



CENTRE FOR THE STUDY OF FINANCIAL INNOVATION

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Encouraging saving in poor countries: a round-table discussion on innovation in savings. With Jane Platt (NS&I) and Bob Christen (Bill & Melinda Gates Foundation). To be held on Monday, December 7, 2009, from 12:30-2:15 pm.

Citi/DfID Fellow Programme

Saving is not easy - and it's particularly hard when you don't have much money. And yet the evidence suggests that it is savings, not credit, that poorer people seek out first when they start using formal financial services for the first time.

For the second round-table in the Development fellowship programme, we will be asking what can be done to stimulate savings in the developing world. At one extreme, people could be forced to save. At the other extreme, saving could be made fun - prize-draw based savings mechanisms, like the UK's Premium Bonds, can be an effective way to draw cash from under people's mattresses. And, in between, there is an array of products based on opt-ins and opt-outs, or that are bundled with other transaction types and products that make it hard to withdraw savings – all of these are designed to make people more successful at saving.

But how relevant are developed world ideas for the developing world? Many savings innovations target salaried employees, through workplace based initiatives or taxpayers. But in most developing countries, most people are not formally employed and do not pay tax. How far should governments intervene in the market to stimulate savings? Should we be supporting innovation in savings around products or processes?

To help us answer these questions, we are delighted to welcome to our panel:

- Jane Platt, Chief Executive of NS&I (National Savings & Investments), the UK government agency that last year delivered over £12bn of net financing to government through the sale of a range of savings products, including Premium Bonds; and
- Bob Christen, director of the Bill & Melinda Gates Foundation's Financial Services for the Poor initiative, which has so far committed well over \$300m to promoting savings across the world.

If you or a colleague would like to join us, please let us know by emailing sophie@csfi.org.uk or by telephoning 020 7493 0173. As usual, wine and sandwiches will be provided.

Sincerely yours,

Mark Napier
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CSFI