expenses was the RIEL calendar. While not used by all participants, those that did use the calendar stated that it greatly assisted with recording expenses and income.

"I used the calendar to record expenses and income. I found that by using the calendar that some months I could save 20,000 Riel, without using the calendar I wouldn't know where I'd spent the money. I'm waiting for a new calendar so I can record my expenses. I want to do this every year. It's a good idea to record in the calendar, rather than in a book. It's easier to record expenses and savings in the calendar, as in a book I have to rule columns and rows."

Female, household #36, Pursat

Finding a balance between spending and saving

As evident in the interviews undertaken as part of the evaluation, Pursat residents eagerly and proactively took part in training and financial counselling sessions. The enthusiasm and interest by participants has greatly contributed to the average household financial net position significantly increasing over the course of the project. As can be seen above in Table 12, at the project commencement Pursat residents had a negative net position (income less expense) of minus \$12.50 and since this time has steadily increased, peaking at \$119.51 during the October-December 2014 quarter. The positive net position is a result of households understanding and applying lessons on how to manage and reduce their debts by preparing a household budget, integrating a plan of affordable payments to service debt, and understanding financial concepts and how they apply to everyday life.

The overall financial situation of households has significantly increased, rising by 180% between June 2013 and March 2015.

As part of the evaluation participants were asked which of the RIEL topics they enjoyed the most, and Pursat participants overwhelmingly noted savings. All participants spoken to stated that they save at home and are also regular savers at the SHG. The strong leadership and community involvement in the SHG has positively reinforced the importance of savings mobilisation, and participants have been motivated to continue saving at home as they are able to understand how good daily savings habits can help achieve short, medium and long-term financial goals.

“Savings and how to save. I loved it. It’s helpful because it might help when I’m sick to have savings. CUFA taught me that when I earn \$1, I should try to keep 500 Riel per day. I have continued to save and I keep this money in the piggy bank. Before CUFA started training I had never saved before. I’m saving at home so I can pay off the loan at the savings bank. I have now saved \$50 in the savings bank, and I’m not sure how much I have in the piggy bank. To help me save money I’ve reduced my daily spending. Before I used to spend 6,000 Riel a day on food now I spend 5,000 Riel. To reduce my expenses on food, I’ve been more careful about what I spend money on, for example I’ve minimised food wastage and eating less meat and more vegetables.” **Female, household #28, Pursat**

“I love the savings topic. This topic helps me save money, so I will have more money in the future. Before CUFA came I never saved any money. I save money at the SHG and at home. I have saved money as I’ve reduced my sending, for example I don’t buy extra food and I don’t buy as many new clothes, before I loved to shop for clothes! Now I don’t buy new clothes as often.” **Female, household # 16, Pursat**

“I love savings, because we save to help each other. Each of us individually saves and that way we can help the whole community. The money belongs to the community.” **Female, household # 31, Pursat**

Similarly, participants were able to articulate how deciphering between needs and wants attributes to a positive net flow.

“CUFA told me about how to save, how to spend money and how raising chickens and growing vegetables could increase my income. He explained to use how to manage our money, for example to not spend a lot of money on unnecessary things like cigarettes and alcohol.” **Female, household #31, Pursat**

Sensible borrowing and managing debt repayments

Loans issued by the SHG are the most common form of loan in Pursat, with 13 of the 16 households having a loan by the SHG. Loans issued by the SHG have greatly assisted the community in reducing debt levels. At the time of this evaluation the monthly interest rate for the SHG was 1 per cent (note:

the interest rate has reduced each year within the SHG) as opposed to MFIs such as Prasac where the monthly interest rate is 2.7 per cent.

81% of loans provided to households in Pursat are through the SHG.

As noted above the Pursat community has a high level of engagement with the SHG, and as such all community members save regularly with the group. Additionally the SHG leaders are enthusiastic to learn new technical skills to strengthen the group and proactively seek advice from CUFA on how to record the loan payments, calculate the interest rate, prepare the financial report, and emphasised during the evaluation the importance of calculating the rate accurately. The readiness to learn skills to develop the SHG and actively engage with the community to encourage savings and assistance with business plans is a testament to the leaders; and has undoubtedly contributed to members engaging in sensible borrowing and savings behaviour, which has contributed to their financial well-being.

Participants were able to explain the differences between borrowing from the SHG and MFIs. The most common difference cited was the payment of interest; with participants observing that when you borrow from an MFI the interest is paid to an outsider, however when borrowing from a SHG the interest stays within the community. Ultimately participants stated that when they borrow from the SHG the money stays in the community, therefore the interest will help not only themselves but others to receive a loan in the future.

A second difference mentioned by the participants was the willingness by the SHG to assist members in times of difficulty. The SHG through their regular meetings assess repayments on a case-by-case basis and provide leniency if a member is only able to pay the interest rather than the principal, whereas loans from a MFI have a fixed due date and amount, and inability to pay results in social and financial ramifications. Finally, the nature of the SHG entails that members collectively decide on the interest rate and content on paying a slightly higher interest rate in order to raise the capital of the SHG, and as stated in their policy can alter the interest rate from year to year.

In order to continue the strengthening of the SHG the community encouraged the continuation of CUFA training, in particular institutional training to improve operational practices, group management, savings and membership numbers, and loan product development. In order to achieve this the leaders requested refresher training on basic financial concepts, such as calculating the interest rate and any supplementary training to improve the processes and procedures of the SHG, to help it work towards achieving financial best practice and financial sustainability.

Delivery modality

Training in Pursat consisted of group training as well as financial counselling. Participants enjoyed the mixture of the two styles; group training permitted the sharing of ideas, whereas individual counselling was more flexible with time arrangements and provision of financial information was confidential. Participants mentioned that everyone tried to attend training and this was assisted by

the fact that the CUFA officer rang in advance to say when they would be visiting to ensure that the community is available to attend. Training generally occurred either at 8am, 1pm or 2pm; however participants present during the evaluation noted that any future training should be conducted after they complete their daily business activities around 4pm to 5pm.

Participants commented that training delivery methods consisted of information as well as photos, and the CUFA officer asked the group questions and provided case studies to verify they understood concepts, and provided the opportunity to share ideas. Participants explained that if they were unable to attend training, the CUFA officer would go to their homes to explain the lesson to them.

Committee members present also noted that CUFA provided technical support training to assist the SHG, consisting of an activity booklet to explain concepts and details on how to manage SHG. When asked about how training could be improved, participants commented that they were not clear on all the training, as they had forgotten some of the concepts. It was stated that training at least twice a month, with continual refresher courses would be greatly beneficial to help participants understand and remember topics. One participant also noted that training materials should be in larger font as many of the participants are older and their eye sight is deteriorating.

5.4.5. Battambang

Table 14 Battambang

Quarter	# households covered	Average total monthly income (USD)	Percentage change from previous quarter	Average total monthly expenses (USD)	Percentage change from previous quarter	Average monthly debt repayment	Percentage change from previous quarter	Average income less all expenses (USD)	Percentage change from previous quarter	Average total assets (USD)	Percentage change from previous quarter	Average debt size by household	Percentage change from previous quarter
December 2012 – March 2013	16	\$211.40		\$161.10		\$49.90		\$0.4		\$349.20		\$412.50	
April-June 2013	17	\$213.97	+1.22%	\$174.19	+8.13%	\$88.90	+78.16%	\$0.88	-120%	\$374.20	+7.60%	\$406.76	-1.39%
July-September 2013	19	\$229.08	+7.06%	\$127.38	-26.87%	\$47.91	-46.11%	\$53.79	+6012.50%	\$577.11	+54.23%	\$458.82	+12.80%
October-December 2013	20	\$275.88	+20.43%	\$118.68	-6.83%	\$43.32	-9.58%	\$109.71	+103.96%	\$739.23	+28.09%	\$338.25	-26.28%
January-March 2014	15	\$276.50	+0.22%	\$101.25	-14.69%	\$50.20	+15.88%	\$125.05	+13.98%	\$1,006.35	+36.13%	\$161.67	-52.20%
April-June 2014	20	\$269.50	-2.53%	\$102.66	+1.39%	\$51.99	+3.57%	\$114.85	-8.16%	\$876.73	-12.88%	\$325.00	+101.03%
July-September 2014	20	\$237.63	-11.82%	\$99.35	-3.22%	\$47.11	-9.39%	\$91.17	-20.62%	\$866.03	-1.22%	\$325.25	+0.08%
October-December 2014	20	\$264.23	+11.19%	\$105.13	+5.82%	\$37.94	-19.47%	\$121.16	+32.89%	\$870.85	+0.57%	\$306.50	-5.76%
January-March 2015	18	\$281.94	+6.70%	\$200.42	+90.64%	\$46.72	+23.14%	\$37.88	-68.74%	\$989.92	+13.67%	\$216.93	-29.22%
Change from March 2013 to March 2015		\$70.54	+33.36%	\$39.32	+24.41%	\$3.18	-6.37%	\$37.48	+9269%	\$640.72	+183.48%	-\$195.57	-47.41%

5.4.6. Income, expenses, debt and asset levels: Battambang

Debt levels

As illustrated above in Table 14 debt levels in Battambang, while slightly fluctuating have generally decreased over the duration of the project as a result of families' attaining enhanced awareness of the terms and repercussions of any additional debt from the financial literacy training sessions. The initial household survey indicated that debts in Battambang were incurred predominately to start a business (43 per cent), followed by health (29 per cent) and building a house (21 per cent). The purchase of income-generating assets, such as motor-taxis, in the initial stages of the project have resulted in the overall net position of households increasing substantially, with average income rising by 33 per cent and asset levels rising by 183 per cent from March 2013 to March 2015.

In July-September 2013, debt levels reached their highest at \$458.82, however have continued to decline since this time, falling to \$216.53 in the last quarter of the project (January-March 2015). Debt levels sharply increased from \$161.67 in January-March 2014 to \$325.00 in April to June 2014. The erratic increase in debt during the period is due to the fact that many of the households operate farms and during this time spend additional funds to purchase seeds and fertilizers in preparation for the rainy season. Furthermore, Cambodia celebrates Khmer New Year during this period and households frequently encounter additional costs with respect to travel costs for family reunions and new clothing to celebrate the New Year.

Participants explained that while their living circumstances are still quite challenging they have overall been able improve their financial position as a result of increased incomes, reduced expenses and increased savings.

"Before I had a lot of debt. Now it's better than before because I'm saving money. I save 10,000 Riel per day, I had never saved before so this has really me to reduce my debt levels."

Female, household #30, Pursat

Lender type

As demonstrated below in Table 15, loans by SHGs consistently provide the largest share of loans to resettled households in Battambang. As can be seen between March 2013 and June 2013 the number of loans from MFIs increased due to the fact that community members applied for loans from MFIs with lower interest rates and more favourable loan payment conditions.

In Battambang, loans through the SHGs remained the dominant lender type across the course of the project.

Over the duration of the project, it can be seen that the percentage share of loans to SHGs has increased from 52 per cent in March 2013 to 70 per cent in March 2015. This is attributed to a strong engagement of savings mobilisation in the community to allow the SHGs to be able to supply enough loans to its members. There has also been an elimination of loans with uncompetitive rates by money lenders since the first quarter, with SHGs offering loans to these individuals to assist them in lowering their household debts.

The number of loans from MFIs has also been seen to decrease since June 2013, (46 per cent of loans), however has fluctuated between 11 per cent and 31 per cent since this time. This trend is similar to that of Pursat, whereby Battambang is a large rice farming community and householders rely on large loans to buy seeds, fertilizers and labour support for farming during the rainy season. Resettled households have also approached MFIs for additional loans to help with business expansion during the festival season such as Khmer New Year, which explains the four per cent increase in loans to MFIs between December 2014 and March 2015. As the SHGs are unable to accommodate the increased request for loans during these periods, resettled households have approached MFIs.

Table 15 Proportionate share of lender type Battambang

Quarter	Average interest rate	Unknown	Bank	MFI	Credit Union	SHG/ Saving Group	Money Lender	Relative/ Friend	Total loans
March 2013	2.40%	5 20%	0	4 15%	0	13 52%	3 12%	0	25
June 2013	1.53%	0	0	13 46%	0	15 54%	0	0	28
September 2013	2.70%	0	0	4 24%	0	13 76%	0	0	17
December 2013	1.20%	0	0	5 23%	0	17 77%	0	0	22
March 2014	1.00%	0	0	2 11%	0	17 89%	0	0	19
June 2014	1.00%	0	1 4%	6 24%	0	18 72%	0	0	25
September 2014	1.01%	0	1 4%	8 31%	0	17 65%	0	0	26
December 2014	1.01%	0	0	7 26%	0	20 74%	0	0	27
March 2015	1.18%	0	0	7 30%	0	16 70%	0	0	23

Income and expenses

The average household income in Battambang has shown encouraging progressive increases over the project, resulting from resettled households being able to source additional work. Additionally, eight of the most marginalised households have been assessed as being eligible for CUFA's Village Entrepreneur program, where since March 2014 they have received financial support from Australian Community Investors to start and expand a micro-enterprise in their community. Below, Table 19 provides a summary of the Village Entrepreneurs and their business progress to date.

As can be seen in Table 17 above, as income has increased, expenses have mostly decreased although peaking at \$200.42 in March 2015. Similar to the other sites, the sharp increase in commodities can be attributed to cultural events, such as Chinese New Year, the Cheang Meng ceremony and Khmer New Year. During these periods additional supplies and business assets are purchased in anticipation for increased sales and customers during these periods.

Participants during the evaluation were able to demonstrate how they have applied lessons learnt in training into their daily lives.

"I remember CUFA told me how to save. He taught me how I could save money on purchasing rice. He taught me a few things that have helped me. The first thing is to each night save a little bit of rice and put in a basket, and then at the end of the month I can see how much extra I've kept. The second idea that I like is to buy in bigger quantities, now my income has increased a bit I can afford to buy more, which costs me less than buying in smaller quantities." **Female, household #21, Battambang**

Finding a balance between spending and savings

Above, Table 16 shows the net position of Battambang households has progressively improved since December 2012. The substantial decrease in the final quarter, as explained above is due to the fact that households have invested in business assets and expenses related to the Cambodian festival season.

As per other sites, participants when asked which training component they enjoyed the most, stated savings. Many of the participants had not previously saved any funds either at home or in a financial institution, nor received any prior training in relation to financial literacy. As a result of ongoing training and support participants have been able to learn about the merits of savings, and how sensible saving habits can help reduce debt repayments and assist in achieving financial goals. Similar to the residents in Phnom Penh, some of the households in Battambang live in challenging circumstances and while many make a conscious effort to save, either at home or in the SHG their hardship restricts their ability to save regularly.

"Training was good. CUFA helped me learn how to save money. I hadn't saved before and had never thought about savings, I only earned and spent. Now I think about saving money and how I can do this to help my family." **Female, household #30, Battambang**

"CUFA explained all about savings. It helps me. Before I had to borrow money, if something unexpected happened. Now I can use my savings money, rather than borrowing money for something like an emergency or food". **Female, household #15, Battambang**

“The topic I enjoyed the most was savings. I love the savings topic because this knowledge will help me in the future. I don’t have a lot of money though because I broke my shoulder and my husband is sick, so our income is low.” **Female, household # 16, Battambang**

“I remember CUFA taught me to try and save, even if I can save a little each day it will grow. I have only a little bit of money to save because my situation is bad, but I save each month in the SHG.” **Female, household # 28, Battambang**

“The best idea is income and spending management. I was taught to try and save just a little bit of my income. I save 200 Riel a day for the SHG, but it’s challenging because I have a low income.” **Female, household # 27, Battambang**

Table 16 Progress of Village Entrepreneurs - Battambang

VEID	Gender	Plot number	Business type	Confirmed support	Total start-up cost	Funds received		June 2014	September 2014	December 2014	March 2015	June 2015	September 2015
201564	F	7	Chicken farmer	June 2015 ³²	\$95.00	\$76.88	Quarterly						
							Sales income US:						\$0.00
							Expenses US:						\$70.00
							Profit US:						\$0.00
201279	F	16	Chicken farmer	September 2013	\$95.00	\$400.20	Quarterly						
							Sales income US:	\$0.00	\$0.00	\$540.00	\$78.00	\$72.00	\$76.00
							Expenses US:	\$88.00	\$67.00	\$473.00	\$65.00	\$46.00	\$105.00
							Profit US:	-\$88.00	-\$67.00	\$67.00	\$13.00	\$26.00	-\$29.00
201402	F	27	Junk collector	February 2014	\$80.00	\$393.76	Quarterly						
							Sales income US:		\$0.00	\$0.00	\$86.00	\$120.00	\$285.00
							Expenses US:		\$80.00	\$80.00	\$60.00	\$55.00	\$64.00
							Profit US:		-\$80.00	-\$80.00	\$26.00	\$65.00	\$221.00

³² Initially selected to join the program in late 2013, however chose to move to Phnom Penh to seek additional work. Returned to Battambang in March 2015 and asked to re-join the program. She has been re-assessed and deemed as eligible and September 2015 in the first active quarter in the program.

201401	M	8	Chicken farmer	February 2014	\$93.00	\$393.76	Quarterly						
							Sales income US:		\$0.00	\$0.00	\$68.00	\$70.00	\$89.00
							Expenses US:		\$84.00	\$75.00	\$46.00	\$50.00	\$48.00
							Profit US:		-\$84.00	-\$75.00	\$22.00	\$20.00	\$41.00
201278	F	15	Pig farmer	February 2014	\$85.00	\$393.76	Quarterly						
							Sales income US:		\$0.00	\$0.00	\$88.00	\$120.00	\$92.00
							Expenses US:		\$83.00	\$83.00	\$57.00	\$54.00	\$48.00
							Profit US:		-\$83.00	-\$83.00	\$31.00	\$66.00	\$44.00
201277	F	33	Chicken farmer	February 2014	\$84.00	\$393.76	Quarterly						
							Sales income US:		\$0.00	\$0.00	\$78.00	\$0.00	\$96.00
							Expenses US:		\$84.00	\$75.00	\$64.00	\$52.00	\$58.00
							Profit US:		-\$84.00	-\$75.00	\$14.00	-\$52.00	\$38.00
201276	F	26	Animal farmer	February 2014	\$84.00	\$393.76	Quarterly						
							Sales income US:		\$0.00	\$0.00	\$24.00	\$56.00	\$72.00
							Expenses US:		\$80.00	\$75.00	\$62.00	\$63.00	\$48.00
							Profit US:		-\$80.00	-\$75.00	-\$38.00	-\$7.00	\$24.00
201403	M	19	Junk collector	February 2014	\$85.00	\$317.08	Quarterly						
							Sales income US:		\$150.00	\$151.00	\$512.00	Withdrew from the program due to work opportunities in	

							<i>Expenses</i>		\$180.00	\$68.00	\$345.00	Phnom Penh
							<i>US:</i>					
							<i>Profit US:</i>		-\$30.00	\$83.00	\$167.00	

Village Entrepreneur program

CUFA's Village Entrepreneur program, which is funded by members of the Australian public is all about helping people help themselves to achieve a better life by starting a small business in their community. The program commenced in 2008 with the aim of helping ultra-poor in communities in Timor-Leste and Cambodia to break out of poverty through micro-business development through a cash transfer approach. To assist these villagers, the Village Entrepreneur program connects Community Investors (commonly the Australian public) to an aspiring entrepreneur in Cambodia or Timor-Leste through a 1:1 sponsorship program. Funds received from the donor go towards helping the villager start-up or expand their business, and participants receive quarterly training and support from CUFA's project officers. The aim is for the business to become a sustainable source of income for the villager and their family within three years.

CUFA as an accompanying component to the DFAT funded RIEL program, introduced its existing Village Entrepreneur program which operates in Prey Veng, Kandal, Takeo and Kampong Thom provinces to the resettlement community in Battambang from late 2013. Seven individuals were assessed as eligible³³ for the program and have received livelihoods and enterprise development training simultaneously to the RIEL program. It is anticipated they will continue to receive training under the Village Entrepreneur program until 2016. As per all Village Entrepreneurs supported under the program, the participants in Battambang receive support and training through the generous support of members of the Australian public and no DFAT funding was not used to deliver this component of the program.

Table 16 above provides a summary of the seven entrepreneurs and their progression throughout their first 9-12 months of the program. As shown in Table 16, one Village Entrepreneur, Pranit³⁴ chose to withdraw from the program to seek additional work opportunities in Phnom Penh. Pranit operated a successful second hands good collection business, and earned a profit of \$167 in June 2015. Due to his business success and the income potential his Village Entrepreneur support was transferred to his mother until she sadly passed away in mid-2015.

As illustrated in Table 16, the profit margins of the remaining Village Entrepreneurs have started to gradually increase each quarter. While the profits for most still remain low, this can largely be attributed to each of them investing more funds in the first year of the program to expand their business, which will ultimately improve their income generating potential. Over time (generally in the later part of the second year of the program) many entrepreneurs use their profits to commence a second business and as such their business profits and family income substantially increase.

During the evaluation time was spent with Kahna³⁵ (second hand goods collector) and Ratha³⁶ (chicken raiser) to visit their businesses and to understand their experience and gauge what they had learnt from the Village Entrepreneur program.

33 Village Entrepreneur program eligibility criteria: 1. Member/active member of the credit union. 2. They are the poorest of the poor (profit income is less than two dollars per family member per day). 3. They are interested and passionate about income generation. 4. They have a clear business work plan (with support from CUFA).

34 Pseudonym has been used

35 Pseudonym has been used

36 Pseudonym has been used

Kahna (VEID 201402)

Kahna while predominately focused on second-hand goods collection has recently invested funds to improve her chicken coop. Prior to the program Kahna raised a few chickens, however they were kept in a small coop and frequently escaped and subsequently perished due to drinking of contaminated water; heat exhaustion; eaten by larger animals and poor nutrition.

Kahna very animatedly showed the evaluator the materials for her new coop which she recently purchased and explained how the construction of the new coop will reduce the likelihood of her chicks escaping, and how she is strategically building it in the shade of a mango tree (though not directly underneath to avoid injury to the chickens). She also explained how she has invested in water bowls to ensure that her chickens receive adequate water to remain hydrated.

Kahna also provided the evaluator with a tour of her second hand good collection business and showed each of the items she had purchased with the funds from her community investor. She was able to explain the profit margin for each item and explained how she uses this knowledge to purchase items that will generate the largest return. Kahna has been supported under the Village Entrepreneur program since September 2014 and since this time has seen her profits from her second hand goods business (income minus all business expenses) increase from a deficit of \$80 to \$26 in March 2015 to \$65 in June 2015 and \$221 by September 2015. While these funds are not yet enough to support her family, Kahna commented how these funds are money that she did not have previously and she has acquired new skills that will able her to increase her future business activities.

Additionally, Kahna was evidently enthusiastic about the new skills and techniques she had learnt to increase her business opportunities and remarked that her future outlook and disposition had been enriched. It is also expected that Kahna's business profits will continue to proportionally increase as she progresses through the three year program.

Ratha (VEID 201401)

Ratha is an elderly gentleman who is supported as a chicken raiser under the Village Entrepreneur program. Ratha has had many previous jobs however as he has aged and in particular since he has been relocated to the new site has found it difficult to source income.

Ratha has received support since September 2014, and has meticulously worked on building a well-made chicken coop. Ratha has used his profits to ensure that his chickens are well insulated, protected from the elements and away from potential predators. His wife commented that Ratha had struggled to find new work as he has become older and the chicken raising business has provided him with a new passion. She commented that Ratha is very passionate about raising his chickens and eagerly awaits training to acquire new skills to make the business more profitable.

Similar to Kahna, Ratha's business is still in its infancy stages and much of the profits generated are currently being used to invest in the business. Further training on animal raising, in particular how to keep chickens healthy from the hot weather and free from illness will greatly assist Village Entrepreneurs like Ratha to build a profitable business.

Sensible borrowing and managing debt repayments

The average household debt as explained above has progressively decreased and part of this can be attributed to households recognising the importance of savings and utilising savings in a time of emergency rather than borrowing funds from neighbours or MFIs with high interest rates. Participants were able to recognise the benefits of savings being able to assist in the time of an emergency and demonstrated behaviour change in selecting loan options.

“The benefits of savings is that we have additional funds in either the house or SHG which we can use when needed. For example if I’m sick at night I can use the savings in my house to buy medicine rather than having to borrow money from someone else, like my neighbour. Before I would borrow money from others and then have to pay back interest. For example, if I borrow 100,000 Riel they charge me 30,000 Riel, and this is not the highest sometimes 60,000 Riel per month.

[CUFA – If next week there was an emergency and need 100,000 Riel what would you do?]

I now have savings so I would go to the SHG and ask to lend money.

[Four years ago what would you do if you needed 100,000 Riel?]

Before if I needed 100,000 Riel I would have had to go to a MFI, which is why I’m in so much debt.” Female, household #60, Battambang

Delivery modality

Battambang participants indicated that either themselves or a representative from their household always attend each of the CUFA training sessions, and if they are unable to attend always ask their partner what they learnt in training that day. Households commented that they thoroughly enjoy attending training and want to attend, as they acquire new knowledge and able to share ideas to help their families from both CUFA and other households in their community.

Participants enjoyed the interactive nature of training, in particular the group activities where in groups they brainstorm ideas and then present these to the wider session. Micro-business development (marketing, growing vegetables and chicken raising) as well as savings were the topics most enjoyed by participants as they were able to directly apply the skills learnt to improve their families livelihood opportunities, as well as household debt reduction.

All participants remarked that they would like to attend future training and noted that many of the household residents have low education levels, thus it is important to continually revise topics and gradually introduce new components.

5.4.7. Poipet

Table 17 Poipet

Quarter	# households covered	Average total monthly income (USD)	Percentage change from previous quarter	Average total monthly expenses (USD)	Percentage change from previous quarter	Average monthly debt repayment	Percentage change from previous quarter	Average income less all expenses (USD)	Percentage change from previous quarter	Average total assets (USD)	Percentage change from previous quarter	Average debt size by household	Percentage change from previous quarter
December 2012 – March 2013	9	\$304.60		\$252.20		\$55.80		-\$3.50		\$116.30		\$1,049.60	
April-June 2013	121	\$252.81	-17.00%	\$136.67	-45.81%	\$82.35	+47.58%	\$33.79	+885.71%	\$116.30	0	\$713.00	-32.07%
July-September 2013	212	\$404.35	+59.94%	\$202.23	+47.97%	\$36.10	-56.16%	\$166.02	+391.33%	\$1,468.56	+1,162%	\$484.59	-32.04%
October-December 2013	250	\$342.93	-15.19%	\$206.77	+2.24%	\$29.05	-19.53%	\$109.48	-34.56%	\$1,290.89	-12.10%	\$362.82	-25.13%
January-March 2014	241	\$363.90	+6.11%	\$216.37	+4.64%	\$40.59	+39.72%	\$106.94	-2.32%	\$1,824.13	+41.31%	\$511.30	+40.92%
April-June 2014	245	\$309.28	-15.01%	\$157.42	-27.24%	\$39.19	+3.45%	\$112.67	+5.36%	\$1,938.46	+6.27%	\$465.39	-8.98%
July-September 2014	231	\$346.14	+11.92%	\$174.21	+10.67%	\$46.82	+19.50%	\$125.10	+11.03%	\$1,920.83	-0.91%	\$489.20	+5.17%
October-December 2014	221	\$353.27	+2.60%	\$171.66	-1.46%	\$72.01	+53.80%	\$121.98	-2.49%	\$1,954.20	+1.74%	\$583.43	+19.26%
January-March 2015	212	\$374.21	+5.93%	\$199.11	+15.99%	\$68.81	-4.44%	\$106.65	-12.57%	\$1,967.62	+0.69%	\$638.25	+9.40%
Change from March 2013 to March 2015		\$69.61	+22.85%	\$53.09	-21.05%	\$13.01	-23.32%	\$110.15	+3,147%	\$1,851.32	+1,591%	\$411.35	-39.19%

5.4.8. Income, expenses, debt and asset levels: Poipet

Over the course of the RIEL project data has been collected from approximately 260 households from Poipet. As described in the quarterly reports, the available households varies each quarter due to the transient nature of community members working in Thailand, as well as the relocation of households to other locations. In the sections below some participants through the quotes provided, compare their pre-resettlement circumstances to their current situation. Any comparison made by participants on their quality of life is anecdotal, as no reliable data to verify their pre-resettlement financial situation is available.

Debt levels, borrowing and managing debt repayments

At the project commencement, average household debt levels in Poipet were, with the exception of Sihanoukville the highest across the sites (\$1,049.60). The initial household survey indicated that house construction was the number one reason for debt (46 per cent), followed by business loans (21 per cent).

Debt levels in Poipet have decreased since this time; however have continued to fluctuate over the course of the project. As can be seen in Table 7, in the past two years debt levels have increased during the January-March quarter, this can part be explained by households requiring capital to invest in more products and services for business expansion during Cheang Meang (Chinese festival), Chinese New Year celebrations and Khmer New Year. As a result of these activities income and asset levels can be seen to have risen in the subsequent quarters.

As shown in Table 18 the average households' debt levels vary according to the lender type and the associated interest rate. As can be seen in Table 18, loans for MFIs and SHGs are the most common lender types. Another reason for the debt fluctuation is that the impact of financial literacy training has created an environment for resettled households to be able to calculate the true cost of loan repayments to SHGs, MFIs and private lenders. Many of the resettled community members have taken out additional loans from MFIs and the SHGs, as they have much lower interest rates than the private lenders, allowing them to repay their debt sooner.

Interviews with resettled households as part of this evaluation further demonstrated that resettled households had increased awareness of the terms and repercussions of any additional debt as a result of financial literacy training.

“CUFA spoke to us about the different places we could access loans. He told us that before we borrow money from MFI to think about the purpose of the loan and to consider which MFI has the lowest interest rate. For example a good type of loan would be to buy a motorbike so we can work in Thailand and a bad one would be to use the money for gambling. Also we should also only borrow what we need. For example if the motorbike costs \$1,000, we shouldn't borrow \$1,500 and keep the other \$500 to gamble and drink, this is bad.” **Male and Female, household # 93, Poipet**

The average household interest rate for loans, as can be seen below in Table 18 has progressively decreased between June 2013 and June 2014, from 3 per cent to 1 per cent. This is the result of households moving their loans from Private Lenders and MFIs who offered interest rates on loans between 4 and 7 per cent, to SHGs where the interest rate averages between 1 and 2.4 per cent.

During this time, loans to SHGs increased from 12.7 per cent to 51.7 per cent, whereas loans to MFIs decreased from 81.4 per cent to 52.5 per cent.

However from September 2014, a shift back towards MFIs as the dominant lending service occurred. The leading cause of this shift is reportedly a result of a high demand for loans during this period and the SHGs were not able to supply enough funds to meet this demand, and many household members decided to pay back their debts to SHGs and applied for larger loans from MFIs.

In addition, some evaluation respondents noted that they had experienced problems with the SHGs, with regards to internal conflict, disagreements with policies as well as disparities with book-keeping records and availability of loans. While some concerns were raised regarding the SHGs, it should be noted that the scope of this evaluation did not assess the capacity of the SHGs and the issues raised below were raised in relation to participants responding to their savings habits, and only reflected a small proportion of the SHGs.

"I'm very upset and angry. I have a problem with the SHG and have withdrawn all my funds. I wanted to borrow funds and they wouldn't allow me to, as I'm a widow and have no guarantor." **Female, household number unidentified, Poipet**

"I used to save in the SHG. Now I have no more money there. I had problems with the group. Members didn't pay back their loans, and this created big problems." **Female, household #66, Poipet**

"I've now withdrawn my money from the SHG. I don't earn a regular income and don't earn enough to save every week. There was a set savings amount by the group, 5,000 Riel a week and I couldn't afford to pay this amount. I would like to keep savings, if the conditions at the SHG were better." **Male, household #446, Poipet**

"I'm finding it hard to continue my savings with the SHG, because the savings amount set is high. I've asked them to lower the savings amount from 5,000 Riel to 3,000 Riel per week." **Male, household #425, Poipet**

The presence of a strong SHG that has trust within the community and governed by strong leadership is essential in broadening the access of financial services to rural communities, and ensuring that saving becomes a long-term habit rather than a short-term practice. As noted above, it became evident through this evaluation that while participants were able to recall the lessons learnt from CUFA training and revealed that the lesson ideas were practical and relevant to their households, some commented that they no longer save due to complications with the SHGs.

In order to promote sensible borrowing and good debt repayment behaviour, it is highly recommended that a project of a similar nature or any additional training provided to communities is completed in conjunction with financial training to SHGs.

Table 18 Proportionate share of lender type Poipet

Quarter	Average interest rate	Unknown	Bank	MFI	Credit Union	SHG/ Saving Group	Money Lender	Relative/ Friend	Total loans
March 2013	3.00%	0	3 9.7%	16 51.6%	1 3.2%	11 35.5%	0	0	31
June 2013	5.45%	0	0	83 81.4%	0	13 12.7%	2 2%	4 3.9%	102
September 2013	1.13%	0	0	66 51.6%	0	61 47.7%	1 1%	0	128
December 2013	1.01%	0	0	63 42.9%	0	76 51.7%	7 4.8%	1 0.7%	147
March 2014	1.00%	0	0	77 45.6%	0	89 52.7%	2 1.2%	1 0.6%	169
June 2014	1.00%	0	2 1.1%	78 44.8%	0	90 51.7%	4 2.3%	0	174
September 2014	1.16%	0	0	103 52.5%	0	85 43.4%	8 4.1%	0	196
December 2014	1.21%	0	0	111 50.5%	0	97 44.1%	11 5%	1 0.5%	220
March 2015	1.30%	0	0	88 60.3%	0	43 29.5%	13 8.9%	2 1.4%	146

Income and expenses

As can be seen above in Table 17, income patterns have progressively increased over the project duration. In the December 2012-March 2013 quarter average incomes were \$304.60; increasing to \$374.21 in January-March 2015; a 23 per cent increase since the first quarter. Income levels have however fluctuated throughout this period; this could partly be due to the fact that many community people in Poipet work as construction workers and labourers in the rice mills, and in the rainy season job opportunities in these industries decline. Furthermore, the income decrease in October-December 2013 is as a result of low job opportunities for migrant workers to Thailand and limited seasonal fruit harvesting positions.

On average, households in Poipet have seen a 48% increase in income levels from April 2013 to March 2015.

In response to these challenges, RIEL project staff from October 2013 delivered additional training and financial counselling to resettled households in Poipet to ensure they are able to complete basic financial budgeting to manage regular and cyclic or seasonal income effectively.

"I learnt about savings, and how to reduce my expenses. Before I always bought modern clothes, but now I think before I buy – do I need this?" **Female, household #585, Poipet**

Participants during this evaluation commented that they thought the training topics were relevant to their situation and community leaders stated that the practical examples on how to save money were particularly beneficial for participants with lower educational levels. During the evaluation, participants were able to provide examples of how they have applied training lessons to assist in reducing household expenses, however many thought that living situations in the resettled site were difficult in comparison to the old location. As a result of this, applicants stated that while the training ideas were practical and relevant, not all ideas were able to be applied.

"In the rainy seasons the road are too difficult to travel on, and sometimes we can't travel for days. Here I have more loans and a lot of debt." **Female, household #173, Poipet**

"CUFA spoke to me about managing the family budget and saving money. He said I should try to save 1,000 to 2,000 Riel a week to help reduce my debt. But I can't save, I don't earn enough money." **Female, household #291, Poipet**

"The CUFA staff provided ideas on how to reduce debt and how to increase savings. He explained to me that if we normally spend 5,000 Riel for food to try and keep 500 Riel for savings. But this is hard, because my family needs to spend 5,000 Riel on food. Our income isn't regular, today I earn some money, tomorrow I don't. I do a lot of jobs to make money, a construction worker, plant crops, moto-taxi and also plant potatoes. In the old place I used to be employed to harvest rice, I earned a lot more money because more work was available there." **Male, household #173, Poipet**

“Training is good. The problem is that trainees can’t apply everything taught. Savings is based on income, if low income it means we can’t save.” **Male, household #57**

One of the common difficulties mentioned by participants in increasing their income was the geographical location of new site. Many of the resettled households initially lived quite close to the main road, within walking distance to the main market places and the Thai border, whereas the new site is further away.

“I used to sell coffee, but here it isn’t profitable because there aren’t enough people in the community. When I first moved here, there were more people. Some people have moved to Thailand and others work during the day, so there’s not that many people to buy my coffee. “Before we were near the markets. There were lots of people, so it was easier. Here, yes I have a bigger house, but there’s less people.” **Male, household \$446, Poipet**

“It’s difficult to open a business here, because it’s so quiet. Many of the other small shops have closed down due to low number of customers.” **Male, household #425, Poipet**

Additionally, some respondents commented that while they have been trying to reduce their expenses, they have incurred additional expenses as a result of the resettlement.

“Now if anyone wants to travel to the markets, it costs 4,000 Riel per day. Before we could walk.” **Female, household #291, Poipet**

“It was easier in old place, can sell a lot of things. Here people who don’t have a motorbike need a lot of money to travel to and from the markets and the border.” **Female, household #21, Poipet**

Finding a balance between spending and saving

As illustrated in Table 17, while the net financial position of households has increased since the project commencement it has remained somewhat stable between December 2013 and December 2014. The increased expense levels can partly be explained by the increased expenses required during rainy season (September-October), where households are required to spend more due to commencement of the agricultural season. Correspondingly, increased expenses generally arise during the water festival (November) and Khmer New Year (April), when families incur expenses both for increased business opportunities and family gatherings (such as transportation and gifts).

Average household income levels increased by 23% between March 2013 and March 2015.

While increased expenses occurred during these periods, this corresponded with the progressive increases in income and asset levels. As can be seen above in Table 17 average household income levels have increased by 23 per cent from the March 2013 to March 2015, and average asset levels growing substantially from \$116.30 in March 2013 to \$1,962.62 in March 2015.

Average asset levels grew substantially from \$116.30 in March 2013 to \$1,062.62 in March 2015.

As commented above while some participants expressed that their savings habits had been negatively influenced by alleged concerns with the SHGs; many were able to provide examples on how CUFA's training had assisted them to reduce their expenses, increase their savings and as exemplified in the narrative below, provided some participants with renewed hopes and business ideas.

"It's good to be a member of the SHG, we can save money and borrow money in case of an emergency. Since CUFA came here, I believe it has helped people be better with their living. It has helped to improve my livelihood because now I save more and better prepared in case of an emergency. In my savings group I save 2,000 Riel per week, sometimes if I have extra money I save in advance (for the month). For example, I sometimes have the ability to save 8,000 Riel in one go, rather than 2,000 Riel per week.

Before, I had never saved money. Now I try to focus on reducing my expenses so I have 2,000 Riel extra a week. I have reduced my food expenses, for example I now spend less on snacks. I also try to cook more at home, rather than purchasing from the food carts. Before, every day I bought breakfast (noodles) from someone else. For breakfast it cost 10,000 Riel per day (for the whole family). If I cook by myself, I can now spend only 10,000 Riel for the whole day.

The training is good for me; it has helped me a lot. My debt has reduced. I initially borrowed \$3,000 to build a house, a three year loan. It has now reduced to \$1,500. When I earn money, I divide the expenses into different categories, for example food, utilities, savings, school expenses and milk for the baby.

I would love if CUFA comes to my home, it's sometimes hard to get to training because I look after my grandson.

After I pay off my debt I will continue to save money. I'd like to save so I can open my own business, I want to open a grocery shop. I've wanted to open a shop for a long time, but because I didn't have the funds I was unable to. I hope by saving this will help me.

I'm happy to attend CUFA training and I love the ideas and support that CUFA staff provide to me." Female household #132, Poipet

Participants also commented that as a result of training, they had learnt not only about different strategies on how to save, but also the importance of savings mobilisation and planning as keys to meeting financial goals rather than turning to borrowing.

"A lot of us had savings habits before, but many of us didn't have specific purpose to save." Female, household #93, Poipet

“Before I attended training, I didn’t ever focus on savings. I now like to save and I have more money in the case of an emergency.” **Female household #347, Poipet**

Delivery modality

As per the other sites, training to resettled households in Poipet was a mixture of group training, small group training and individual sessions. Rather than a formal learning environment that may present as confronting, particularly to those who have experienced limited educational opportunities and may have low levels of literacy, a small group and individual training scheme was provided.

Overall, training was perceived to be beneficial and enjoyed by participants, with participants commenting that the lessons were well suited to the participants’ education levels and provided practical ideas. However, similar to Phnom Penh, participants said that while the training was beneficial, difficulties in relation to sustaining livelihood opportunities and geographical positioning of the resettlement site made it difficult for participants to be able to apply all suggestions.

As noted in the methodology section of this report, there is no reliable data on the financial situation of households pre-relocation. As such this evaluation is unable to verify whether participant comments comparing life between the old and new sites are valid. During the course of the evaluation, the evaluator sought to substantiate this information by asking participants for examples on how the relocation had impacted their circumstances and the most common responses was that additional travel time and subsequent travel costs were now incurred.

Moreover, participants also expressed that they experienced some difficulties in remembering all the information taught, particularly given that the evaluation was conducted three months after the last training course. This re-emphasises the importance of regular training, refresher courses, and practical learning techniques as well as the case management approach, whereby individual support sessions are provided to assist households in regards to their individual needs.

“Training by CUFA is good. It is simple training that is suited for people who are uneducated. CUFA provides good ideas for daily life, for example different ways to save money and why this is important. But CUFA just provides training and ideas. The situation here is worse than old place. In the rainy season it’s harder for many people to make money, for example in the rainy season it’s harder to travel. We have many loans and lots of debt here.” **Male, household #576, Poipet**

“What I learnt was good. I can consult with CUFA when I have any problem, a free service. I learnt a lot about saving and family budgeting, and know purpose of loan and things I should check before taking the loan. After I applied ideas about savings I have more money than before.” **Male, household #594, Poipet**

“Training is good. The problem is that trainees can’t apply everything taught. Savings is based on income, if we have low income it is difficult to save.” **Female, household #72, Poipet**

“We learnt lots of helpful things, but I also forgot sometimes because it’s been a few months since CUFA gave us training.” **Female, household #57, Poipet**

Due to the transient nature of the many of the resettled households, and the long working hours outside of the resettled community, the attendance numbers can be seen to be varied across the course of the project. Some of the resettled households spoken to mentioned that their work and family schedules prohibited them from attending the set training session times, and therefore the house to house visits were more suitably designed for their situations.

"I love the ideas that CUFA staff give to support me. I have more money for emergencies. I would love if CUFA comes to my home, it's hard to get to training because I look after my grandson." **Female, household #132, Poipet**

A recommendation for future training of this nature is that training sessions continue to encompass repetition, ample examples, and role plays to allow practical application of lessons learnt. In particular, given the transient nature of Poipet resettlement site, a flexible training schedule should be continued to be employed including small group training and individual sessions both during the day, night time and on the weekends.

5.4.9. Sihanoukville

Table 19 Sihanoukville

Quarter	# households covered	Average total monthly income (USD)	Percentage change from previous quarter	Average total monthly expenses (USD)	Percentage change from previous quarter	Average monthly debt repayment	Percentage change from previous quarter	Average income less all expenses (USD)	Percentage change from previous quarter	Average total assets (USD)	Percentage change from previous quarter	Average debt size by household	Percentage change from previous quarter
December 2012 – March 2013	4	\$238.80		\$147.80		\$95.40		-\$4.40		\$563.30		\$1,206.30	
April-June 2013	7	\$236.43	-22.84%	\$131.43	-18.43%	\$60.00	-37.11%	\$45.00	+1122.73%	\$563.30	-	\$300.00	-75.13%
July-September 2013	7	\$356.43	+50.75%	\$160.96	+22.47%	\$51.48	-14.20%	\$143.99	+219.98%	\$1,880.29	+233.80%	\$564.29	+88.10%
October-December 2013	7	\$372.86	+4.61%	\$174.14	+8.188%	\$66.98	+30.11%	\$131.74	-8.51%	\$2,024.57	+7.67%	\$467.14	-17.22%
January-March 2014	7	\$270.36	-270.36	\$219.89	+26.28%	\$67.26	+0.42%	\$83.20	-26.85%	\$2,189.89	+8.16%	\$186.29	-60.12%
April-June 2014	7	\$370.36	+36.99%	\$219.89	-	\$67.26	-	\$83.20	-	\$2,189.89	-	\$816.29	+338.18%
July-September 2014	7	\$487.86	+31.73%	\$215.57	-1.96%	\$207.69	+208.79%	\$64.00	-23.08%	\$1,792.36	-18.15%	\$668.43	-18.11%
October-December 2014	7	\$400.71	-17.86%	\$176.64	-18.06%	\$178.43	-14.09%	\$355.07	+454.80%	\$1,792.36	-	\$1,737.14	+159.88%
January-March 2015	7	\$371.43	-7.31%	\$193.43	+9.51%	\$155.24	-13.00%	\$348.67	-1.80%	\$1,792.36	-	\$1,565.19	-9.90%
Change from March 2013 to March 2015		\$132.63	+55.54%	\$45.63	+30.87%	-\$59.84	+62.73%	\$353.07	+8,024%	\$1,229.06	+218.19%	+\$358.89	+29.75%

5.4.10. Income, expenses, debt and asset levels: Sihanoukville

Sihanoukville is the smallest of the five sites, with just seven households participating under the RIEL project. Due to the location many of the households are fisherman, and are now further away from water sources, which form the basis of their income generating activities.

Debt levels, sensible borrowing and managing debt repayments

As demonstrated in Table 19 the average household debt in Sihanoukville has changed significantly during the course of the project. A significant factor for this fluctuation is the small sample size with only seven households, on average, represented each quarter. The average debt, expense, income and asset levels can be seen to change significantly as a result of the data from one household. For example if one household borrows \$1,500 to purchase a tuk tuk, the average household loan size increases drastically.

Between March 2013 and September 2014 average household debt size can be seen to decrease, however drastically increased in October-December 2014. The reason for this significant increase is because a small number of households required additional funds to expand and invest in their small businesses by way of buying expensive fishing equipment and motorbikes for their extended family members to gain work. In addition, as Sihanoukville is positioned next to the beach, a popular tourist destination in Cambodia, many of the seven residents sought added loans to increase their income earning opportunities during the beginning of the dry season that coincides with the peak tourism season of the year.

To assist households to increase their income levels, CUFA provided micro-business development training. While participants found the training beneficial their limited financial positions generally made it difficult for them to apply the ideas, such as opening up a new business.

“CUFA taught us about micro-business development, like opening a grocery stall. I found it very interesting and enjoyed learning about this, but I just listened. I just listen because I don’t have enough money to open a business like this. I remember the ideas, but no ability to open.” **Female household #11, Sihanoukville**

In order to assist households to manage their heightened debt levels it is strongly advisable that any future training to Sihanoukville residents focus on debt repayments. Furthermore, to support households to have improved income generating opportunities residents would also greatly benefit from additional livelihood training opportunities to start or expand small businesses. The provision of skills training accompanied by the necessary equipment and supplies to grow these business opportunities would likely provide enhanced income generating prospects.

Lender type

As can be seen below in Table 20 loans from SHGs are proportionally the leading lender type in Sihanoukville, encompassing three quarters of all loans. The SHG is led by a passionate leader and this has greatly contributed to the resettled community obtaining loans from the SHG and from April 2013, the SHGs were able to provide second loans to the community to enable small business expansion.

Due to the increased need by the resettled community for loans for business expansion, especially in the last quarter of 2014, loans by MFIs increased as a result of SHGs not being able to meet demand. Similarly, the average household debt remained high and the number of loans and proportion of loans from MFIs increased in the final quarter of the project, due to households needing to invest more funds in their businesses for the festival season and Khmer New Year.

While the debt levels of community members have remained high, the overall net financial position of households has steadily increased overtime from \$83.20 in March 2014 to \$348.67 in March 2015. This indicates that the financial well-being of households has improved, as a result of increased income and more sensible spending that has seen expenses decrease in proportion to income. Further explanation on income and expenses can be found in income and expenses below.

Table 20 Lender type Sihanoukville

Quarter	Average interest rate	Unknown	Bank	MFI	Credit Union	SHG/ Saving Group	Money Lender	Relative/ Friend	Total loans
March 2013	12%	2 22%	0	3 33%	0	4 44%	0	0	9
June 2013	1.00%	0	0	1 12%	0	7 88%	0	0	8
September 2013	1.49%	0	0	2 29%	0	5 71%	0	0	7
December 2013	1.39%	0	0	3 38%	0	5 62%	0	0	8
March 2014	1.00%	0	0	3 38%	0	5 62%	0	0	8
June 2014	1.00%	0	0	3 30%	0	7 70%	0	0	10
September 2014	1.36%	0	0	2 22%	0	7 78%	0	0	9
December 2014	1.07%	0	0	4 36%	0	7 64%	0	0	11
March 2015	1.21%	0	0	5 42%	0	7 58%	0	0	12

Income and expenses and finding a balance between spending and saving

The average household income levels have steadily increased over time rising on average by \$132.63 or 56 per cent between March 2013 and March 2015. Initially households in Sihanoukville were seen to be in a negative net position with average expenses greater than average household incomes. The initial household survey indicated that higher expenses were due to households expanding their businesses (50 per cent) followed by building a house (40 per cent), and the highest expense occurred by families was for food. As a result of these findings, CUFA staff focused on delivering family budgeting and sensible spending to assist households to improve their financial well-being.

Average income levels in Sihanoukville increased by 55.54% between March 2013 and March 2015.

As part of this evaluation a focus group session occurred with representatives from eight households all of which had regularly attended CUFA training. Participants were clearly able to demonstrate that training had provided them with practical examples on how they could reduce their expenses. In particular, households were able to learn techniques to reduce food wastage, and alternate methods to source and grow additional food. Households commented that the training provided not only new ideas but also encouraged households to continue undertaking existing activities that help reduce expenses. Many participants also reflected on how they had shared ideas with others in the community, as well as extended family members.

“CUFA taught us about trying to reduce our food expenses. I explained to my wife that we need to all the food in the house before we buy new food, so it doesn’t go to waste. It’s made a big difference. I can’t remember the exact amount but I’ve saved a lot of money.” **Female, household #20, Sihanoukville**

“Sometimes I saved the money by eating more fish. Fish is cheaper than beef. We can also dry fish so it’ll keep longer.” **Female, household #11, Sihanoukville**

“I grow vegetables and fruit around the house such as morning glory, bananas, eggplants, sugarcane and ginger. I have a little bit of land, and CUFA encouraged me to keep growing my own food and to also plant seeds so I can grow more.” **Female, household #19, Sihanoukville**

“CUFA taught me about not wasting money especially on things I don’t need. I have tried to reduce costs on clothing, for example not buying more clothes because I want them, only if I need them.” **Female, household #18, Sihanoukville**

“My son goes fishing and collects the fish for me, This way we save money by not having to buy fish from the markets.” **Female, household #23, Sihanoukville**

Participants also were able to distinguish between needs and wants, and the associated consequences if a family goes without items on the 'needs' list, and then what happens if a family has to forgo an item on the 'wants' list.

"A lamp is an example of a need. If the light is broken we need to buy a new one, as we need light. However new clothes is a want, and it's ok if we don't buy new clothes all the time if we can still wear our old clothes." **Female, household #18, Sihanoukville**

Although participants were able to recall examples of lessons learnt in training, all reflected that they could only apply parts of the training, as their circumstances limit their income generating activities. While this hampers their ability to manage their debt repayments and reduce expenses, participants commented that although they are unable to apply all skills, they have retained the knowledge, and looking forward to applying and practising new techniques once their income increases.

The enthusiasm and willingness of participants to actively participate in training and preparedness to apply new ideas is reflective in the progressive process in the overall financial position of households, increasing by 123 per cent from \$83.20 in March 2014 to \$348.67 in March 2015. Average asset levels have furthermore increased during the course of the project by 219 per cent from \$563.30 in March 2013 to \$1,792.36 in March 2015 and peaking at \$2,189.89 in March 2014.

Overall financial position of households (income less all expenses) increased by 123% from \$83.20 in March 2014 to \$348.67 in March 2015.

Average asset levels increased by 219% from \$563.30 in March 2013 to \$1,792.36 in March 2015.

As noted in the section above, the overall financial well-being of households could be further enhanced with the continuation of livelihood skills training and the required resources to develop business prospects within the community.

The SHG is ably guided by a dedicated leader who is eager to learn new skills to enable to group to become more confident and developed in their operations. The leader appears to be well respected within the community, and knows all the members which ensures that if a member misses a payment one month (for example due to travel) they pay double the following month. Further book-keeping training and materials have been requested by the community in order to strengthen the capacity of the group, and it is advised that future training to this community focuses on this component.

Delivery modality

An overwhelming positive response was received in response to training from Sihanoukville households. All households indicated that they attended training regularly and that CUFA provided a lot of training, up to two-three times per month.

Participants particularly enjoyed the delivery of the trainer and their ability to provide entertaining lessons with practical and relevant examples.

"I'm interested in all the training. The CUFA staff member is very funny when he speaks, we have a good time and it's a great lesson. He teaches us with writing on paper on the wall, shows us pictures and uses the flipchart." **Male, household #28, Sihanoukville**

"I pay attention in training, as the trainer is funny and he makes it interesting." **Female, household #20, Sihanoukville**

Participants noted that the level of training is targeted at the right learning level, and that they pay attention as they want to learn the information, as it will help them to learn about how to increase their savings and reduce their expenses.

"It's not difficult, it's easy to understand because I want to learn it." **Female, household #23 Sihanoukville**

"CUFA comes because they want to teach everyone about income, expenses and saving and for people to learn new knowledge." **Female, household #19 Sihanoukville**

All participants were very enthusiastic to attend additional training and in addition to book-keeping highlighted the advantages of further vocational skill training, such as animal raising and growing mushrooms.

5.5. Children’s Financial Literacy

As part of the RIEL project CUFA has provided Children’s Financial Literacy (CFL) training across the five settlement sites. CFL helps children of community members to develop saving habits and an appreciation of spending wisely, distinguish between ‘wants’ and ‘needs’ to help them put aside some money for saving, leading to a reduction in unnecessary spending.

From December 2012 to March 2015 a total of 166 sessions have been delivered to 1,324 students³⁷. Table 21 provides a breakdown of student and session numbers across each of the five sites.

Table 21 Children's Financial Literacy attendees

Location	Students	Sessions	Average
Phnom Penh	168	9	18.7
Pursat	113	23	4.9
Battambang	105	19.5	5.4
Poipet	858	104.5	8.2
Sihanoukville	80	10	8.0
Total	1,324	166	9.0

Overall, CFL lessons were well received with parents, and students were able to demonstrate an understanding on the importance of savings, saving for the future and appreciation on where money comes from and the value of objects. Students enjoyed receiving the piggy banks, however many students had misplaced the money box suggesting that future CFL lessons could include activities on helping students create their own money box from recycled materials.

A summary of findings from each site are provided below.

Phnom Penh

CFL lessons were delivered to students at Phnom Penh from December 2012 to December 2013. Lessons ceased due a lack of students available to attend sessions, with many students required to travel away from their communities to attend school. Due to long school days and additional after school classes students were generally disinterested in attending CFL classes after a long day. As a result of this, CUFA allocated resources to other project activities within the Phnom Penh site.

During the evaluation no students were available to speak to, however one parent explained that her daughter tries to save 100 riel each day in her piggy bank and the mother uses this money to pay back the household loan and another mother explained that she encourages her daughter to save each day:

“I encourage my 12 year old daughter to save 100 Riel in her piggy bank each day. My daughter earns a little income by cutting material, and now tries to save 200-500 Riel a day. She now has 40,000 Riel in her piggy bank. She is saving for her study (school materials and extra classes) and new clothes. Every three to four months she opens her piggy bank (hole at the bottom) and purchases what she requires”. **Mother household #88, Phnom Penh.**

³⁷ Number represents repeat attendees.

Pursat

Training has been delivered in Pursat from December 2012 to March 2015, with training well received by parents who stated they believe it is an important life lesson for their children to learn to save. In total 23 sessions were provided to 113³⁸ students. Feedback from parents and the one student interviewed revealed that many students tended to save while CUFA provided training, however many ceased saving once they reached their saving goal, but implied they save again once they have a new saving objective; i.e. clothes for Khmer New Year.

"I attended class so I could learn how to save and I received a piggy bank. CUFA told me that it's important for all children to save to buy study material. I was taught that when my parents give me pocket money to save 100 Riel out of every 500 Riel.

To help me save I put 100 Riel in my piggy bank before I went to school, so I wasn't tempted to spend it at school. If I took all the 500 Riel to school I might spend it all.

*I saved every day for two years and saved 230,000 Riel. I was saving for a bicycle and when I reached 230,000 Riel my parents gave me an extra 70,000 Riel, so I could buy a bike to ride to school". **Girl aged 11, Pursat.***

Battambang

Training has been delivered in Battambang from December 2012 to March 2015, with 19.5³⁹ sessions provided to 105⁴⁰ students. As part of the evaluation, parents were asked about their children's savings habits, as well as two female students who were available during the school lunch break.

"I saved money in the piggy bank. I save every week, sometimes 1,000 Riel and sometimes 2,000 Riel. I receive pocket money from my parents and also money Riel from the neighbours if I help them with small jobs, like going to the markets to buy items for them. When my piggy bank was full I broke it to buy new clothes and also crayons and pencils for school. I still save money every week, not in the piggy bank but with my parents.

*I liked going to the lessons, I liked the lesson book [Ronnie the Riel]. If we save a little bit of money each day, later on there's lots of money and the money dances in the piggy bank. Saving is a good idea, if we save for a long time we can buy a motorbike". **Girl aged 11, Battambang.***

Poipet

Training has been delivered at Poipet continually from December 2012 to March 2015 with 104.5 CFL lessons delivered to 858 students at the Poipet site. The number of training sessions fluctuated each quarter, as a result of school holidays and Cambodian public holidays such as Khmer New Year, where families leave their communities to reunite with their families. As many students were unable to attend lessons during school days, RIEL project staff provided CFL classes on the weekends to increase their opportunity for participation.

38 Number represents repeat attendees

39 Each training session is one hour in duration, 0.5 represents 30 minutes.

40 Number represents repeat attendees.

Feedback from students attending classes at Poipet was positive, with students stating that they looked forward to CUFA coming as they liked going to the classes, as they can meet other children and play games. Students were also able to demonstrate practical application of lessons learnt in training, as exemplified below:

"I liked going to training, because the lessons provides me with good things to help my life. One of the best things is teaching the children, teaching the children how to save. My children now start to save; none of my family had ever saved money before.

My children liked going to training, they looked forward to CUFA training. When they go to training they received a reward for good saving habits, such as a pen or a book. My children save in the piggy bank; they continue to save after the training finished. My son was saving for a watch; he bought it for Khmer New Year. They remember what they learnt in training, but I also remind them to save.

My sons receive 1,000 Riel pocket money each day and they also receive a little Riel by providing items to the junk collectors. To encourage my son to save, my husband each week would secretly put a few hundred Riel into his piggy bank, this way my son is surprised and encouraged to save more, as his piggy bank gets fuller.

Both the children save a lot; they can save 100,000 Riel in three to four months. They've each bought a watch, new clothes for Khmer New Year and sometimes if their bikes are broken they use their savings to get the bike repaired. Since the kids saved for the watch themselves, they take better care of it, than if we had just given it to them. The watch is water resistant, but still they take it off before they get in the bath to make sure it doesn't get damaged.

*At the moment the kids aren't saving as they just bought the watch and clothes for Khmer New Year, but want to keep saving so they can purchase things for a special occasion. We are both really proud of our sons, they're both really good savers, the teacher encourages the students to save. We feel happy and proud that our son is saving, he's thinking like an adult, he is managing his money and saving and wants to start saving in the savings bank". **Mother and father, household #137, Poipet***

[Two sons came at the end of the conversation and proudly showed CUFA their watches].

*"I like and want to go to training. They are many children who attend. Training is fun, we play games and there is story telling. I want to go to more training, I like the idea that instead of buying candy, we save some money and then we can buy what we need, like clothes". **Boy aged 11, Poipet.***

Sihanoukville

Due to the small number of households in Sihanoukville, 10 sessions were provided to 80 students during the period December 2012 to March 2015. One group session occurred with representatives from the eight households, no students were available to speak to due to attendance at school.

Participants noted that one of the things they learnt at training was to encourage their children to save and that their children enjoy going to training, and gained an understanding and knowledge

about the importance of saving. Their children also now understand the difference between wants and needs, for example a colour television is a want, but medicine is a need.

“I learnt from training that if we give our children 1,000-1,500 Riel each day, encourage them to try and save 500 Riel in their piggy bank. It is important that my children (11 yrs and 6 yrs) save money because if they want something, like a watch and sports clothes they can buy it when they need it. My daughter liked to attend training, the CUFA staff has jokes and it makes the children happy. The children understand and get more knowledge about the importance of savings. I would like that when CUFA comes back they bring more of the picture books.” **Mother, household #19, Sihanoukville.**

6. Conclusion

In conclusion, this evaluation finds that the RIEL project has achieved its objective in improving the economic circumstances of households resettled under the Cambodia Railways Rehabilitation project across the five sites: Phnom Penh, Sihanoukville, Battambang, Pursat and Poipet. The delivery of small group training and individual financial counselling sessions have been effective in helping households to increase their understanding of financial literacy and have resulted in average net financial position of households (income minus expenses) increasing by 435 per cent from December 2012 to March 2015.

There has been positive involvement by women during the project, constituting 66 per cent of training participants in group training for the core modules and 64 per cent of attendees in the face-to-face financial counselling sessions. Women's participation in leadership positions within the SHGs is however lower than men, with only 31 per cent of book-keeping training session attendees women.

One of the findings of this evaluation is that SHGs require more training to further build their operational and financial capacity. While the SHGs have received training and support from CUFA and other training partners, additional training will help them provide more rigour in record keeping practices and processes and provide a sustainable place for community members to save for the future.

Overall, this evaluation based on assessment against the Australian Aid Program's Quality Assessment Framework finds that the RIEL project activities and design were appropriate in assisting resettled families to improve their financial well-being. The ratings based on the findings in this report are as follows:

Program quality rating assessment

- Relevance: Fully satisfactory
- Efficiency: Fully satisfactory
- Effectiveness: Fully satisfactory
- Sustainability: Satisfactory

7. References

- Asian Development Bank (2015) “First Annual Monitoring Report to the Board of Directors on the Implementation of Remedial Actions for the Greater Mekong Subregion: Rehabilitation of the Railway Project in the Kingdom of Cambodia”, *Compliance Review Panel*, pp. 1-34
- Asian Development Bank (2014) “Final Report on Compliance Review Panel Request No. 2012/2 on the Greater Mekong Subregion: Rehabilitation of the Railway Project in the Kingdom of Cambodia”, *Compliance Review Panel*, pp. iv-v
- Asian Development Bank (2014) “Kingdom of Cambodia: Strengthening Resettlement and Income Restoration Implementation”, *Technical Assistance Report*, pp. 1-5
- Department of Foreign Affairs and Trade, 2015. *Development assistance in Cambodia*. Cambodia, Department of Foreign Affairs and Trade. Available from <http://dfat.gov.au/geo/cambodia/pages/cambodia-country-brief.aspx> [Accessed: 26 June, 2015]
- The World Bank (2012) “Three quarters of the world’s poor are unbanked”, Data and Research. Available from: <https://go.worldbank.org/61TLX5WSP0>
- Rabo Bank (2005) “Access to financial services in developing countries”, The Rabo Bank Review, p2.
- CUFA, (2010) “Children’s Financial Literacy Evaluation Report”, CUFA
- CUFA, (2013) “RIEL Self-Help Group Audit Report”, CUFA
- CUFA, (2012) “RIEL Project Proposal”, CUFA
- CUFA, (2014) “RIEL Project Proposal, three month extension”, CUFA
- CUFA, (2014) “RIEL Project Proposal, six month extension”, CUFA
- CUFA, (2013) “RIEL Quarterly Project Report December– March 2013”, CUFA
- CUFA, (2013) “RIEL Quarterly Project Report April– June 2013”, CUFA
- CUFA, (2013) “RIEL Quarterly Project Report July– September 2013”, CUFA
- CUFA, (2013) “RIEL Quarterly Project Report October– December 2013”, CUFA
- CUFA, (2014) “RIEL Quarterly Project Report January– March 2014”, CUFA

- CUFA, (2014) “RIEL Quarterly Project Report April– June 2014”, *CUFA*
- CUFA, (2014) “RIEL Quarterly Project Report July– September 2014”, *CUFA*
- CUFA, (2014) “RIEL Quarterly Project Report October– December 2014”, *CUFA*
- CUFA, (2015) “RIEL Quarterly Project Report January– March 2015”, *CUFA*
- CUFA, (2014) “Village Entrepreneur Business Work Plan March, VEID 201279”, *CUFA*
- CUFA, (2014) “Village Entrepreneur Business Work Plan March, VEID 201402”, *CUFA*
- CUFA, (2014) “Village Entrepreneur Business Work Plan March, VEID 201401”, *CUFA*
- CUFA, (2014) “Village Entrepreneur Business Work Plan March, VEID 201278”, *CUFA*
- CUFA, (2014) “Village Entrepreneur Business Work Plan March, VEID 201277”, *CUFA*
- CUFA, (2014) “Village Entrepreneur Business Work Plan March, VEID 201276”, *CUFA*
- CUFA, (2014) “Village Entrepreneur Business Work Plan March, VEID 201403”, *CUFA*
- CUFA, (2015) “Village Entrepreneur Business Work Plan June, VEID 201564”, *CUFA*
- CUFA, (2014) “Village Entrepreneur Business Progress Report VEID 201279 June 2014-June 2015”, *CUFA*
- CUFA, (2014) “Village Entrepreneur Business Progress Report VEID 201402 September 2014-June 2015”, *CUFA*
- CUFA, (2014) “Village Entrepreneur Business Progress Report VEID 201401 September 2014-June 2015”, *CUFA*
- CUFA, (2014) “Village Entrepreneur Business Progress Report VEID 201278 September 2014-June 2015”, *CUFA*
- CUFA, (2014) “Village Entrepreneur Business Progress Report VEID 201277 September 2014-June 2015”, *CUFA*
- CUFA, (2014) “Village Entrepreneur Business Progress Report VEID 201276 September 2014-June 2015”, *CUFA*

- CUFA, (2014) “Village Entrepreneur Business Progress Report VEID 201403 September 2014-March 2015”, *CUFA*

8. Appendices

8.1. Appendix 1: Participant evaluation

Training

1. Did you attend CUFA training? – or did someone in your family attend?
2. How often did you go to training?
3. Why did you attend training?
4. Can you tell me why CUFA came to provide you with training?
5. What topic did you enjoy the most in training?
6. Can you tell me why you enjoyed this topic?
7. Can you provide an example of something you learnt in training?
8. Do you apply these lessons in your household? (explain)

Family budgeting

1. Does your family have a family budget?
2. How much does your family spend per month?
 - a. What is this on?
3. What happen if there's an emergency in your family – i.e. hospital/accident – how would you pay for this? (if there's no insurance)
4. What is one lesson you have learnt from CUFA about budgeting?
5. Can you tell me the difference between spending on need and want? (e.g)
6. How does your family manage your budget?

Setting: short, medium, long term goals

1. Does your family save money?
2. Where do you save money? (SHG /at home?)
3. Are you a member of the SHG?
4. Why aren't you a member of the SHG?
5. What are you saving for?
6. How often do you save?
7. How much do you save?
8. Do you children save money?
9. What are they saving for?
10. How do they save money?
11. How much money have they saved?

8.2. Appendix 2: Participant evaluation

Children's Financial Literacy

1. Did you attend CUFA training?
2. Did you enjoy attending training?
3. Why/why not?
4. Why did you go to training?
5. Do you save money? What are you saving for?
6. Why/ why not?
7. Where do you save money?
8. How often do you save?
9. What have you bought anything with your savings?
10. After you purchased this item have you continued to save?
11. Why/why not?
12. Do you plan to continue saving in the future?

8.3. Appendix 3: Participant evaluation

Village Entrepreneur Participants

1. Can you describe to me what topics you have been taught by CUFA's Village Entrepreneur Coordinator?
2. What topic do you enjoy the most?
3. Why do you enjoy this topic?
4. How have you used these lessons to help your business?
5. Are you able to show me your business and explain how it operates?
6. Are you able to explain to me how you determine your income, expenses and profits?
7. Have the skills you learnt in training helped you to earn more profits? (How)
8. How many hours a day do you spend on your business?
9. Since attending training, what do you do differently to help your business?
10. What are the future goals for your business? Have you always had these goals?

8.4. Appendix 4: Theory of Change diagram

Figure 11 Theory of Change

Reaching an Independent Economic Life Theory of Change

