



**The Children's Financial Literacy Program
Version 2.1
Project Plan Year 2008-2011**

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1. Executive Summary

The Children's Financial Literacy Program has been operating in Cambodia in Preyveng, Battambang, Takeo, and Kandal provinces since March 1st 2008 and is now in its third year.

Since its inception the Program has expanded its geographical and participant reach and now focuses on a particular aged group of approximately 8,000 Cambodian children (aged 7-11) in poor regions of Cambodia. The roll out of the educational program is dependent upon a team of Project Field Officers who conduct 5 financial literacy lessons in the primary schools on a monthly basis. The lessons are based on the merits and fun of savings along with related financial literacy skills building. Each lesson is one hour in duration and each child benefits of being encouraged to develop good savings habits from an early age.

CUFA Field Officers conduct 20 monthly monitoring home visits per province to interview the participating children's parents to assess the impact of the program on the child's savings habits and the ongoing affect of information sharing with the child's parents and siblings.

CUFA Field Officers conduct an annual home visit evaluation to interview participating children and assess the impact of the program on the child's savings habits and the ongoing affect of information sharing with the child's parents and siblings.

The CFL program in 2010 - 2011 includes the distribution of the Ronnie the Riel book.

The goal of the Children's Financial Literacy Program (CFL) is to provide financial literacy lessons to children in order to encourage them to have good savings habits at a young age. In the third year of the program, CUFA Field Officers will conduct a stand-alone teacher education workshop with each school to enable teachers to provide regular support and encouragement of the children's savings habits.

The secondary goal of the program is to encourage the village savings banks to develop financial products targeted to children. Evaluations from the first 2 years of Project delivery suggest that although the CFL program is delivered to children, the project will also have an impact at the family level and result in some parents learning the value of savings and subsequently opening an account at their local savings bank.

This project will:

1. Strengthen credit union capacity;
2. Scale up the credit union movement with increased membership and savings;
3. Link the children and their parents with the nearby villages saving bank; and
4. Encourage the creation of the financial products targeted to the children.

2. Background

2.1 Country

	Area	Cambodia
1 ¹	Official Name	Kingdom of Cambodia
2 ²	Capital	Phnom Penh
3 ³	Area	181,040 sq km
4 ⁴	Border Countries	Laos 541 km, Thailand 803 km, Vietnam 1,228 km
5 ⁵	Language Groups	Khmer English French
6 ⁶	Major Religion	Buddhist -95% Muslim – 3% Christian -2%
7 ⁷	Population	14,805,000
8 ⁸	Population Growth (annual %)	1.6%
9 ⁹	Population Distribution Urban : Rural	22:78
10 ¹⁰	Human Development Index (the relationship between income and well-being)	0.593 137 / 182
11 ¹¹	Human Poverty Index:	21.2% 79 /135
12 ¹²	Corruption Perceptions Index The CPI score indicates the perceived level of public- sector corruption in a country/territory.	2.0 / 10 Rank 158/180
13 ¹³	Human Rights Issues 2008- 2009	Impunity Inadequate rule of law Forced evictions Human rights defenders and community activists imprisoned on baseless charges
14 ¹⁴	Literacy	76.3%

¹ <http://en.wikipedia.org>

² ibid

³ ibid

⁴ ibid

⁵ ibid

⁶ ibid

⁷ <http://unstats.un.org/unsd/demographic/products/socind/population.htm>

⁸ ibid

⁹ <http://unstats.un.org/unsd/demographic/products/socind/hum-sets.htm>

¹⁰ <http://hdr.undp.org/en/statistics/>

¹¹ ibid

¹² http://www.transparency.org/policy_research/surveys_indices/cpi/2009/cpi_2009_table

¹³ <http://report2009.amnesty.org/en/regions/asia-pacific>

	Adult Literacy Rate (%ages 15 years and above) Male: Female	
15 ¹⁵	Life Expectancy at Birth (years)	60.6
16 ¹⁶	Fertility (%age)	3.0
17 ¹⁷	Maternal Mortality (per 100,000 live births)	540
18 ¹⁸	Under 5 Mortality (number of infants dying/ 1,000)	89
19 ¹⁹	Total Unemployment of Adults over 15 years (%age)	7%
20 ²⁰	Economic Activity Rate for 15 years above (%age)	79%
21 ²¹	GDP (per capita. \$USD)	\$769
22 ²²	GDP (2008 USD\$ Billions)	9.4 billion
23 ²³	%age of GDP: Agriculture Industry Manufacturing Services	34.6 23.9 16.4 41.5
24 ²⁴	Population living on less than USD \$2 /day %age (2007)	68.2%
25 ²⁵	Population living below the poverty line (less than USD \$1 / day) %age (2009)	35%
26 ²⁶	Improved drinking water coverage Urban : Rural (%age)	62: 19

2.2 Cooperatives in the country

Cambodia has a population of 14.8 million people, of which approximately 78% live in rural areas and an estimated 35% live under the poverty line. Those in rural areas are much more likely to live under the poverty line than those in urban areas²⁷. The

¹⁴ <http://hdr.undp.org/en/statistics>

¹⁵ ibid

¹⁶ <http://unstats.un.org/unsd/demographic/products/socind/childbearing.htm>

¹⁷ ibid

¹⁸ <http://unstats.un.org/unsd/demographic/products/socind/health.htm>

¹⁹ <http://unstats.un.org/unsd/demographic/products/socind/unemployment.htm>

²⁰ <http://unstats.un.org/unsd/demographic/products/socind/inc-eco.htm>

²¹ ibid

²²

<http://web.worldbank.org/WBSITE/EXTERNAL/DATASTATISTICS/0,,contentMDK:20535285~menuPK:1192694~pagePK:64133150~piPK:64133175~theSitePK:239419,00.html>

²³ ibid

²⁴ ibid

²⁵ ibid

²⁶ <http://unstats.un.org/unsd/demographic/products/socind/watsan.htm>

²⁷ World Bank Report 2006

Cambodian financial sector is underdeveloped, lacking rural development banks and limited by a weak rural finance network. The 17 commercial and specialised banks in Cambodia only operate in Phnom Penh and the major provincial towns²⁸. The development of regular commercial lending activities has been constrained in rural areas by the high costs of operations, the inability to verify and enforce property rights, and the low level of economic activity²⁹. The overwhelming majority of rural people have almost no access to formal forms of financial services.

There are a number of microfinance service providers in Cambodia, but because many offer similar products in the same area they are competing with each other for members³⁰. In the rural areas there are virtually no branches of banking institutions. Because of this most savings and loan MFIs operate in urban and easily accessible rural areas and their outreach is limited in more remote, rural regions³¹.

According to the Asia Resource Centre for Microfinance (ARCM) there are twelve main players in the market in Cambodia each holding more than Riel 1 billion (US\$250,000) in outstanding loans and having more than 5,000 clients³². The main microfinance providers are:

- ACLEDA (Association of Cambodian Local Economic Development Agencies) Bank
- PRASAC (Programme de Rehabilitation et d'Appui au Secteur Agricole du Cambodge) MFI
- AMRET
- Cambodian Entrepreneur Building (CEB)
- Thaneakea Phum (Cambodia) Ltd (TPC)
- Hattha Kaksekar Ltd (HKL)
- Seilanithih
- CREDIT
- AMK (Angkor Mikroheranhvatho (Kampuchea)
- Vision Fund
- CCSF (Cambodian Community Savings Federation)
- Maxima
- Credo

In Cambodia today, microfinance is heavily supported by donor organisations and it remains credit driven. In general credit portfolios are still financed by external donors or investors, and not by depositors³³.

Trust and sustainability are two major hurdles in viability for financial institutions in Cambodia. During the Khmer Rouge regime neighbours and family members were encouraged to spy and report offences that included owning a business and saving money³⁴. By both demonizing savings and business practices and destroying trust within the social framework of villages, the finance sector has been affected. Additionally, poor banking regulation after the fall of the regime and an influx of poorly

²⁸ CUFA Sustainability Report 2006

²⁹ Asia Resource Centre for Microfinance, 2007

³⁰ *ibid*

³¹ *ibid*

³² *ibid*

³³ *ibid*

³⁴ Matthews, B. 2005

executed microcredit schemes have further eroded the trust of Cambodians. Poor and corrupt banking practices have left depositors without their savings as banks opened and closed, deteriorating consumer confidence and trust in financial institutions³⁵. Microcredit programs in the country have been largely credit driven rather than building up the capacity of their clients and the institutions itself. This created a dependency cycle for participants, which in turn depleted the resources of the program causing some programs to withdraw from the country. This left those who did save and those who became dependent on the program with nothing. In order for a financial program to be viable a region, an effort to show sustainability and institution building must be part of the strategy to win back the trust of the local people³⁶

2.3 The Credit Union Movement in the country

In Cambodia, microfinance is heavily supported by donor organisations and it remains credit driven. In general credit portfolios are still financed by external donors or investors, and not by depositors³⁷

The past twenty years has seen the emergence of village-based community finance institutions (CFI's) all over rural Cambodia. Many of these institutions were developed with the help of national and international NGO's who were strong advocates of micro credit, but neglectful of institutional building. A study undertaken by the Consultative Group to Assist the Poorest (CGAP) claims that institutional building is the key to successful and sustainable CFI development. CGAP identified the following issues as being the greatest encumbrance in CFI institutions³⁸

- Lack of auditing systems
- Limited reporting systems
- Lack of trust among people
- Weak book-keeping capacity
- Lack of clarity in roles and responsibilities of managers and directors of CFIs

CUFA operates a Building Institutional Capacity Program that works towards addressing these identified weaknesses in an effort to professionalise the credit union movement in Cambodia.

To build the long-term capacity and sustainability of credit unions, the CFL program focuses on the next generation. Teaching financial literacy from an early age and linking these children with the local savings banks increases opportunity for these children when they reach adulthood because they will have money saved to meet educational costs or to start a local business to earn an income. Children's financial goals are long term and their growing savings therefore also assist their local community because these funds increase the loan pool available for other savings bank members. Loans may be accessed to establish or expand businesses bringing more cost-effective services to the local area decreasing people's need to travel long distances to purchase goods and commodities.

³⁵Asia Resource Centre for Microfinance, 2007

³⁶ Matthews, B. 2005

³⁷ Asia Resource Centre for Microfinance, 2007

³⁸ Matthews, B. 2005

2.4 CUFA In-Country Strategy

CUFA will be responsible for the implementation plan, project goals and targets, monitoring and reporting. This program will help the children to develop financial literacy skills and link them to a local village savings bank.

The Project Coordinator & Project Field Officers will visit targeted schools within four identified provinces to develop a working relationship with the school directors. The Field Officers will negotiate a Memorandum of Understanding between CUFA and each school where the program is delivered.

Project Field Officers will visit each of the participating village savings banks to strengthen their relationship with both CUFA and the school directors of the primary school in their local area. The Project Coordinator and the assistant will undertake at least four monitoring visits to each province to provide support the Project Field Officers and track the progress of the program.

In addition to ongoing dialogue with the school directors and local savings banks, Project Field Officers will conduct monitoring and evaluation visits with the children's parents to gain feedback and assess the effectiveness of the program. Appropriate changes to address any identified problems or challenges will be considered as part of this process.

3. Partner Profile

CUFA will be working with a number of partners within this project including:

- Ministry of Youth Sport and Education
- Directors and teachers from schools in Battambang, Preyveng, Takeo, Kandal
- Local community members in areas of delivery

Each year an in-country Leadership Challenge program takes place to raise money and awareness of the CFL program. The CFL program is fully funded by the funds raised by the participants of this program. There are ongoing discussions with other agencies and organisations to look at how CUFA can bring more resources to the project

4. Problem Statement

4.1 Problem Statement

Informal data collected suggests that more than 80% of Cambodian children don't possess good financial literacy skills. Consequently these children neither value the concept of saving nor have linkages with a financial institution. Due to the issues of trust in Cambodia it appears that children have often been taught by their parents to hide their savings or convert it into gold so that it can be liquidated quickly.

Various savings bank committee members that CUFA has consulted have stated that children do not open a savings account with a savings bank because there aren't any child specific financial products and the savings banks themselves have made little effort to directly market their services to children.

This project fits within CUFA's overall objective to bring financial services to the underserved members of the communities.

5. Project Description

5.1 Project Description

CUFA will conduct a Leadership Challenge program in July 2010 to raise funds to support the Children's Financial Literacy Program for the next financial year. Each Leadership Challenge participant is required to raise AUD\$3,000 in order to register in the bike riding program in Cambodia. There will be approximately 15 emerging leaders participating from the Australian credit unions movement. Part of the Leadership Challenge program will introduce the participants to children who attend the CFL program and have them provide children from the rural areas with information about children's financial literacy in Australia.

The Children's Financial Literacy program will be conducted in 40 primary schools with approximately 8,000 children (aged 7-11) from four provinces. Three Project Field Officers will be employed to provide the financial literacy to children in the classes. The Project Field Officers will consult with and build relationships with the participating primary school and local savings banks and create open channels of communication for ideas and feedback about the program.

Each Project Field Officer is required to:

- Collect names of local children (aged 7-11) to attend the program.
- Create and confirm student lists for all classes and report this information to the coordinator.
- Develop an annual program calendar in consultation with the school directors.
- Provide financial literacy directly to scheduled classes and distribute program packs to the children.
- Conduct monitoring/evaluation home visits to the participating children's houses to evaluate the success of the program.
- Gather data on children's savings habits at the first and fifth sessions.
- Report monthly on the progress of the program to the Coordinator.

The significant project objectives are:

- Build the level of understanding about the value of saving and teach basic financial literacy skills to children.
- Link children to their local savings banks.
- Indirectly develop the wider community's understanding of financial literacy through the children and the CFL program.
- Increased children savings either at home or with their local village savings bank.

5.2 Strengthening Credit Union Capacity

Matthews (2005) states that there is a legacy of distrust casting a long shadow over any efforts to build institutions in Cambodia. To strengthen and build the capacity of credit unions in Cambodia it is therefore imperative that the issue of trust is addressed. Matthews strongly believes that without building a strong connection between people,

institutions, and trust; savings will remain hidden in the home (e.g. in bamboo poles) or alternatively tied up in high-risk strategies like livestock and gold.

Trust is therefore integral to the success of strengthening the credit union capacity in Cambodia. Trust may be achieved in two ways. Firstly, by increasing knowledge and education surrounding credit unions so that people understand the benefits a credit union may bring to the local community and also how the credit unions should be structured, operated, and governed. Secondly, it may be achieved by encouraging the infiltration and implementation of this knowledge and education into the credit unions operating across Cambodia. When people understand the framework put in place by savings banks to protect their money and they can see that their local savings bank is indeed transparent in all that they do, this will work towards building a connection between people, institutions, and trust. Trust will lead to increased membership and increased member savings.

The Children's Financial Literacy Program will strengthen the credit unions movement by linking children to their local savings bank. CUFA will provide financial literacy to nearly 8,000 children (aged 7-11). These children will be provided with five lessons during the course of the year. To encourage linkages with the local savings banks CUFA will invite credit union leaders to share information about their savings bank with the children. CUFA will continue to conduct 'Savings Tours' which were initiated in 2009 by taking children to the savings banks to build their understanding of the benefits of opening a savings account.

6. Project Results

6.1 Goal

The goal of the Children's Financial Literacy Program is to provide financial literacy education to children in order to encourage good savings habits at a young age and assist village savings banks to promote children's membership and savings.

6.2 Project Purpose

Provide financial literacy to children from a young age and link them to the savings banks nearby. The development of financial literacy at a young age will create independence and have a positive long-term impact on the children's opportunities later in life.

6.3 Roles and Responsibilities

Credit Union Foundation Australia will provide:

- Delivery of the Children's Financial Literacy Program to 8,000 children (aged 7-11)
- Provide suitable learning materials and resources to support the program
- Employ three suitably Local Field Officers for program delivery
- Complete monitoring and evaluation reports to track the progress of project
- Submit monthly program reports

The School directors:

- Grant permission to CUFA to run the program in their schools

- Sign an MOU with CUFA in relation to the delivery of the CFL Program.
- Inform the Project Field Officers if there are any special events in his/her school that may require scheduling adjustments
- Assist to encourage children to engage in the program

Teachers

- Help the Project Field Officers by providing student data
- Assist with the distribution of program material
- Support the program by encouraging the children to start saving for their future
- Participate in an information workshop

CCFIN/ CBMIFOs saving banks

- Provide feedback and input on the CFL program to the Project Field Officers
- Promote the program by providing further explanation about their savings bank to the children and encouraging children to join as members
- Create opportunity for children to open a savings account so that they can deposit their savings and practically apply their learning

Parents

- Assist children to take responsibility for the resources they receive from the program
- Encourage their children to save money regularly
- Provide feedback to the Project Field Officers during monitoring and evaluation visits

Children

- Actively participate in the program
- Look after resources that they are provided with during the course of the program
- Put their learning into practice

7. Project Reach

Project Reach	Description
Credit unions directly benefiting/participating	CUFA will be able to promote credit unions principle by educating children about saving and the importance of opening a savings account in a savings bank. CUFA will assist savings bank by linking children to with their local financial institution. With permission the Project Field Officers may send details of parents interested to learn more to the local savings bank for follow up. Increased membership and savings will result in increased sustainability and capacity to attract new members and increase their savings and loans portfolios.
Local community members – children and adults.	CUFA will provide financial literacy to children but the information will reach a wider audience. It is anticipated that the children’s parents will also be influenced when their children share information learnt resulting in both adults and children appreciating the importance of savings. The home visits that CUFA will conduct provide opportunity for further financial literacy education. Teachers and school directors also benefit from the education provided in the lessons and receive a copy of the lesson materials.
Women’s participation in financial decision making	Children’s Financial Literacy Program will not discriminate between male and female students. It is hoped that girls who access this program will become more actively involved in financial decision making as they mature. It is also noted that it is mainly the women of the household who participate in the home visits and access further information about the program.
Other areas of reach	Our field officers will continue monitoring in all districts, identifying new areas of reach whilst supporting the strengthening of credit unions in rural areas.

8. Outputs, Indicators and Measurement

Indicator		Project Start	Period 1	Period 2	Period 3	Period 4	Period 5	Period 6	% Change +/-
Reference	Data Measurement								
1. Establish a financial Literacy program for children									
1.1	Number of Children participated in the program								
1.2	Number of female Children participated								
1.3	Number of classes operated in Children's Financial Literacy Program								
1.4	% of school directors and teachers that understand CFL program								
1.5	% of village authorities that understand CFL program								
1.6	Number of children that have started to save								
1.7	% of the children that have opened a savings account in a savings bank.								
1.8	Numbers of program's packages distributed								
1.9	Materials distributed (Newsletter Lessons, Booklets etc)								
2. Conduct monitoring visits to children's parents and the saving bank to evaluate children understanding on Financial Literacy									
2.1	Number of rural villages visited								
2.2	Number of credit unions visited								
2.3	Amount of money children have saved over six months								
2.4	Number of children who are interested in opening a savings account								
2.5	Numbers of parents who were influenced by CFL program through their children.								

2.6	Number of parents who are interested in opening a savings account in the village savings bank								
2.7	Number of children who have opened a savings account in the village savings bank.								
2.8	Number of villagers influenced by CFL program.								
2.9	Number of parents who encourage and remind their children about saving.								
3. Build linkages between children and the saving banks									
3.1	Number of children who understand about the savings bank.								
3.2	Amount of promotion the savings bank provide to children and the community.								
3.3	% of children membership increase in the savings bank								
3.4	% increase of adult members in the savings bank								
4. Network with other NGOs to identity partnership opportunities.									
4.1	Number of underserved communities identified								
4.2	Number rural NGOs partners provided financial literacy to the children								

9. Risk Management Analysis

Output	Risks	Impact on Program	Risk Ranking/ Rating			Indicators	Monitoring	Mitigation Strategy
			Likelihood	Consequence	Relevance			
			1-5	1-5	1-5			
1.Establish and operate Children’s Financial Literacy Program at primary schools	<i>Social</i> School directors do not allow CUFA to run the program because they suspect that the program will harm the children.	CFL program will not be able to reach 8000 children as the project goal.	2	4	4	Feedback from the school or Field Officers	Project Coordinator	Explain to the school directors about the importance of the program to children in their schools. Follow up with what the school requires. Provide education workshop to School Directors and Teachers to inform about CUFA and the program.
	School directors request for fund or equipment to repair the building in the schools.	CFL program will have a lack of support from the schools.	2	2	2	Report from the Field Officer	Field Officers & Coordinator	Project Coordinator must explain to the school directors clears what CUFA can do and cannot do before signing the MoUs.
	Project Field Officers are not clear about CFL program and the lesson so they provide the wrong information to the children.	The children will get incorrect information so they will be confused and may believe that CUFA is running the program to collect their money. Their parents may think that CUFA is an MFI.	3	4	4	Deficient progress against work plan	Field Officers, Administrator	Project Coordinator provide Field Staff regular training about the objectives of CFL program; develop a lesson plan which all Field Officers use and ask the Field Officers to read the project plan clearly.
	The children get abused during the class by the Project Field Officers	The children parents will complain the school about CFL program	2	2	2	Report and Feedback from the teacher.	Coordinator	The coordinator will train the Field Officers in advance about the Child Protection policy.

Output	Risks	Impact on Program	Risk Ranking/ Rating			Indicators	Monitoring	Mitigation Strategy
			Likelihood	Consequence	Relevance			
			1-5	1-5	1-5			
	<p>The children do not pay attention in the class but they talk.</p> <p>The Project Field Officer in one province fails to fulfil his/her job functions; or fails to complete the full duration of their assignment.</p> <p>Fraudulent use of CUFA money by Field Officers.</p>	<p>CUFA will not provide sufficient information to children.</p> <p>Delay the program in that province</p> <p>Problem with the budget. More expenditure will occur.</p>	<p>2</p> <p>2</p> <p>2</p>	<p>2</p> <p>2</p> <p>2</p>	<p>2</p> <p>2</p> <p>3</p>	<p>Self monitoring by Field Officer in Monthly Report</p> <p>Children have Lack of understanding about the CFL lessons.</p> <p>Letter of resignation</p> <p>Over expenses in the receipts.</p>	<p>Administrator</p> <p>Field Officers, Administrator & Coordinator</p> <p>Coordinator</p> <p>Coordinator</p>	<p>The Field Officers must aware that no punishment is allowed.</p> <p>Monthly reports from Field Officers include teaching strategies used to address Difficult situation</p> <p>The Field Officers must find ways to encourage the children to participate by including all children in learning experiences. Monthly Field Officer report includes self-evaluation of teaching strategies and outcomes</p> <p>Restructure the recruitment for the person who will fulfil the position in that province.</p> <p>The coordinator organise a private meeting and discuss this fraudulent activities with Field Officer and give him/her a chance to improve his/her work performance.</p>

Output	Risks	Impact on Program	Risk Ranking/ Rating			Indicators	Monitoring	Mitigation Strategy
			Likelihood	Consequence	Relevance			
			1-5	1-5	1-5			
	<p><i>Technological</i></p> <p>Field Officers' computers have broken or viruses</p>	The Field Officers do not have computer to work so the program proceeds slower than anticipated.	3	3	4	Report from Volunteer/Field Officer Malfunction	Field Officers and Admin	<p>Repayment of funds by Field Officer</p> <p>The Administrator will train Field Officers how to use USB and to avoid getting viruses from internet café. Field Officers must find the computer shop that they can rent to write their weekly reports.</p>
	<p><i>Economic</i></p> <p>Inflation rises among the CFL materials which reduced the number of material that was expected.</p>	Funds available for the program decreases the number of children trained. There will not be enough materials for the program.	3	4	2	Increased cost in materials	Administrator	Re-adjust the project Restructure the program to distribute fewer materials. Alternatively seek additional funding to supplement budget
	<p><i>Ecological</i></p> <p>N/A</p>							
	<p><i>Political</i></p> <p>The ministry of education does not support to the program.</p>	Some school directors do not allowed the program to run in their school unless CUFA has the letter of program recognition from the provincial ministry of	2	3	2	Report from Field Officers.	Coordinator	Arrange the meeting the provincial minister to explain the program and to get the required documents of program recognition.

Output	Risks	Impact on Program	Risk Ranking/ Rating			Indicators	Monitoring	Mitigation Strategy
			Likelihood	Consequence	Relevance			
			1-5	1-5	1-5			
		education.						
2. Conduct monitoring and Evaluation home visits to children's parents and the saving bank to evaluate children's understanding in the program	<i>Social</i> The Field Officer safety is threatened on the way to the village	Program activities will not be completed on time.	1	1	1	Report form Field Officers.	Coordinator	The Coordinator and the Assistant will visit the Field Officer and to find the way to avoid this issue. E.g. Rent a tuk tuk to the field rather than drive their motorbike.
	The children's parents are not at home.	Field Officer could not conduct the evaluation interviews.	2	3	3	Report form Field Officers.	Field Officers & Admin	Field Officers will wait for at least 15 minutes for the children's parents. Field Officers should have a chat with the children, but not an interview. Field Officers can ask questions in the evaluation form. Field officers can conduct the evaluation with the parents in the field if it is close to their houses.
	Some parents are not happy with the program and they are not happy to give information to the Field Officers	CUFA will get less information on how the program has been going.	1	2	2	Parents do not welcome/allow CUFA staff to come in.	Field Officers & Coordinator	Field Officers try to explain the parents about how the program will help their children. Field Officers do not attempt to force the parents to give information
	<i>Technological</i>							

Output	Risks	Impact on Program	Risk Ranking/ Rating			Indicators	Monitoring	Mitigation Strategy
			Likelihood	Consequence	Relevance			
			1-5	1-5	1-5			
	<p>N/A <i>Economic</i> N/A <i>Ecological</i> N/A <i>Political</i> The village governor feels defensive because he/she is confused that the Field Officers promote politics in the villagers</p>	Program will be obstructed or delayed	1	1	1	Lack of interest to develop a cooperative relationship	Field Officers & Coordinator	Conduct a meeting with these governors to explain more about CUFA and the CFL program.
3. Ensure that CUFA is legally licensed to operate as an NGOs in Cambodia	<p><i>Social</i> N/A <i>Technological</i> N/A <i>Economic</i> N/A <i>Ecological</i> N/A <i>Political</i> CUFA is unable to achieve NGO status without providing payment to the government to secure registration.</p>	Lack of NGO status may affect our ability to form partnerships with other NGOs in Phnom Penh.	4	3	3	Lack of confirmation from the Ministerial Offices and continued delays in approving CUFA's NGO status	Coordinator	Continual follow up and timely provision of required documents.

10. Activities

Ref	Description of Activities	Q 1	Q 2	Q 3	Q 4	Q 5	Q 6	Q 7	Q 8	Q 9	Q 10	Q 11	Q 12
		J	A	S	O	N	D	J	F	M	A	M	J
1	Development of children's financial literacy skills through the delivery of the CFL program.												
1.1	Creating and purchasing materials which are related to the goals of the program	X				X				X			
1.2	Provide regular training of Field Officers in teaching strategies and reporting activities	X			X				X				X
1.3	Search for new schools that are close to the saving banks.									X	X	X	X
1.4	Build mutually supportive relationship with the school directors and teacher in each new school	X											
1.5	Sign MoU with each school before running the program	X											
1.6	Develop a program calendar for the financial year	X			X				X				X
1.7	Project Monitoring	X				X					X		
1.8	Project Evaluation												X
1.9	Provision of monthly reports to CUFA	X	X	X	X	X	X	X	X	X	X	X	X
2	Strengthening the credit union movement to achieve financial sustainability.												
2.1	Coordinate an International Credit Union Day activity in each of the provinces where the CFL program is delivered.				X								
2.2	Coordinate Savings Tours for children to local savings banks				X					X			
2.3	Network with other NGOS to promote the credit union in Cambodia	X	X	X	X	X	X	X	X	X	X	X	X
2.4	Work cooperatively with existing networks	X	X	X	X	X	X	X	X	X	X	X	X
2.5	Visit by Village Savings Bank staff to schools			X					X				
3	Implement the CFL program to ensure that it is continually improved and reaches a wide audience.												
3.1	Provide regular training for Field Officers in teaching strategies, best practice and reporting activities	X			X			X			X		
3.2	Evaluate data gathered by Field Officers and compiled in reports to direct program improvement strategies	X			X			X			X		

11. Contribution to Cross Cutting Issues

11.1 Social

During the January 2007 monitoring visit, savings bank staff and active members indicated to CUFA that trust is the biggest issue in attracting members. As previously mentioned, trust between neighbours was eroded during the Khmer Rouge regime and then trust in the financial sector was lost by the frequent failures of both banks and NGOs finance programs in the country. Building trust is the key to successful development³⁹ (Matthews, 2005). During the building opening at Khnach Romeas and Nirontarakpheap savings bank buildings at Battambang province, it was indicated that children should be educated with financial literacy. The children's literacy program will lead the children to acknowledge the importance of saving in the savings bank therefore when they grow up, they will have experiences in saving and the increase trust toward the savings bank.

By attending the CFL program, children will be encouraged not to follow their parents' traditional ways of saving (E.g. investing money in gold, hiding it in the pillows or in bamboo boxes or saving money in clay pigs for the long term). Additionally as a result of the CFL program the children's parents may change their savings habits and start depositing their money in the savings bank.

11.2 Human

Human resource capital will be strengthened through the provision of financial education to the children from young ages. Children will be able to gain experiences about the credit union movement and will be encouraged to become involved in their local credit union for the long term.

11.3 Financial

Credit unions are built on mutuality and transparency of accounts. With the CFL program it will help to strengthen the children's ability to start to save money for their short and long term goals from young ages. Children will also get an understanding of the amount of effort their parents have made to earn capital to support them as well as understand how a savings bank operates. Children will generate their own savings providing them with financial independence. The program will complement the savings mobilisation efforts of the local savings banks helping them to attract new membership and increase their available loan pool. The program will help parents to comprehend the riskiness of stockpiling their savings at home, in the clay pigs, or livestock and promote depositing their savings with the local savings bank for safety and interest accrual.

11.4 Physical

By having their own savings children are able to afford to buy their study materials, bicycles and better clothes. Children can also think about their and work towards education goals. Additionally increased membership and savings in the credit unions will lead to community development (e.g. road construction for more efficient travel and scholarship availability at the local schools).

³⁹ Matthews, B. *Towards Safety and Self-Reliance: Community Finance and Public Trust*

11.5 Rural development

While Cambodia has experience moderately strong economic growth, the growth has been concentrated in urban areas. The rural-urban income gap is widening due to slow growth in rural incomes⁴⁰, and this presents as a major issue when approximately 78 percent of Cambodia's population live in rural areas. The development of a healthy rural economy is paramount to achieving Cambodia's economic and social goals. Cambodia is well-endowed with natural resources but fails to reach its potential because of low productivity, high vulnerability to weather, constrained access to land, forests, fisheries and markets, and lack of adequate infrastructure (such as roads, water supply, electricity and communications networks).

Through the CFL program communities will develop a better understanding of financial literacy and an appreciation for the benefits of savings. Increased savings will provide communities with a contingency strategy in the event of unforeseen circumstances e.g. natural disaster.

Rural Cambodia is still at risk of food security but savings mobilisation and access to loans may lead to the use of capital machinery and irrigation systems assisting to improve agricultural productivity and increase food supplies. Increased production will generate flow on effects of fund injections into the local village economy leading to community development.

11.6 Gender

Cambodian society remains largely patriarchal and hierarchical, with strong traditional norms that assign higher status to men. Disparities between men and women in resources, decision-making power, and basic social well-being, coupled with widespread poverty, stand as significant constraints to sustainable economic and social development. The international credit union system has a set of Operating Principles, one of which is non-discrimination on the grounds of gender. CUFA and its partners follow this operating principle in all program and project activities, and design is invariably based on equal opportunity and access for girls and boys to participate in the Children's Financial Literacy Program and exposure.

Data shows that males have greater education opportunities than females in Cambodia. The gender gap has been found to increase in size at later stages of education⁴¹ as girls face such as problems of transportation, security and household responsibilities. The CFL program encourages equal participation of girls and boys.

Poverty is more acute among Cambodian women than among men in all socio-economic groups. Women have fewer resources, decreased access to healthcare, education, financial services and less food security. However on average women contribute to more than half of household income⁴². During regular CFL monitoring visits, the CFL team predominately talks to women and disseminate information to women increasing their knowledge of financial management and linking them with local credit unions increasing their access to financial services and economic participation.

⁴⁰ World Bank Group 2008

⁴¹ UNIFEM 2004

⁴² *ibid*

11.7 Peace Building

Credit union members usually have a common bond based on a community, organisational, employee or religious affiliation. This common bond is open to all as there is non-discrimination within membership. The common bond establishes a degree of mutual accountability among the members that minimises the risk of default on loans, which in turn encourages active support and a responsible attitude from the members towards their credit union. With the increases in membership and savings the savings bank provide a sense of empowerment and community ownership of the development process. This contributes to trust levels and community cohesion as people come together to create a joint solution to access good health care, better living standard and community development.

The CFL program links children to credit unions and assists in developing a sense and community through participatory rural development. As children save in credit unions this helps to community to generate a greater savings pool. In addition children are likely to continue to hold accounts with the credit unions in the future and therefore will extend the sense communal bond and ownership of the credit union to the next generation. CUFA will monitor the progress of trust building in their credit unions through speaking with the communities and assessing the numbers of new credit union members and increases in savings.

11.8 Youth

The CFL program directly targets children in rural provinces who represent almost a third of the total population. Unlike most Asian countries, characterised by high domestic savings, Cambodia is an exception. As children become linked to credit unions this leads to a greater pool of savings thus reducing Cambodia reliance on external funding and facilitating an independent sustainable financial sector.

12. Monitoring

Ongoing monitoring of the program will occur:

- CUFA's Executive Officer will undertake 1-2 monitoring visits during each funding year;
- The Coordinator will submit monthly progress reports to the Executive Officer;
- The Project Field Officers will submit monthly reports to the Administration Officer;
- The Project Field Officers will conduct monitoring and evaluation home visits to each participating child's house.

13. Evaluation

CUFA will conduct yearly evaluation studies to assess project outcomes and measure the impact of the Children Financial Literacy program and the development of identified cross cutting themes.

CUFA will share reports with our partners and local NGO affiliates to enable information exchange and contribute to creating more effective development programs that provide wider social inclusion and decrease unnecessary overlap in provision of services.

Our evaluation studies will also be downloadable on our website for all donors and the general public to access.

14. Project Mapping

Ref	Activity	Description	Activity Goals
1	Development of children's financial literacy skills through the ongoing delivery of the CFL program		
1.1	Creating and purchasing materials which are related to the goals of the program	<ul style="list-style-type: none"> Have purchased and distributed sufficient quantities of appropriate CFL materials to Field Officers to distribute 	<ul style="list-style-type: none"> Field Officer equipped with appropriate program materials and quantities
1.2	Provide regular training of Field Officers in teaching strategies	<ul style="list-style-type: none"> Provide 3 days training to Project Field Officers at regular intervals. 	<ul style="list-style-type: none"> Staff equipped with the appropriate skills and knowledge
1.3	Search for new schools that are close to the saving banks.	<ul style="list-style-type: none"> Contact the NGOs partners to help locating primary schools to run the CFL program. Ask school directors about other schools in the area 	<ul style="list-style-type: none"> Location of new schools in the region to extend program delivery
1.4	Build mutually supportive relationship with the school directors and teacher in each new school	<ul style="list-style-type: none"> Provide a 1 hour workshop for teachers and school directors to inform them about CUFA, the CFL Program and Benefits 	<ul style="list-style-type: none"> Cooperative working relationships with school directors and teachers Daily support and encouragement of children's savings habits
1.5	Sign MoU with each school before running the program	<ul style="list-style-type: none"> Agreement that CFL program can officially run in their schools. 	<ul style="list-style-type: none"> Signed MOU
1.6	Develop a program calendar for the financial year	<ul style="list-style-type: none"> Project Field Officers meet the school directors to request class timetable and student information to assist in the preparation of a program schedule. Prepare a calendar for each Fiel Officer Review the calendar regularly 	<ul style="list-style-type: none"> Program schedule for CFL delivery
1.7	Project Monitoring	<ul style="list-style-type: none"> Regular collection of data to consider the program's progress to achieving program objectives 	<ul style="list-style-type: none"> Data tracking program progress
1.10	Project Evaluation	<ul style="list-style-type: none"> Annual evaluation of the 	<ul style="list-style-type: none"> Evaluation Report

Ref	Activity	Description	Activity Goals
		program's success in achieving outcomes	
1.11	Provision of monthly reports to CUFA	<ul style="list-style-type: none"> Monthly reports providing information in relation to program delivery 	<ul style="list-style-type: none"> Completion and submission of monthly reports.
2	Strengthening the credit union movement to achieve financial sustainability		
2.1	Coordinate an International Credit Union Day activity in each of the provinces where the CFL program is delivered.	<ul style="list-style-type: none"> Organise activities in the field for each province to recognise International Credit Union Day e.g. a colouring competition 	<ul style="list-style-type: none"> Recognition of International Credit Union
2.2	Coordinate Savings Tours for children to local savings banks	<ul style="list-style-type: none"> Liaise with the local savings bank and school directors to organise an opportunity for the children to meet with the staff of their local savings bank and the local savings 	<ul style="list-style-type: none"> Increased membership and savings for local savings banks by children
2.3	Network with other NGOS to promote the credit union in Cambodia	<ul style="list-style-type: none"> Identify key organisations organise meetings and regular communication in relation to the program Participate in forums, networks to share information 	<ul style="list-style-type: none"> Participation in cooperative working relationships with an increased number of local partners
2.4	Work cooperatively with existing networks	<ul style="list-style-type: none"> Communicate and consult regularly with existing local networks 	<ul style="list-style-type: none"> Cooperative working relationships with local partners
2.5	Visit by Village Savings Bank staff to schools	<ul style="list-style-type: none"> Coordinate village savings bank staff to tell children about the bank, the benefits of saving there 	<ul style="list-style-type: none"> Stronger link between Savings Bank and children
3	Implement the CFL program to ensure that it is continually improved and reaches a wide audience.		
3.1	Provide regular training for Field Officers in teaching strategies, best practice and reporting activities	<ul style="list-style-type: none"> Provide 3 days training to Project Field Officers at regular intervals. 	<ul style="list-style-type: none"> Well trained Project Staff Input and feedback into program improvement
3.2	Evaluate data gathered by Field Officers and compiled in reports to direct program improvement strategies	<ul style="list-style-type: none"> Assess data collected Lessons 1 and 5; home visit data against project objectives and goals 	<ul style="list-style-type: none"> Continual improvement and updating of the program

15. Project Budget

BUDGET YEAR (2010-2011)	July	August	September	October	November	December	January	February	March	April	May	June	Total
Program Consumables													\$6,600.00
Ronny Reil Booklet - \$1.10	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$6,600.00
Premises Overheads													\$1,929.00
Rent (Contribution)	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$840.00
Utilities	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$360.00
Internet	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$216.00
Telephone	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$60.00
Household Costs	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$48.00
Repairs and Maintenance	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$30.00
Stationary	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$60.00
Auxiliary Staff	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$240.00
Insurance (OHS)	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$48.00
Gasoline (Tuk Tuk)	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$27.00
Staff Costs													\$16,800.00
Coordinator (50% wage)	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$6,000.00
Project Assistant (50% wage)	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$1,800.00
Field Staff (3 Provinces)	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$9,000.00
In-country travel costs													\$1,200.00
Project Coordinator Field Visit		\$50.00		\$50.00		\$50.00		\$50.00		\$50.00		\$50.00	\$300.00
Project Field Staff PP Training	\$150.00		\$150.00		\$150.00		\$150.00		\$150.00		\$150.00		\$900.00
Field Officer Transport	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$720.00
Field Officer Telecommunications	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$360.00
Monitoring and Evaluation Costs													\$0.00
													\$0.00
Monthly Totals	\$2,350.75	\$2,250.75	\$2,350.75	\$2,250.75	\$2,350.75	\$2,250.75	\$2,350.75	\$2,250.75	\$2,350.75	\$2,250.75	\$2,350.75	\$2,250.75	\$26,529.00
Equivalent AUD	\$1,679.11	\$1,607.68	\$1,679.11	\$1,607.68	\$1,679.11	\$1,607.68	\$1,679.11	\$1,607.68	\$1,679.11	\$1,607.68	\$1,679.11	\$1,607.68	

Note: Calculated using exchange rate 1 AUD = 0.60 US \$							AUD 0.6 AUD 0.9	\$44,215.00 \$29,476.67
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16. Future Plan

The Children's Financial Literacy program will be funded annually by the Leadership Challenge program.

CUFA will consider the future delivery of the program to a wider area of provinces as well as an older audience.

17. Exit Strategy

The school teachers and directors, staff at the local savings banks, and the parents of the children are all included in the delivery of the program and information provision. It is anticipated that at the time CUFA exits from program delivery the local communities will have increased knowledge and understanding of financial literacy concepts to continue the process of information sharing to children in their local villages.

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