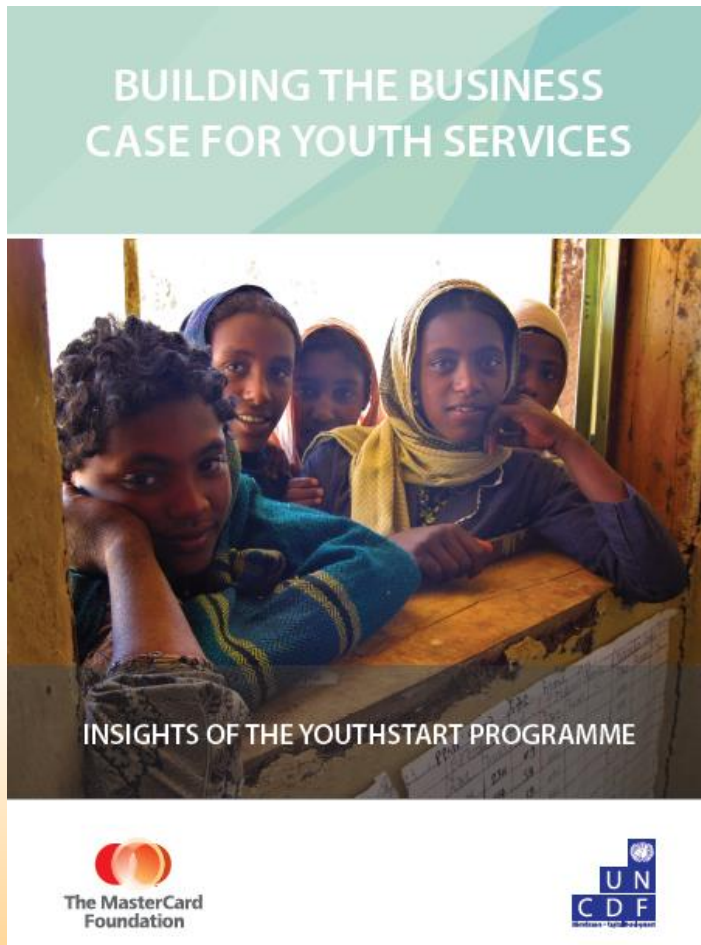


Assessing the profitability of youth services

Kigali, February 2014

Introduction



YouthStart publication:

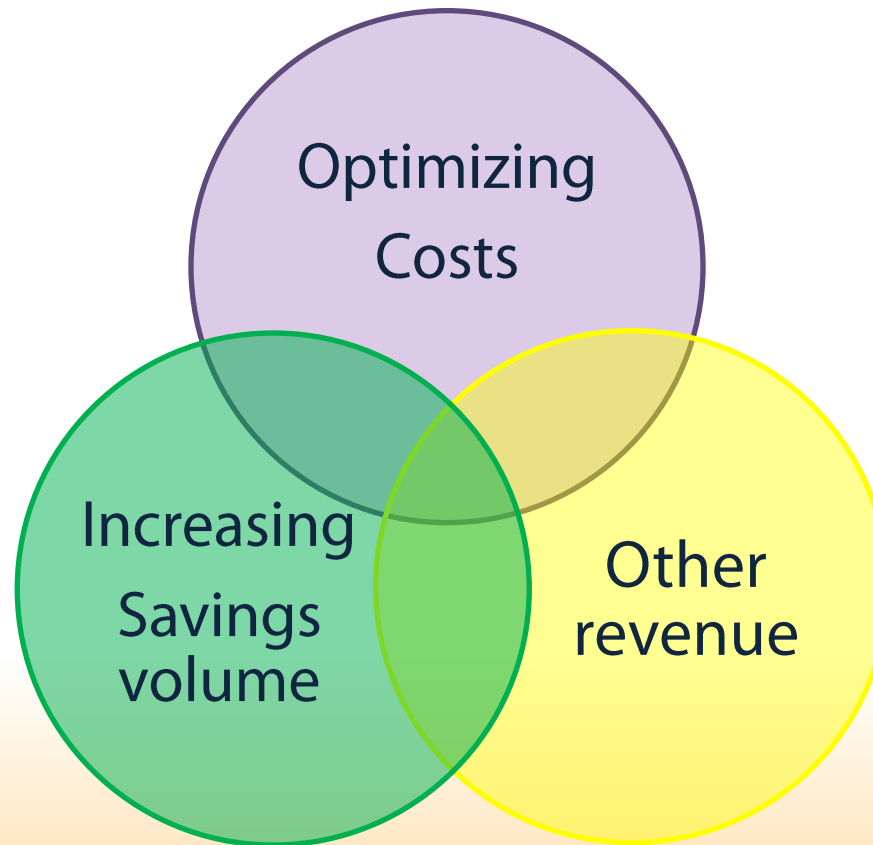
**Building the business case
for youth services**

ACSI, PEACE, UCU, UFT

Available at:

<http://uncdf.org/sites/default/files/Documents/yfs-bus-case.pdf>

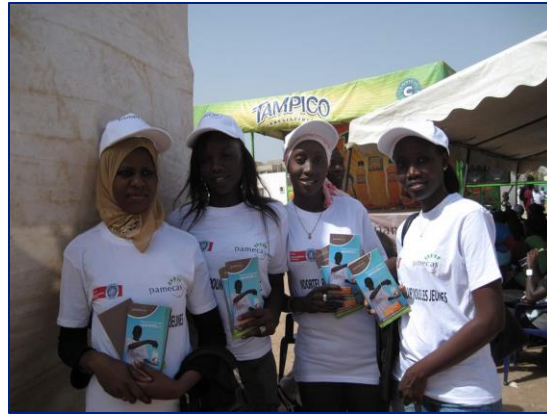
Main pathways to sustainability of youth services



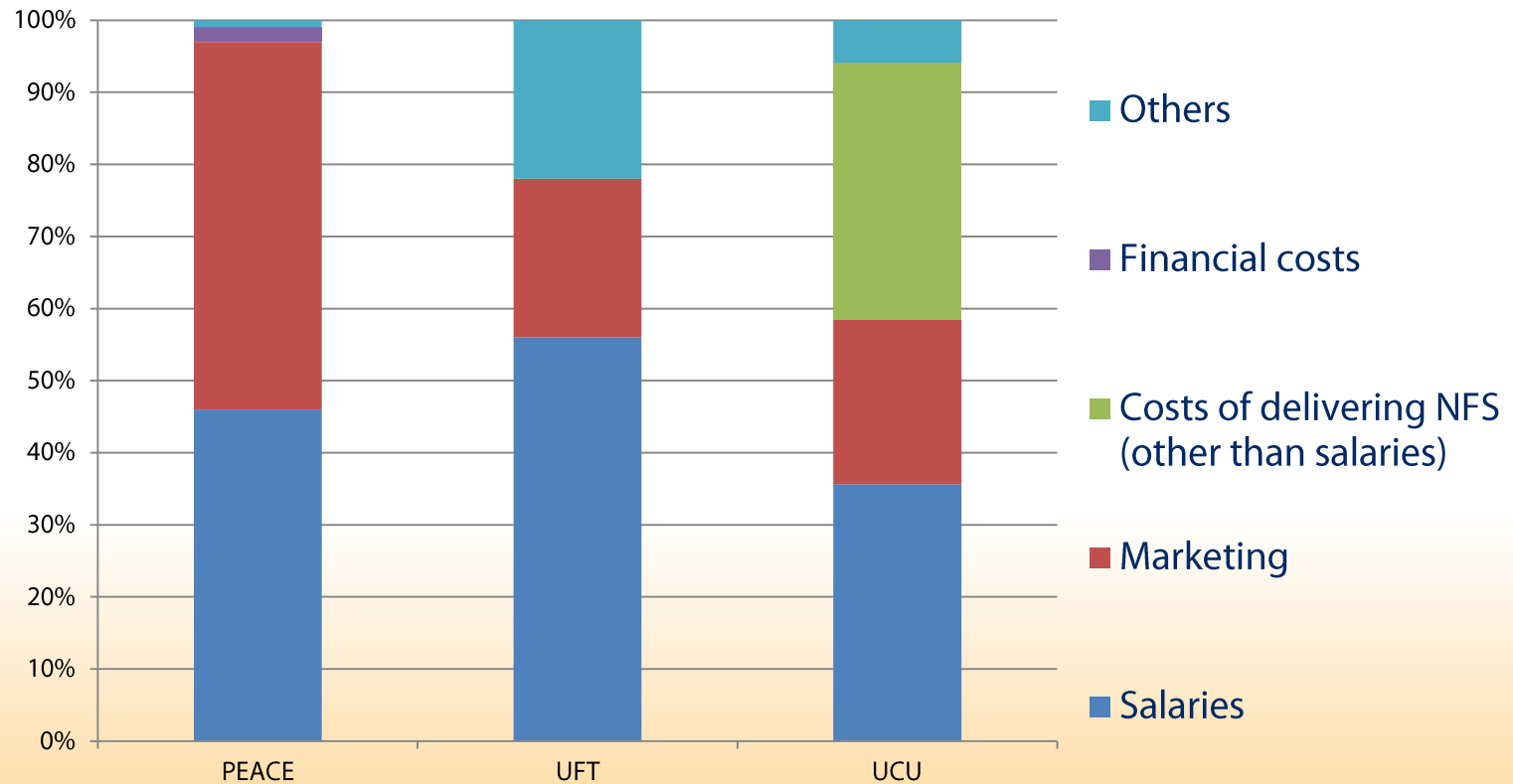
Long term strategy: As youth becomes loyal clients with enhanced financial capabilities who access a wide array of financial services

FIRST STEP: Identify **costs** of youth services

- 1:
- 2:
- 3:
- 4:
- 5:
- 6:



Example costs structure:



Which are the main costs according to the graphic?

1 Optimizing costs



SECOND STEP: optimize **dispensable costs** of youth services, if too high

- **STAFF** is key. Do not cut: **Why is staff so important?**
- Focus on optimizing **variable costs**: **Find examples**

Can deposits mobilized be enough to generate positive impact on the balance sheet?



Let's discuss the **TWO ways** to increase **savings volume**:

More youth...(outreach)



More savings...

2 Increasing savings volume

The **key** to the business case for youth services: **More savings**

- Encourage usage of accounts
- Target small share of youth with higher savings capacity



PEACE YouthStart savings portfolio					
Savings accounts balance	Number of youth savers		Savings volume		Average savings US\$
	Number	%	Volume US\$	%	
US\$0–10	3,767	90.3	6,974	20.2	2
US\$11–30	235	5.6	4,295	12.5	18
US\$31–100	115	2.8	5,817	16.9	51
Over US\$100	55	1.3	17,388	50.4	316
TOTAL	4,172	100	34,472	100	8

Who are these youth with higher savings?

- 1:
- 2:
- 3:
- 4:
- 5:
- 6:



Let's find examples...

UN Capital Development Fund

THANK YOU

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