



# Redefining Sustainability

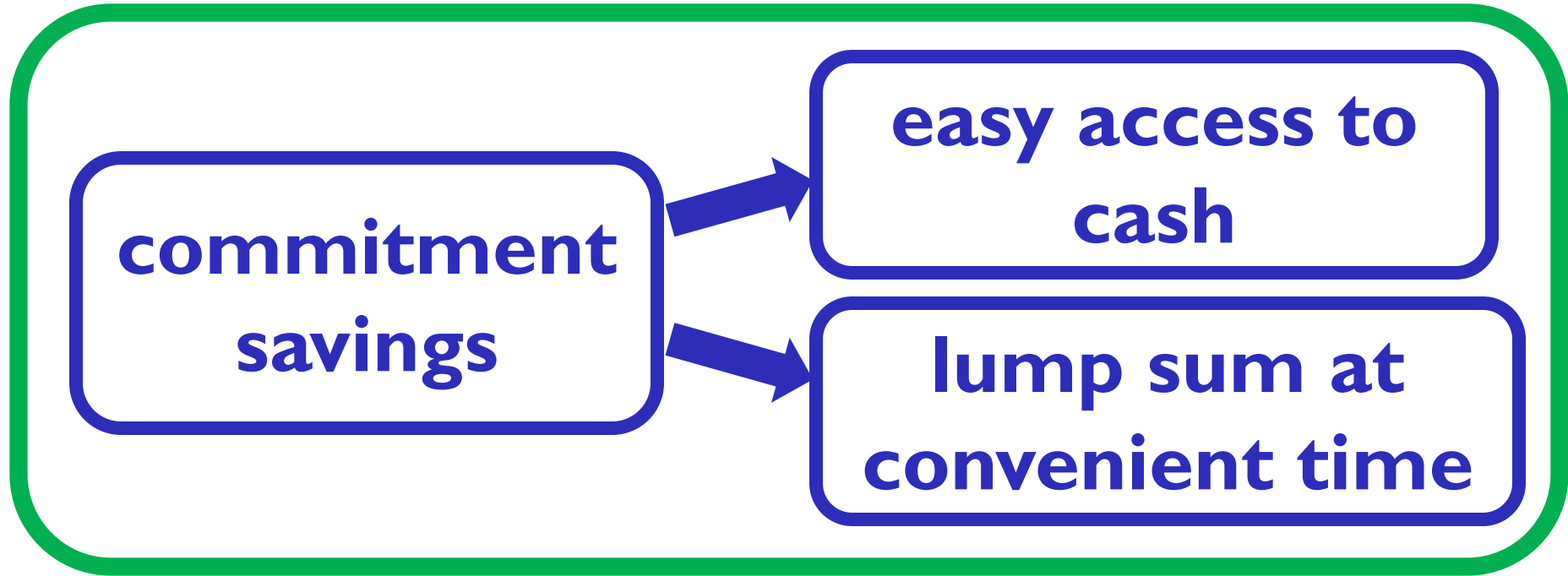
## CRS' PSP-SILC Model

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- **Rationale**
- **Approach**
- **Results**
- **PSPs and food security**
- **What's in it for you?**



**Member-owner, member-managed**

**Meetings, cohesion, solidarity**

➤ **High demand for SILC**

**What is the best way to ensure that everyone who wants to belong to a SILC group can do so, and receive the necessary support?**

- **Projects are too short for paid agents to meet total market demand**
- **Need long-term, high-quality supply of SILC services, with the right incentives**



## PSP model:

**Preparing community-based agents to offer SILC services on a sustainable basis.**

## 3 levels of sustainability:

- **Group-level**
- **Agent-level**
- **Area-level**

# Approach - Process

Recruitment

Supervision

**Networks**



**FA (free)**

**PSP (fee-for-service)**

Training

Examination

**Apprentices**





- **FA-to-PSP trajectory**
- **Communication at all levels**
- **Preparing the market**

# 3 propositions

**A:** I would like to offer you a course on a new type of investments. You'll have to attend a weekly class for one year, and invest money, but the course is free. Are you interested?

**B:** I would like to offer you a course on a new type of investments. You'll have to attend a weekly class for one year, and invest money, and there is a tuition fee. Are you interested?

**C:** I would like to offer you a course on a new type of investments. Your neighbor took the course last year, and look at the new Prado in his compound. You'll have to attend a weekly class for one year, and invest money, and there is a tuition fee. Are you interested?



**A:** New Product barrier

– overcome with project support

**B:** New Product barrier and Price barrier

- avoid

**C:** Price barrier only, there is demand for the product

– seed the area



- **14 partners / 3 countries**
- **750+ FAs, 93% passed PSP**
- **3% dropout as PSPs**
- **375,000+ members in 17,000+ groups**
- **deep poverty outreach**
  - **41% < national poverty (KE)**
  - **65% < \$1.25/day (TZ)**
- **stronger group quality**



- **FAs average 15 groups / year**
- **PSPs average 7 groups / year**
- **76% PSPs earn; \$55/month**
- **wide variation in PSP performance**
- **100+ apprentices, pilot certification**

[www.crsprogramquality.org](http://www.crsprogramquality.org)



# Ongoing work

- **Consumer protection**
- **Quality control**
- **Other services**



# Questions or Comments?



**The PSP approach provides an expanding number of stable groups whose members know and trust each other; meet regularly for many years; have access to basic financial services; and have ongoing contact with trusted agents who belong to an organized network.**

- **What are the opportunities for food security programming?**

# What's in it for you?

## **Ongoing Savings Group projects:**

**How can you transition your agents toward a sustainable, fee-for-service approach?**

## **Start-up Savings Group projects:**

**What opportunities and challenges do you foresee in starting a PSP project?**