



NGÂN HÀNG CHÍNH SÁCH XÃ HỘI

VIET NAM BANK FOR SOCIAL POLICIES

FINANCIAL LITERACY FOR THE POOR VIA SMARTPHONE APPLICATION BY PARTNERSHIP BETWEEN VBSP & OXFAM



Website: www.vbsp.org.vn * www.vbsp.vn



FINANCIAL INCLUSION OVERVIEW IN VIETNAM

Financial inclusion is the provision of appropriate and convenient financial services for all individuals and organizations, especially for low-income and vulnerable people in order to enhance financial access, contributing to help them earn a livelihood, rotating investment and savings flows in society, thereby promoting economic growth. Over the past four decades, financial inclusion has become the global vision in the mission of poverty reduction and sustainable development.



FINANCIAL INCLUSION OVERVIEW IN VIETNAM

In Vietnam, although there isn't a comprehensive national program on financial inclusion performance, there have been many policies and actions implemented, thereby promoting access to financial services in the economy such as strong measures of promoting non-cash payments in the last 10 years, credit programs for the poor and households in rural areas of VBSP, AGRIBANK, microfinance institutions and programs of supporting credit access for SMEs.

Based on the system of financial inclusion evaluation criteria issued by G20, situation of financial inclusion in Vietnam can be seen through some features as follows:



FINANCIAL INCLUSION OVERVIEW IN VIETNAM

- The ability of accessing services is constantly increasing through the development of a network of traditional district transaction offices as well as modern banking service channels.
- Banking products and services are more and more diversified and abundant. Service quality is also improved, which is more convenient, reduces procedures and transaction costs, some of them are even provided 24 hours a day. Especially, the results of internet banking and mobile banking have shown great potential of Vietnam market.
- Besides, credit activities for the poor and policy beneficiaries through VBSP and microfinance institutions have also helped a large number of people to access banking services.



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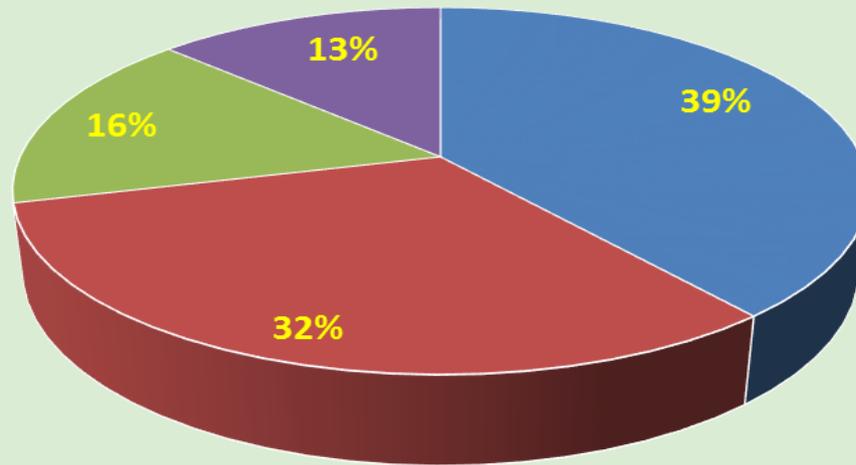


VBSP is a government-owned bank that was established to provide financial products and services for the poor and other policy beneficiaries throughout the country.





COORDINATING WITH MASS ORGANIZATIONS



- Women Union
- Farmer Association
- War Veteran Union
- Youth Union



Increasing financial education for partners and customers

VBSP has a Training Center that performs the training for officials in the system and participates in training for staff outside the system.

VBSP trains officials collaborating with VBSP in entrusted loans such as village heads, boards for poverty reduction, mass organizations and management board of Savings and Credit groups





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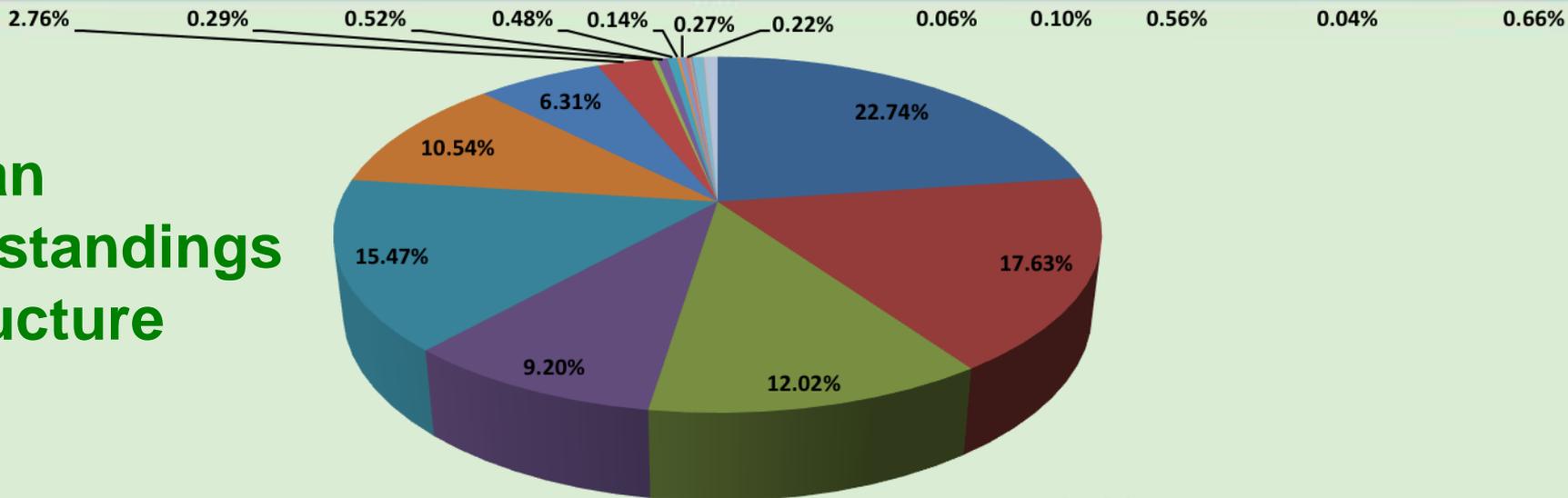
Training for Savings and Credit Groups (SCGs)



The idea of the program is to train SCGs in the VBSP system of knowledge and skills to manage credit programs, savings, etc. and integration activities to improve capacity for teams and their members such as training management and operation skills of SCGs, improving the quality of team activities and the participation of members.



Loan outstandings structure



- Poor Households
- Near-poor Households
- Just Escaped from Poverty
- Disadvantaged Students
- Safe Water and Rural Sanitation
- Business and Production Households Living in Extremely Disadvantaged Areas
- Job Creation
- Housing for the Poor under Decision 167 and Decision 33
- Migrant Workers Abroad for Limited Terms.
- Deffered housing in Cuu Long river delta.
- Extremely Disadvantaged Ethnic Minority Households
- Entrepreneurs Doing Business in Disadvantaged Areas.
- Forest Sector Development Program
- Disadvantaged Ethnic Households in Cuu Long River Delta.
- Small and Medium Enterprises Program (KFW)
- Program for Poor Households to Build Houses against Storm and Flood
- Loans for Productive Land, Production Sector Change
- Foreign funded projects
- Others



The products are always aimed at convenience for customers

	Products	Users	Interest rates and costs	Method
1	<p><i>Overseas remittance service through Western Union</i></p> 	Customers in the pilot project area	One-time charge from senders according to the general regulation of Western Union	Customers can visit any VBSP district transaction offices with a Western Union sign
2	<p><i>Account opening service</i></p> 	Individuals who are Vietnamese citizens or foreigners with civil legal capacity and civil act capacity according to regulations of the law.	Non-term or term deposits as agreed with the Bank	<p>Can be opened in the following forms:</p> <ul style="list-style-type: none"> - Deposit accounts of units and organizations - Deposit accounts of co-account holders - Deposit accounts of individuals
3	<p><i>Savings through SCGs and savings mobilization at commune transaction points</i></p>			



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Ensuring benefits of customers



Credit programs are applied with preferential interest rates or lower than market rates to reduce financial difficulties for the poor and policy beneficiaries. In addition, lending activities, debt collection, interest collection and savings deposit of VBSP are provided in a convenient manner and completely free of charge at commune transaction points. Thereby, saving time and travel costs for customers.



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VBSP'S DEVELOPMENT STRATEGY OBJECTIVE

Developing VBSP in a stable and sustainable direction, ensuring good implementation of State policy credit, developing more effective products and services for the poor and policy beneficiaries.



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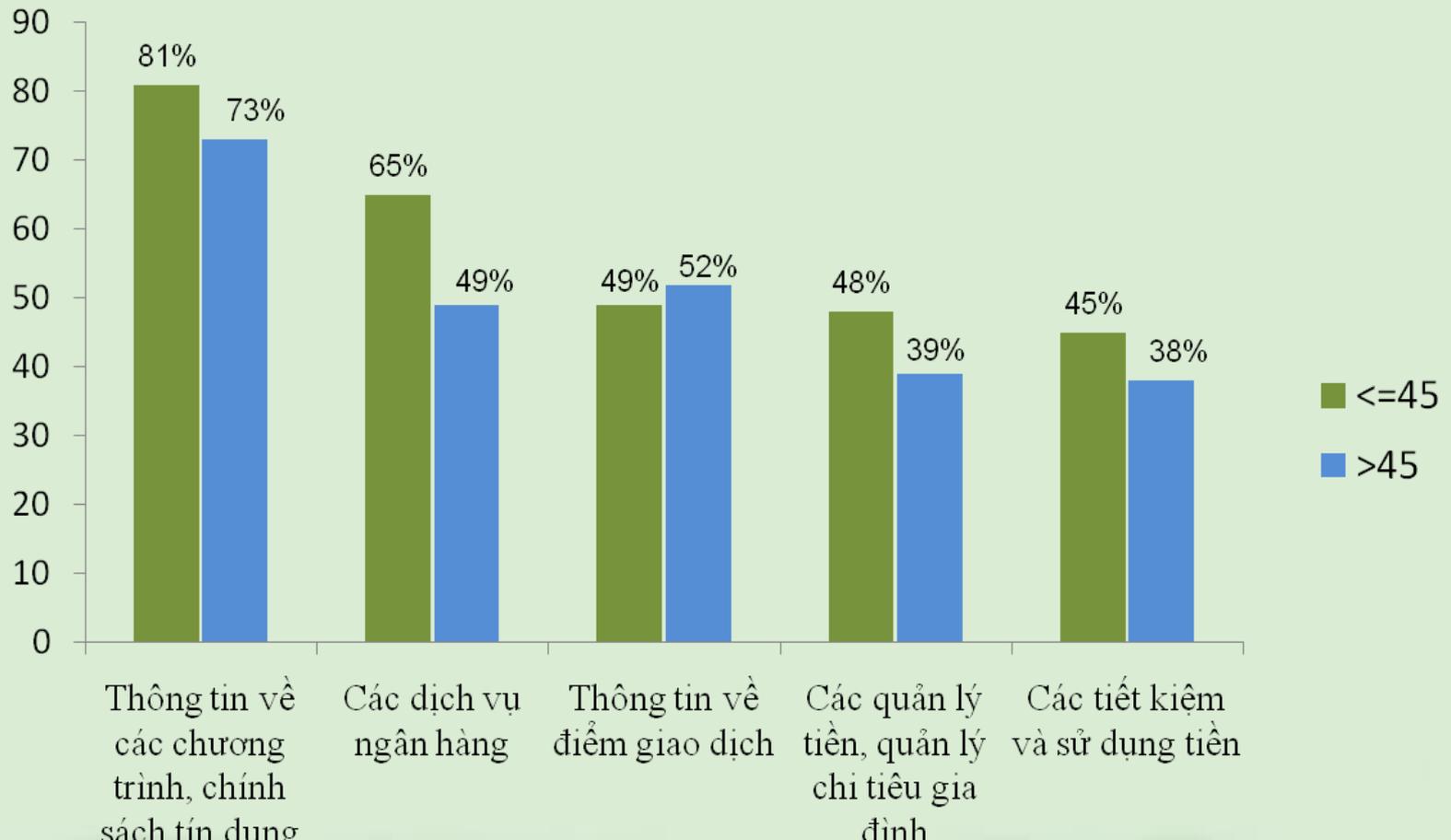
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RAPID MARKET SURVEY

The poor access mobile phone





SOME MARKET SURVEY RESULTS

90% VBSB's customers have mobile phone and know how to use it.

>80% customers realize the importance of financial literacy.

~50% customers use smartphone but still few in rural areas.

43,7% customers desire to access VBSB's products and services promptly.

40,6% customers call, listen, reading and view weather, zalo, youtube, facebook...



DESIGN FINANCIAL LITERACY APP FOR THE POOR

Menue 1

Overview on VBSP

- ✓ Profile and organization model
- ✓ Savings and credit groups
- ✓ Commune transaction
- ✓ Loan process
- ✓ Financial products for the poor





DESIGN FINANCIAL LITERACY APP FOR THE POOR



Menue 2

Individual financial management:

- ✓ Savings
- ✓ Budgeting
- ✓ Loan & balance monitoring
- ✓ Digital financial services
- ✓ Quiz



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*THANK
you*

