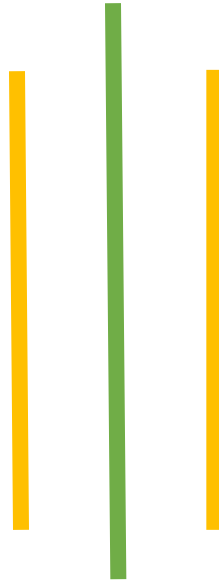


**A Case Study on
Financial Education & Business Literacy
(FEBL) Classes**



Submitted To:

Ministry of Agriculture and Livestock Development
Agriculture Sector Development Programme (ASDP)
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1. Introduction

This case study explores the effectiveness of Financial Education and Business Literacy (FEBL) Classes provided to rural women (aged 15-49 years) involved in the Value Chain groups/cooperatives under Agriculture Sector Development Programme (ASDP). The study aims to evaluate the impact of these classes on the financial management, business operations, and overall economic well-being of the group members.

2. Background

In the context of Nepal, the majority of people living in rural areas are deprived of the services of Financial Education and Business Literacy (FEBL). People engaged in agriculture are often involved in traditional farming methods. Due to the lack of financial literacy, farmers may face difficulties or may need to rely on others financial assistance. Along with this, Farmers earning income from various professions often struggle to make proper decisions regarding the utilization of their money due to a lack of financial education and business literacy. As a result, Due to these challenges, they seek guidance and support from financial advisors and business experts to improve their financial management and decision-making skills.

The purpose of conducting Financial Education and Business Literacy (FEBL) Classes for specially women member involved in the value chain group/cooperatives is to enhance their ability to use financial services and practice financial discipline and management in personal, household, and small business contexts. It aims to facilitate the selection and operation of appropriate businesses based on their skills, capacity, investment, and geographic conditions, improve the entrepreneurial and managerial skills of group members, and provide information on financial needs and available resources. Additionally, these classes seek to promote nutrition and health awareness through nutrition schools and campaigns like "One Member, One Nutrition Garden," and facilitate financial record-keeping for income and expenses, particularly increasing awareness of food diversity among female members aged 15 to 49.

Under the Rural Financial Services Strengthening Program for value chain development, a total of 25,344 female members from 906 groups have benefited from Financial Education and Business Literacy (FEBL) classes conducted by 488 FEBL facilitators. All FEBL facilitators are the local females selected by POs themselves for potential knowledge propagation. It is expected that one FEBL Facilitator will provide training for up to Three PO members nearby and impart knowledge and skills to PO members. After the FEBL ToT, the Programme team

discussed with the POs of residing Facilitators to run the FEBL class effectively and efficiently. With the support of the FEBL Facilitators, POs managed to conduct FEBL classes with pre-planned training curriculum. They were provided resource manuals and trainer's guides to facilitate and train the women of the member household.

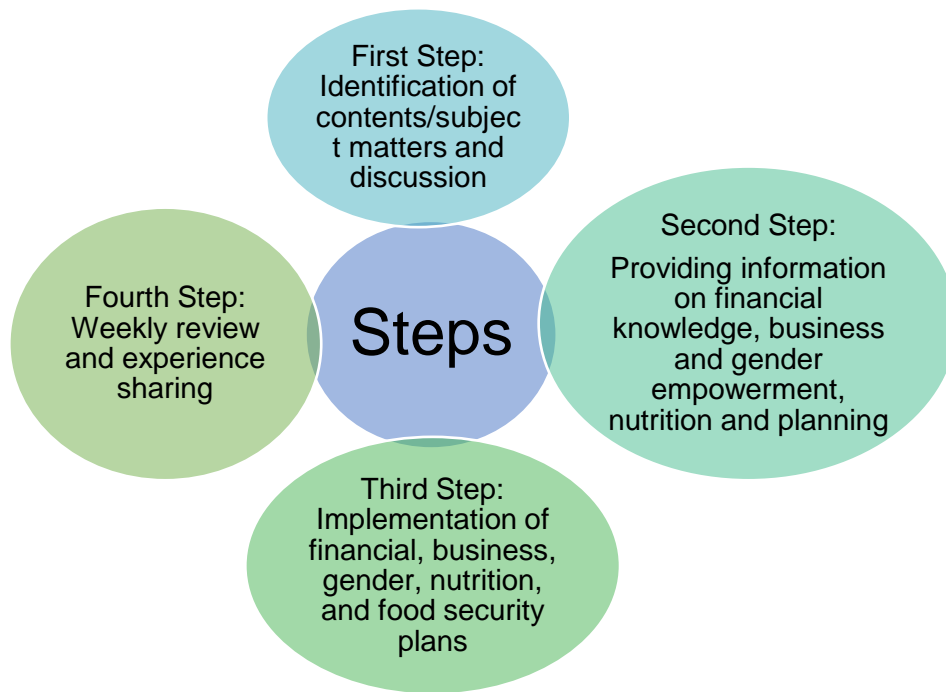
These classes consist of various financial components and skills that allow female farmers to gain knowledge regarding the effective management of money and loans. These trainings have promoted the ability of smallholders to make better and informed financial decisions regarding banking, insurance, loans, investments, and using financial products and services. They have learned to prepare monthly household budgets, maintain records of daily expenses, and assess income versus expenditure. This has helped them maintain financial discipline.

3. Objectives:

- To evaluate the impact of FEBL classes on participants' financial planning, business management, and overall economic conditions, resulting in enhanced financial stability and business success.
- To assess significant improvements in their financial planning, business operations and decision-making.
- To measure the overall economic benefits experienced by the participants.

4. Operation Modality with flow chart:

Financial education and business literacy and nutrition classes will be conducted targeting women members of value chain groups and cooperatives. Generally, the number of participants will be 25 to 30. While conducting these classes, discussions and exercises will be held on social, economic, gender and nutrition related issues based on the daily life and business of the participants. After conducting these classes, the participants are expected to be financially literate, gain business knowledge and adopt a regular food variety with increased nutrition awareness. FEBL classes is designed to enhance financial and business skills among women members. This operation modality outlines the structure and process involved in effectively implementing FEBL classes. Key stages and process involved in facilitating a FEBL Class are:



5. Topics for the FEBL Classes:

- ✓ Financial Education and Business Literacy
- ✓ Business and Financial Literacy
- ✓ Basic financial principles, small business management, practical exercises, and case studies

6. Target beneficiaries and anticipates benefits

The primary beneficiaries are the female members of group/cooperatives who are in the reproductive age range of 15 to 49. Members of groups/cooperatives involved in the value chain are the secondary target beneficiaries.

7. Challenges and mitigating measures:

- Facilitators may have varying levels of expertise, affecting the consistency and quality of training.
- Participants come from diverse backgrounds, and their differing levels of education and experience can affect the training process.
- In rural areas, access to necessary technology or digital resources is challenging.

- Some participants may drop out of the Class before completion, affecting overall outcomes.
- Accurately measuring the impact of the training on participants' financial and business practices can be challenging.
- Assessing the long-term benefits and sustainability of the skills learned is often difficult.

8. Key Learning

- FEBL classes as a catalyst for financial and credit linkage (Financial Education and Business Literacy classes have provided fundamental knowledge about the need to use or utilize the available financial resources effectively and make appropriate decisions in economic or financial activities and the operation of any business. It has enabled beneficiary groups to use their skills and resources to start potential businesses, to earn, to spend, to borrow and to invest. The financial and credit linkage with banks and other financial institutions has also improved. The groups have developed a culture of financial savings.)
- Women member in group learn to create and manage personal and business budgets effectively.
- Knowledge of various financial products and services, including loans, insurance, and savings accounts.
- Ability to make informed financial and business decisions based on analysis and planning.

9. Conclusion:

The FEBL classes have had a positive impact on the financial management and business literacy of rural women involved in the value chain group implementing under ASDP. The improvements in financial practices and business operations have led to increased income and a better quality of life for the women member. Continued support and resource access are crucial for sustaining these benefits and expanding the program's reach.

Success Story

“FROM FACILITATOR TO BUSINESS PERSON, A STORY OF DANKALA B.K.”

Danakala B.K., who got married in Khadachakra Municipality-4 after moving from Mahabai, Kalikot District, has eight family members: her mother-in-law, father-in-law, husband, and four children. The primary source of the family's livelihood is wage labor.



For the past three years, she had to endure a lot of hardship and emotional pain while working. Being Dalit, poor, and a woman, the community and her own family had different perspectives on her. Because they had to rely on others' earnings, she occasionally faced criticism from senior family members. As a daughter-in-law, she was limited to household chores and had to

work even with an empty stomach for the happiness of her family. When she needed to go to the market, she often lacked the necessary money to buy or even eat.

Due to the prevailing belief that women cannot engage in income-generating activities, she could not speak out against any unfair treatment. When visiting her parental home, she could rarely wear new clothes and had to walk long distances due to the lack of money for transportation.

After being selected as a facilitator for Financial Education and Business Literacy (FEBL) classes and Gender Action Learning System (GALS) by the Agricultural Sector Development Programme (ASDP), she had the opportunity to attend training in Jumla and Surkhet. Upon returning, she started teaching FEBL classes in three groups: the Seasonal Vegetable Farming Group, the Fruit and Fresh Vegetable Production Group, and the Dairy Value Chain Groups in Lohar Tole and Sineti Tole. She also began teaching GALS classes to 10 people. The objective of these classes is to change participants' knowledge, skills, and attitudes and improve their income levels.

After attending these classes, participants have shown improvements in their knowledge, skills, and attitudes, and some have experienced a rise in their living standards. With the earnings from her training work, Danakala has been able to invest in expanding her business. Her family members, especially her husband and father-in-law, have started supporting her business. Her husband has taken on the leadership role in managing their business, and together they have

improved their life. Additionally, she has earned approximately 40,000 by raising chickens for about 45 days.

In her view, dedication and perseverance lead to success in any work. By working diligently in agricultural activities, it becomes easier to support the family. Conducting activities according to the advice of family and community leads to an effective and happy family life. When facing difficulties and adversities, it is important to continue and persevere in business to achieve success. She feels that the training provided by the Agricultural Sector Development Program (ASDP) and facilitators has opened her eyes and helped her rise from a difficult situation.

She expresses her heartfelt gratitude to the Agricultural Sector Development Program (ASDP) for enabling her to run a business with the little money she had, allowing her to experience and witness a transformed lifestyle for her family. She looks forward to further support in the future.

“THE END”