



Impact of Counseling on Knowledge, Feelings and Actions of Over-indebted Borrowers in Tajikistan

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 **WORLD BANK GROUP**
IFC International Finance Corporation

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GLOSSARY

N – the sample size of population pooled by specific signs / relevant to the parameters in question, namely – the total number of respondents subject to consideration in this particular case;

n – the number of respondents representing a specific sign/matching parameter N. (Example: number of respondents N=1002, males - 47,6% (n=477), females – 52,4% (n=525));

TA – Target audience;

Interviewer – a specialist conducting a survey;

RT – Republic of Tajikistan;

Respondent – A person being interviewed;

MCC – Microcredit companies;

MCO – Microcredit organizations;

MFO – Microfinance organizations;

HH – Household

NBT – National Bank of Tajikistan

1. EXECUTIVE SUMMARY

A growing body of empirical work suggests that *personalized, just-in-time consultation about financial decision-making, with an emphasis on goal-setting, may be more effective to bring about improvements in financial consumer behavior* than generalized, classroom-style education. With this in mind, IFC piloted campaigns to provide free, neutral, confidential financial counseling services to consumers in Tajikistan in early 2016, attracting about five thousand participants. Consultations included identification of personal financial goals, mapping out of major upcoming expenses and income, identification of risks, and opportunities for savings. In order to assess the impact of counseling campaigns on consumers' *knowledge* about their financial standing, *feelings* of readiness and capability to make good decisions, and *actions* to better balance income and expenses, maintain a household budget, IFC carried out an impact assessment of participants and control groups from two of the cities, Kurgantiube and Kulyab, at 0-, 3- and 6-months from the time of the counseling campaigns. The results provide valuable insights into the ways that counseling can drive financial consumers to change their behavior. While there have been some irregularities in the composition of the control group, that doesn't serve well as a control due to significantly different baseline characteristics, when the intervention group is compared to its own baseline, the results are significant. (As the financial condition of households in Tajikistan broadly was deteriorating or stagnant during same period, these improvements seem reliable). Counseling seems to demonstrate a strong positive effect on medium-term goal-setting, planning, seeking of advice and alternatives, increased sense of security, and even reduced reported difficulties with repayment, reduced selling of personal assets, and reduced exposure to hunger. Counseling alone does not seem to impact arrears, has little impact on the credit exposure of multi-loan borrowers, and doesn't seem to diminish the preference for taking loans. However, increased optimism, sense of hope and identification of next steps seem to be key results.

2. INTRODUCTION

A growing body of empirical work suggests that *personalized, just-in-time consultation about financial decision-making, with an emphasis on goal-setting, may be more effective to bring about improvements in financial consumer behavior* than generalized, classroom-style education. With this in mind, IFC piloted campaigns to provide free, neutral, on-the-street financial counseling services to consumers in Tajikistan in early 2016. Campaigns were organized in four cities in Khatlon province in the south, five cities in Sugd province in the north, and in Gissar, in Rudaki province near Dushanbe. The locations were selected as places with higher population densities and more active financial consumers (although Dushanbe would also be a good target, obtaining state and municipal permissions for street-based campaigning would have been much more difficult). The campaigns were conducted in difficult conditions, as returning migrant laborers, slowing economic growth, and currency depreciation put households under severe financial stress. Although World Bank Findex data suggests that fewer than 5 percent of the Tajikistan population borrows from formal financial institutions¹, IFC's June 2016 Tajikistan household survey reveals far greater dependency on borrowing and household financial stress. Among respondents, 55 percent had existing committed expenditures more than 75 percent of income; 80 percent of respondents considered that they need to borrow to maintain their lifestyle; and half of respondent-borrowers had repayments more than they could afford.² Meanwhile, the level of non-performing physical person loans in Tajikistan rose from under 3 percent in 2014 to over 15 percent in 2016.

With the cooperation of regional social organizations, National Bank of Tajikistan, and provincial and municipal governments, IFC carried out ten, week-long campaigns, attracting about five thousand adult financial consumers to participate in private, confidential counseling sessions of about 30-40 minutes duration per person, which included identification of personal financial goals, mapping out of major upcoming expenses and income, identification of risks, and opportunities for savings. Campaigns were located in parks, near marketplaces, in cafes and lobbies of office buildings, and used local radio and television, and children's attractions to attract participants.

In order to assess the impact of counseling campaigns on consumers' knowledge about their financial standing, feelings of readiness and capability to make good decisions, and actions to better balance income and expenses, maintain a household budget, IFC carried out an impact assessment of participants and control groups from two of the cities, Kurgan-tiube and Kulyab, at 0-, 3- and 6-months from the time of the counseling campaigns. The results provide valuable insights into the ways in which counseling can prove effective, and unexpected findings about what drives financial consumers to change their behavior.

Participants' immediate responses were quite positive, with 56% of the intervention group indicating that counseling was "useful" or "very useful" immediately after consultation, and interestingly this figure grows with time. After six months, 76% reflected that the counseling had been useful to them. Eighty-two percent thought that counseling was "understandable" or "very understandable", and participants' further recommended that it should be provided more often, in more venues, including one's financial institution, and including more trained professionals.

Participants also seemed to gain a new sense of hope, ability to identify next steps, and greater sense of security over time as a result of counseling. Counseling strengthened borrowers' view that their credit officer could be a source of advice; more people sought loan restructuring after counseling; fewer indicated selling household assets to repay debts; more

¹ World Bank Findex, Tajikistan, 2014. www.findex.org.

² Roy Pratt. "Borrowing by Individuals in Tajikistan: Potential Development and Action Issues for Consideration." IFC: Dushanbe, 2014.

indicated confidence that they would hold on to their collateral, after counseling. The level of proactivity varied, and the results reveal a distinction between Kurgantiube participants, who both expressed greater appreciation of counseling and took more proactive measures after counseling, and Kulyab participants, who were weaker on both indicators. This is a distinction which has been noted in Kyrgyzstan, too, and suggests that there may be a virtuous cycle among self-confidence, optimism, and productive planning that helps some cope and recover from financial stress more readily.

It becomes evident from the data that the control group is not truly a control group. Actually, the control group was identified by MVector in cooperation with a number of financial institutions, that specifically avoided putting the team in touch with their over-due clients; in fact, there was some positive selection bias of the control group, apparently owing to financial institutions' concerns about putting forward a bad face for this survey. By comparison, the intervention group was a self-selecting group of borrowers who indicated they were struggling with repayment of credits. MVector met these individuals at baseline, because they responded to radio, television, and on-street advertising of a financial counseling campaign, they were pre-screened with questions seeking borrowers facing difficulty, and they volunteered to participate in follow-up surveys. This bias can be seen immediately from the baseline measures, which consistently show the control group experiencing less financial stress than the intervention group from time-0. At baseline, 42% of the control group had "absolutely no difficulties" coming up with money to repay credits, while only 30% of the intervention group answered this way; at baseline 37% of the control group indicated absolute certainty they could cope with a hike in household expenditures, while only 21% of intervention group answered this way; at baseline, 25% of the control group had debt repayments more than family's monthly income, compared to 42% of the intervention group. As such, it's not very useful to measure the impact of financial counseling intervention as compared to the control group, but it makes more sense to measure the impact within the intervention group compared to its own baseline.

Similar to results of a similar impact assessment conducted earlier in 2016 in Kyrgyzstan³, the financial counseling campaigns in Tajikistan show the strongest impact on awareness, planning and budgeting behaviors, and the impacts are greatest in the first three months after the counseling session. (It should be kept in mind that these are the medium-term results of a single, 30-minute conversation, while research suggests that behavior-change benefits from repetitive interactions). Tajik people seem to plan more in the first place (than Kyrgyz participants in a similar study), with 59% indicating that they made a family budget at baseline. Counseling boosted those results still further: the intervention group increased by 15% those making a family budget in first 3 months, increased by 14% those setting financial goals in first 3 months, and increased by 7% those discussing income and expenses with family.

It seems that as a result of the goal-setting, planning, and proactive measures taken by participants, counseling shows a significant effect easing household financial stress. Within six months of counseling, the percentage of participating households having debt repayments greater than income fell from 42 to 23%. The percentage of households not having enough money for food fell more than half, from 17 to 7%.

As we found from a similar study in Kyrgyzstan, it's also worth considering that the control group is getting a kind of intervention, too. This group of people, recommended to MVector by their financial institutions and already in a normal financial standing, met with survey enumerators, agreed to phone calls and follow-ups with questions about their awareness of

³ IFC and MVector. "Impact Analysis of Financial Counseling on Consumer Knowledge, Attitudes and Behavior: Naryn and Talas." Bishkek: IFC ACAMRF. July 2016.
http://www.ifc.org/wps/wcm/connect/region_ext_content/ifc_external_corporate_site/europe+and+central+asia/resources/europe+and+central+asia+publications

expenses, budgeting and planning over a six-month period. The survey process itself represented a series of *soft nudges* that heightened participants' awareness, even without providing professional consultation. It's interesting to see that a short phone call or non-professional intervention motivates changes in planning and budgeting behaviors.

Financial counseling has many limitations, however, as the data has shown. This intervention was, after all, a single, thirty-minute personal interview, and did not involve debt restructuring or prolongation, nor job counseling nor any complementary measures. The impacts on reducing arrears, or tendency to borrow seems to be minimal, while it's clear that for people holding multiple-loans, a single counseling interview does not influence arrears or credit exposure neither in short-term or medium-term. However, for those holding a single loan at the time of counseling, there was a significant impact on reduction of credit exposure over time; 27% of participants reduced exposure over 6 months compared to baseline, while only 9% increased their exposures.

Further research and improvement of financial counseling may consider incorporating communication with financial officers and steps toward seeking debt restructuring or prolongation, as well as practical advice about increasing income streams and guarding against risks. It will also be important to seek a control group that has the same characteristics as the intervention group at baseline; that is, to compare apples with apples in terms of the individuals' financial condition and household well-being before counseling.

3. METHODOLOGY

Goals and objectives of the survey

Within the survey, it was necessary to monitor and evaluate the impact of financial planning consultations on borrowers with difficulties to repay debts, namely on their:

- knowledge about rights and options for improving their financial situation;
- feelings about financial control and readiness for the future;
- actions to improve the sustainability of their financial position.

Geography of the survey

Geography of this survey covers Kulyab and Kurgan-tyube zones of Khatlon oblast of RT.

Target audience

The target audience of the survey were borrowers, who self-identified themselves as «with difficulties to repay debts».

For achieving the assigned goals of the survey, there were formed two target groups of borrowers:

1. Intervention group – borrowers, who have difficulties to repay any debts (credits, loans, debts from relatives and friends), who participated in consultations.
2. Control group – borrowers, who have difficulties to repay any debts (credits, loans, debts from relatives and friends), who didn't participate in consultations.

Survey sampling

Within the baseline survey, there were interviewed 270 borrowers, within the interim – 179 borrowers and within the final survey – 150 borrowers. The survey sampling is presented in Table below.

Table 3.1. The survey sampling

Settlement	Number of interviews		Number of interviewers	
	Intervention group	Control group	Intervention group	Control group
Baseline survey				
Kulyab	100	35	3	1
Kurgan-tyube	100	35	3	1
Interim survey				
Kulyab	59	20	2	1
Kurgan-tyube	69	31	2	1
Final survey				
Kulyab	48	16	2	1
Kurgan-tyube	59	27	2	1

The survey was conducted by using the method of face-to-face interviews and tablets, on which the programmed questionnaire was installed in advance (face-to-face, TAPI).

The list of respondents, who passed the consultations (intervention group), was received from Public Organization «Fidokor», from which there were randomly selected respondents for the survey. For control group, the respondents were selected by the method of «slow ball».

All interviews were conducted in Tajik language. The average duration of the interview was 23 minutes.

Within the each wave of the survey, the respondents were asked permission to participate in the next wave. As it was described above, the number of respondents decreased from baseline to the final survey, because not all respondents were agree to participate in the further waves of the survey.

Control of the work quality of interviewers

There was done 20% control of randomly selected questionnaires of each interviewer. Control was conducted by using the method of phone calls. Control of interviewers' work was conducted during the whole duration of the field works. For conducting control, there was developed a special checklist form by agency, which included the list of main checking questions and characteristics, such as the fact of conducting the interview, the duration of interview and range of questions from the main questionnaire. Control was done by experienced controllers of the company.

Processing, analysis and presentation of the results

Statistical processing of data was performed by using the statistical package of SPSS and Microsoft Excel.

For processing and analysis of data received, there was used a method of descriptive statistics and cross-analysis.

Monitoring

Before the conducting the information and consultation campaign, there was organized and conducted a two-day seminar-training for the employees of Public Organization «Fidokor». The training was conducted by the World Bank Representative, Ms. Colleen Mascenik, financial economist, and Mr. Farhod Sadykov, microfinance expert. During the process of the training, participants received information, which is necessary for effective conduction of consultations on various issues. The training was accompanied with interactive role-playing games between the teams. After finishing the training, each team conducted presentation on the work of consultative-informative centers during the period of informative campaign. Training was conducted from 17 to 18 of December of 2015. 22 consultants passed the training. There 2 leaders of the group among them.

Monitoring was conducted during the whole period of work of informative-consultative centers in all districts. Monitoring was conducted by the employees of the company «M-Vector Tajikistan», who passed the appropriate training.

Table 3.2. Schedule and duration of monitors' work

City/ district	Name and surname of the monitor	Period of conducting monitorings
Kurgan-tyube city	Malika Sobirjonova	18.01 – 24.01.2016
Vakhsh district		25.01 – 31.01.2016
Kulyab city	Shukrona Ashurova	18.01 – 24.01.2016
Voseh district		25.01 – 31.01.2016
Hissar city	Ayubova Malohat	25.03 – 31.03.2016

First days of monitoring were conducted under the private observation of the manager of the company «M-Vector Tajikistan» and coordinator of the field works of the department of field surveys.

Monitoring was conducted by using the method of visual observation. The specially developed form, which allows fixing the main moments of consultants' work, was used as a tool. In this form, there were noted the following parameters of the observation:

- Exact time of start of the work of consultation center;
- Number of consultants;
- Presence of uniform dressed by consultants during the work process;
- Presence of advertising banners on the territory, where the consultation campaign was conducted;
- Presence of advertising brochures and handouts on the table of consultants.

Monitors provided the following materials at the end of working day on a daily basis:

- Completed questionnaire;
- Photos of process of work of consultants;
- Short report on monitoring results: the overall notes and comments on work of informative-consultative centers.

During the whole period of conducting the monitoring, the employees of company «M-Vector Tajikistan» provided the following documents to the client on a daily basis:

- Detailed photo report;
- Short descriptive report on the process of the work of centers.

Reports were provided on all centers.

4. RESEARCH SUMMARY

This study was commissioned by IFC. The goal of conducted evaluation was collection of information about existing knowledge regarding rights, perception and practices of financial planning, control of money, as well as change of this level under the impact of consultations on financial planning. This survey was carried out in three phases (baseline, interim and final) among respondents, who passed trainings (intervention group) and respondents, who didn't participate on trainings (control group) with the aim to compare the impact of trainings on intervention group. As the survey results show, the consultations didn't produce a strong influence. Of course, there were cases of positive influence on some parameters, but such cases were also observed in control group. Moreover, it should be mentioned that, according to the survey results, consultations produced influence more to Kurgan-tyube than to Kulyab. The more detailed description of the survey results is given below:

Conclusions on level of over-indebtedness of respondents:

- Overall, if to consider the presence of credit in the intervention and control groups, then in both these groups, there are respondents during the second and third survey, who repaid all their debts, but their share is not too high (at the moment of final survey: in the intervention group – 4%, in the control group – 5%). That is to say, the impact of trainings to this indicator, as it can be seen, is not so strong.
- If to consider by the level of settlements, then, in Kulyab zone, there are more respondents to the end of survey (at the moment of final survey), who repaid their debts, than in Kurgan-tyube zone: in intervention group of Kulyab – 8%, in intervention group of Kurgan-tyube – no any respondent.
- Only some respondents, who had 1-2 credits\loans (in Kulyab – 1-2 credits\loans, in Kurgan-tyube – only respondents with one credit\loan) at the moment of the baseline survey, could repay all their debts to the final survey. No any respondent, who had more than 2 credits\loans at the moment of the survey, repaid their debts to the final survey.
- Among respondents, there were those, who had 1 credit\loan at the moment of the first survey, but they repaid them in the second survey and took another credit\loan in the final survey. There was one respondent in intervention group and 2 respondents in control group with such indicators.
- As for changes in number of credits at the end of 6 months, this indicator didn't change among the majority of respondents (64% in intervention group, 70% in control group). The decrease is observed only among 27% of respondents of intervention group and 21% of respondents of control group. The increase of number of credits\loans is observed among 9% of respondents in both intervention and control groups.
- The share of respondents, who had no arrear on payment of credits\loans, in intervention group, at the moment of the final survey, has increased to 1% in comparison with the baseline level and was 58%. However, in control group, this indicator decreased from 79% to 67% (for 12%).

Conclusion on evaluation of conducted consultations on financial planning:

- Overall, respondents-participants accepted consultations positively. The majority of them wished that similar consultations would be conducted more often and wider (in various settlements).
- The level of conducted consultations in terms of how understandable and useful in Kurgan-tyube zone was evaluated by respondents slightly higher than in Kulyab zone.

- The overall average score of consultation, if to consider the score for usefulness and score for understandability, was: in baseline survey – 3,76 points, in interim and final survey – 3,91 points. The overall average score of conducted consultations in all three surveys was 3,86 points, which corresponds to the good level.
- Based on wishes of participants of consultations, it would be good, if representatives of banks participate in some consultations. In addition, as one respondent indicated, the consultations have to be conducted in available language for participants (at this case - Uzbek).

Conclusion on evaluation of financial literacy of the borrowers and the level of knowledge about own rights to the credit organization, as well as possibilities of improving own financial standing:

- The high level of financial literacy in intervention group, which was determined based on six questions (first question was about the principal of the credit, the rest 5 were about what have to be done prior to signing the credit agreement), increased to the second survey for 16% in relation to the baseline survey, but it decreased to the final survey for 14% in relation to the second survey, but remained for 2% more than in the baseline survey. This may indicate about the short-term effect (3-4 months) of conducted trainings and about the gradual decrease of this effect after 4 months. In the control group, this indicator, conversely, decreased for 7% to the final survey in comparison with baseline survey.
- In the intervention group, the share of respondents, who could not calculate the total income, which their HH expected to receive in the month of the survey, decreased for 24% during the baseline survey and up to 22% to the final survey (for 2%). In the control group, it decreased for 3% (from 19% to 16%).
- The share of respondents, who could not calculate the expected incomes (their own and their HH members), decreased for 8% in the intervention group (from 26% to 18%) and for 16% in the control group to the final survey in comparison with the baseline survey.
- The level of respondents, who indicated that they have right for receiving statement on credit\loan, in the final survey, decreased in both intervention and control groups (for 3% and 2% accordingly) in comparison with baseline level. Increase of this level is observed only in the second survey in intervention group (for 4%). As for share of respondents, who also think that they also have to receive explanation about this statement, it increased in the final survey from 78% to 83% (for 5%) in intervention group and from 79% to 84% (for 5%) in control group.
- The share of respondents, who are ready to make a complaint, decreased in the intervention group for 9% (from 70% to 61%) and, in the control group, it, conversely, increased for 11% (from 70% to 81%) to the final survey in comparison with baseline survey.

Conclusion on evaluation of perception regarding control of the own finances and readiness to the future:

- The share of (absolutely unsure and mostly unsure) respondents, who are not sure, that they keep their collateral property, in both intervention and control group decreased to the final survey. The decrease in intervention group has a gradual character. For example, in the second survey, the share of such respondents decreased for 10% in comparison with the baseline survey and in the final survey, it decreased more for 10% in comparison with second survey, which is for 20% less than the baseline indicator. In the control group, the tendency is slightly different: in the second survey, there is observed an increase of the share of such respondents from 12% to 25% (for 13%). At the moment of the survey, there were no such respondents. In Kurgan-

tyube, the share of uncertain respondents in the intervention group is slightly higher (from 2% to 5%) than the share of the same respondents in Kulyab.

- The share of respondents, who think that (partially and absolutely agree with the statement) that the credit improve the life quality, in intervention group increased from 81% in baseline survey to 85% in final survey (for 4%). In control group, there is observed a decrease of share of such respondents from 86% to 81% (for 5%).
- Financial standing and possibility to save in Kulyab within the intervention group is not under the control of 13% respondents during the final survey, which is for 5% higher than the baseline level. As for control group of Kulyab, the share of such respondents has tendency to decrease and, to the final survey, there was no any such respondent. However, there were 13% of such respondents in baseline survey. In Kurgan-tyube, there is observed another tendency: in intervention group, there is observed the gradual decrease of the share of such respondents from 3% in baseline survey to 0% in the final survey. In control group of Kurgan-tyube, there were no changes. All this says that, in this case, conducted trainings were more effective in Kurgan-tyube than in Kulyab.
- In the **intervention group**, the share of respondents did not change strongly from survey to survey according to their degree of cost efficiency («Surely can be cost efficient» and «Mostly can be cost efficient»): in the baseline survey – 84%, in the interim – 87% (for 3% more) and in the final – 87%. In the **control group**, this indicator in baseline and interim surveys was on the level of 77% and during the final survey, it increased for 9% and was 86%.
- The share of pessimistic-minded respondents (who think that next year their financial standing will be worse this year) in intervention group of Kulyab is gradually decrease and reach 6% to the final survey, which is for 9% less than in baseline survey. In Kurgan-tyube, there were no such respondents in the intervention during the final survey. During the baseline survey, their share was 5%.
- The overall (complex) indicator of perception shows that the share of respondents with pessimistic perception decreases in intervention group of Kulyab during the final survey for 6% in comparison with baseline survey and reach 4%. In Kurgan-tyube, such respondents were only at the moment of the first survey (with pessimistic perception – 5%). In the second and third surveys, there were no respondents with pessimistic perception. The overall (complex) indicator also shows that the share of respondents with positive level of perception in Kurgan-tyube is higher than in Kulyab. Maybe this happened because of trainings, which were accepted by citizens of Kurgan-tyube more effectively than Kulyab.

Conclusion on analysis of actions taken in relation to financial planning.

- The share of respondents, who didn't make the last payment in time, decreased in both intervention and control groups (for 3% and 2% accordingly). The share of respondents, who are planning to make their next payment on credit in time, increased for 5% (from 79% during the baseline survey to 84% during the final survey) in intervention group. In control group, it, conversely, decreased for 7% to the final survey.
- As for restructure of the debt, 55% of respondents in intervention group consulted with their financial organization at the moment of final survey, which is for 2% more than in baseline survey. In control group, the share of such respondents decreased for 16% (from 65% to 49%).
- The share of respondents, who sold their property in order to pay debts, in intervention group is gradually decrease and reach 21% to the final survey, which is for 8% less than in baseline

survey. In the control group, the share of such respondents, conversely, increased to the final survey for 5% (from 2% in baseline survey to 7% in final survey).

- The share of respondents, who are planning to take credit after 12 months after repayment of current debt, decreased in intervention group for 11% (from 53% to 42%) to the final survey. In control group, it decreased for 18% (from 58% to 40%). The share of respondents, who are planning to take credit \ loan while repaying the current credit, decreased in intervention group for 13% in the final survey (from 35% in baseline survey to 22% in final survey). In control group, it decreased for 16% (from 28% to 12%).
- The share of respondents, who made the family budget (made notes of expenses and incomes) in both intervention and control group, increased at the moment of the survey in comparison with baseline survey (from 59% to 68% in intervention group and from 70% to 72% in control group).
- The share of respondents, who set financial goals for the next several months, increased in both intervention and control groups to the final survey in comparison with baseline survey (in intervention group – from 63% to 77%, in control group – from 58% to 86%).
- The share of respondents, who discussed their incomes and expenses with their families, is also increased in both intervention and control groups to the final survey in comparison with the baseline survey (in intervention group – from 87% to 94%, in control group – from 88% to 98%).
- The share of respondents, who prefer to borrow money than to save in advance, is also increased in both intervention and control groups to the final survey in comparison with the baseline survey (in intervention group – from 46% to 56%, in control group – from 51% to 60%). The increase of share of such people says that, in this case, the trainings were not so effective.
- First, the majority (45%, 53% and 57% during the first, second and third surveys accordingly) of respondents will apply to the credit specialist in case of occurring difficulties with repayment of debt, because they consider them as their own adviser and have confidence to them. Second place is taken by the article «Ready to give up with any assets», third place is taken by «Will apply to other credit institution», the fourth place is taken by the article «I do nothing, because I don't know what to do». The share of respondents, who will do nothing, because they do not know what to do, in control group, was in unchanged level in first, second and third surveys (for 7%). As for intervention group, the share of respondents, who do nothing, decreased in the second survey for 8% (two times) in comparison with baseline survey. In the third survey, it increased for 2% in comparison with the second survey, but remained for 6% less than the baseline survey, which means that consultations in this case were not in vain and maybe their effect decreased to the third survey.
- The level (complex indicator) of respondents with passive financial behavior at the moment of the final survey in intervention group of Kulyab didn't change in comparison with baseline survey (remained on the level of 8%). There were no any financially inactive respondents in intervention group of Kurgan-tyube in the final survey. At the moment of the baseline survey, such respondents were 2%. This complex indicator also shows that conducted trainings were more effective in Kurgan-tyube than in Kulyab.

5. MAIN RESULTS OF THE SURVEY

5.1. LEVEL OF INDEBTEDNESS

This section discusses the degree of indebtedness of the respondents, i.e. presence of credit/loan, number of credits\loans, presence of arrear on payment of the credit, as well as the correlation of the credit amount and the income of the respondent's family.

In baseline survey, there were interviewed all respondents, who had credit\loan. For six months, the share of respondents, who had credit\loan, has been decreased. It should be mentioned that the decrease was insignificant. As it shown in the Figure 5.1.1, in the intervention group, the share of the respondents, who paid all their debts (on credit\loan), during the second survey, was only 1%, while, in the third, it was 4%. In the control group, the share of such respondents was 5% both in the second and in the third survey. These are the same respondents, who paid their debt in the second survey. However, in the third survey, other respondents within the control group were not added to such respondents (who paid their debts).

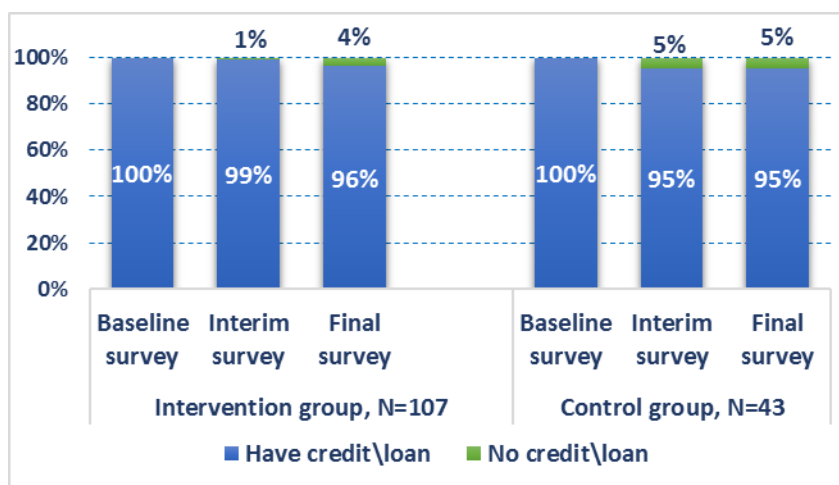


Figure 5.1.1. Presence of credit \ loan

While considering this question by the level of settlements (Figures 5.1.2 – 5.1.3), it can be seen that mainly respondents of Kulyab zone repaid all their debts. In the intervention group, the share of these respondents was 8% from the all respondents of Kulyab intervention group during the third survey. As for the respondents of the Kulyab control group, who repaid all their debts in the third survey, their share was 13% from the all respondents of Kulyab control group.

As for the respondents of Kurgan-Tyube zone, who repaid all their debts, such respondents are observed only in the control group during the second survey (4%). In the final survey, these respondents took credit\loan again and the respondents without debts were not observed.

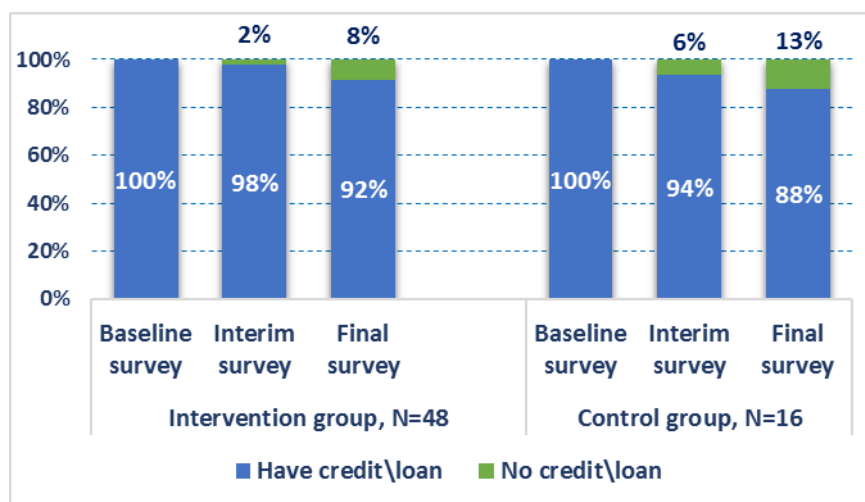


Figure 5.1.2. Presence of credit \ loan, KULYAB

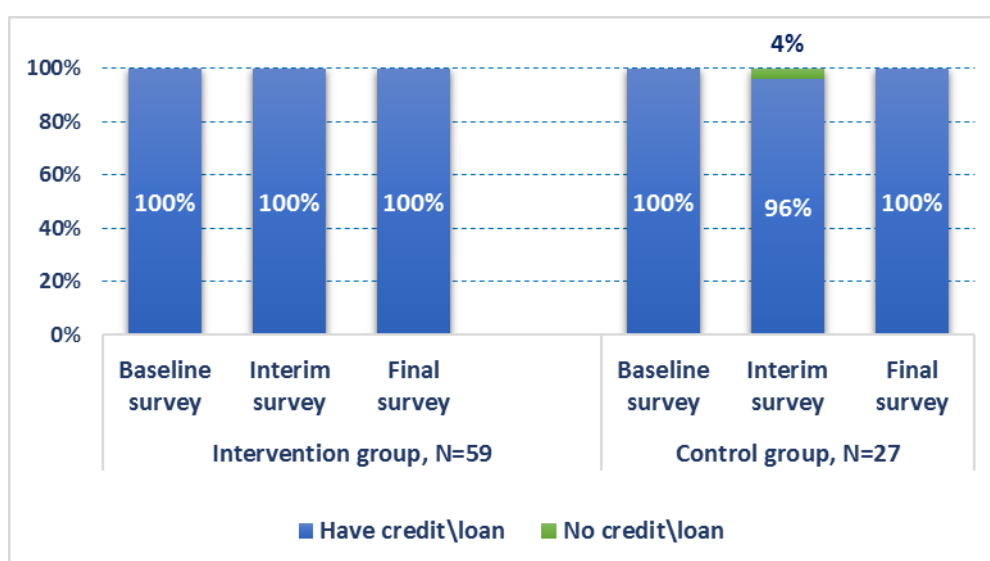


Figure 5.1.3. Presence of credit \ loan, KURGAN-TYUBE

If to consider the presence of credits\loans from the respondents in the second and third surveys in relation to the number of credits\loans, indicated in the first survey, then one can see a very interesting pattern – Table 5.1.1. This pattern is that respondents with the number of credit\loan more than 3 during the baseline survey left with their credit\loan until the final survey, i.e. they could not repay all their debts completely. Only some respondents, who have 1 or 2 credit\loans, could repay all their debts to the interim and final surveys.

In the intervention group, the 1,4% of respondents, who had 1 credit\loan, could repay their debts to the interim survey. In the final survey, 4,2% of respondents, who had 1 credit\loan in the first survey and 5,3% of respondents, who had 2 credits\loans during the first survey, could repay their debts.

In the **control group**, 5,6% of respondents among those, who indicated in the first survey that they have credit\loan, could repay their debts. These respondents took credit\loan again to the final survey. Other group of respondents (also 5,6%) in the control group repaid all their debts to the final survey.

Table 5.1.1. Presence of credit\loan from respondents in distribution by number of credits\loans the respondents had at the time of the first survey

Number of credits\loans in the baseline survey	Intervention group				Control group			
	N	Baseline survey	Interim survey	Final survey	N	Baseline survey	Interim survey	Final survey
1	71	Yes - 100%	Yes -98,6%	Yes - 94,4%	36	Yes - 100%	Yes - 94,4%	Yes -88,9%
				No - 4,2%				No - 5,6%
			No -1,4%	Yes - 1,4%				Yes - 5,6%
				No - 0%				No - 0%
2	19	Yes - 100%	Yes -100%	Yes -94,7%	4	Yes - 100%	Yes - 100%	Yes -100%
				No - 5,3%				No - 0%
			No - 0%	Yes - 0%				Yes - 0%
				No - 0%				No - 0%
3	7	Yes - 100%	Yes -100%	Yes -100%	3	Yes - 100%	Yes - 100%	Yes -100%
				No - 0%				No - 0%
			No - 0%	Yes - 0%				Yes - 0%
				No - 0%				No - 0%
4	5	Yes - 100%	Yes -100%	Yes -100%				
				No - 0%				
			No - 0%	Yes - 0%				
				No - 0%				
5 and more	5	Yes - 100%	Yes -100%	Yes -100%				
				No - 0%				
			No - 0%	Yes - 0%				
				No - 0%				
Total				N=107	Total			N=43

In the Table 5.1.2, there are given an information on changing the number of credits\loans of respondents from the baseline survey to the final survey. As one can see from the Tables 5.1.1 and 5.1.2, the number of credits in the control group of respondents reach maximum up to 3 credits\loans, while in the intervention group, there are even respondents with the number of credits\loans - 4, 5 and 8. However, as the table below shows, the most respondents (50%) with one credit\loan were observed during the baseline survey and this number remained the same up to the final survey. In addition, it should be noted that, in the baseline survey, there were 71% of respondents with one credit\loan, 15% - with two credits\loans, 7% - with three credits\loans and the rest had from 4 to 8 credits\loans. As it was already stated and was clearly demonstrated in Table 5.1.2, among all respondents, mostly those respondents repaid their debts, who had one credit\loan in the baseline survey.

Table 5.1.2. Change of number of credits to the second and third survey

Number of credits			Intervention group	Control group	% from all respondents
1 st survey	2 nd survey	3 rd survey			
1 credit\loan	No credit	1	1%	6%	2%
	1	No credit	3%	3%	2%
	1	1	70%	69%	50%
	1	2	4%	3%	3%
	1	3	1%	3%	1%
	1	4	1%	0%	1%
	2	No credit	1%	3%	1%
	2	1	8%	6%	5%
	2	2	1%	6%	2%
	3	1	3%	3%	2%
	4	1	1%	0%	1%
	5	2	1%	0%	1%
	6	1	1%	0%	1%
Total			100% (N=71)	100% (N=36)	71%
2 credits\loans	1	1	42%	50%	7%
	1	2	11%	0%	1%
	1	3	5%	0%	1%
	2	No credit	5%	0%	1%
	2	1	11%	50%	3%
	2	2	16%	0%	2%
	3	2	11%	0%	1%
Total			100% (N=19)	100% (N=4)	15%
3 credits\loans	1	1	14%	33%	1%
	1	2	14%	67%	2%
	2	6	14%	0%	1%
	3	1	29%	0%	1%
	3	2	14%	0%	1%
	4	5	14%	0%	1%
Total			100% (N=7)	100% (N=3)	7%
4 credits\loans	1	1	40%	0%	1%
	1	2	20%	0%	1%
	3	2	20%	0%	1%
	4	1	20%	0%	1%
Total			100% (N=5)	0% (N=0)	3%
5 credits\loans	1	1	25%	0%	1%
	2	4	25%	0%	1%
	3	2	25%	0%	1%
	5	1	25%	0%	1%
Total			100% (N=4)	0% (N=0)	3%
8 credits\loans	1	1	100%	0%	1%
Total			100% (N=1)	0% (N=0)	1%

Thus, 2% (1 respondent from intervention group and 2 respondents from control group) of all respondents had 1 credit\loan during the baseline survey and they repaid this debt in the second survey, but took another credit\loan. 2% (2 respondents from intervention group and 1 respondent from control group) of all respondents had credit\loan in the first and second surveys and they repaid all their debts in the third survey. Only 1% (1 respondent from intervention group and 1

respondent from control group) of all respondents had credit\loan in the baseline survey, and then they had 2 credits\loans in the second survey. In the third survey, they repaid all their debts.

However, if to look to the changes of number of credits (Figure 5.1.4), then the share of respondents, whose number of credits\loans decreased, in the intervention group, after 3 months was 21%, and after 6 months after baseline survey was 27%; in the control group – after 3 months the number of credits\loans decreased among 15% of respondents. Moreover, after 3 months yet (6 months after the baseline survey), their share reached 21%. In addition, it should be mentioned that the number of credits\loans of majority of respondents (64%) in the intervention group didn't change both in the second and in the third survey. The same situation is observed among respondents of the control group. The share of such respondents was 70%. As for respondents, whose number of credits\loans increased to the second\third survey, then their share has the tendency to decrease.

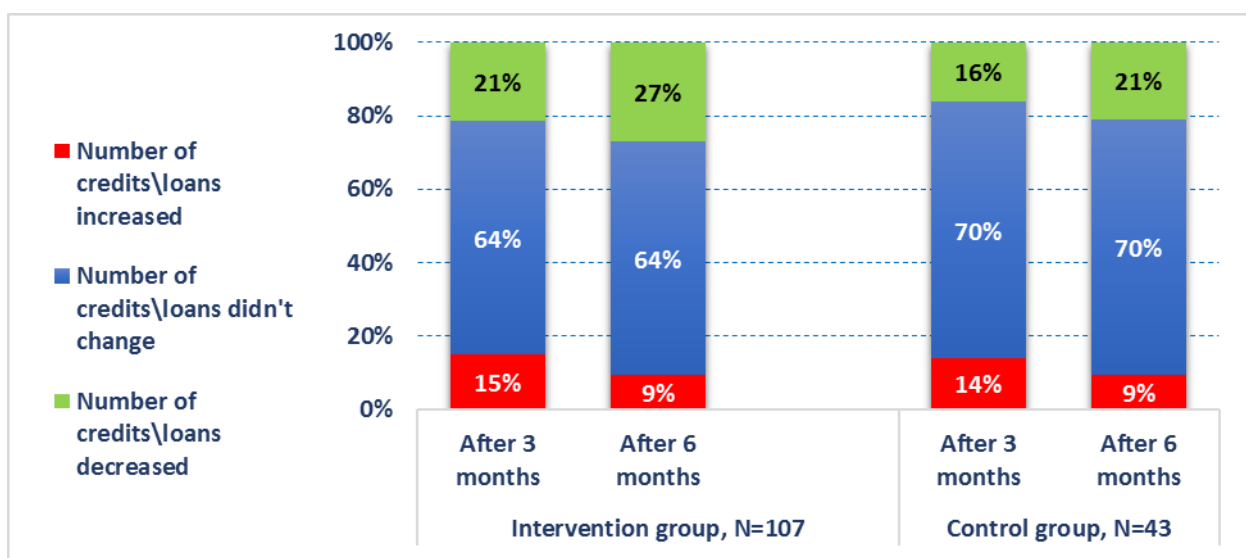


Figure 5.1.4. Change of number of credits\loans of borrowers in comparison with the primary number of credits (baseline survey)

At the course of the survey, it emerged that 63% of respondents during the first survey and 61% of respondents during the second and third survey didn't have arrears on payment of credits\loans. If to consider this question in the intervention group, then the share of respondents, who didn't have arrear on payment, was 57% in the baseline survey and was 56% in the interim survey and, in the final survey, it was 58%. That is to say, in the intervention group, the share of such respondents didn't change very much during 6 months of the survey. As for control group, the share of respondents, who didn't have arrear on payment, was 79% in the baseline survey and was 72% in the interim survey (7% less than baseline survey) and, in the final survey, it was 67% (12% less than in the baseline survey).

At the level of settlements, it should be mentioned that, in Kurgan-tyube zone, the share of respondents, who didn't have arrear on payment of debts, is much higher than in Kulyab zone. This tendency is observed both in the intervention and control groups in all three surveys. For example, in the final survey, the share of respondents of intervention group in Kurgan-tyube zone, who didn't have arrears on payment, was 78%, which is for 45% more than the similar indicator in Kulyab zone. The share of respondents of control group in Kurgan-tyube zone in the final survey, who didn't have arrear on payment of debts, was 89%, which is for 58% more than the similar indicator in Kulyab zone. The more detailed information on this question is given in Figures 5.1.5 and 5.1.6.

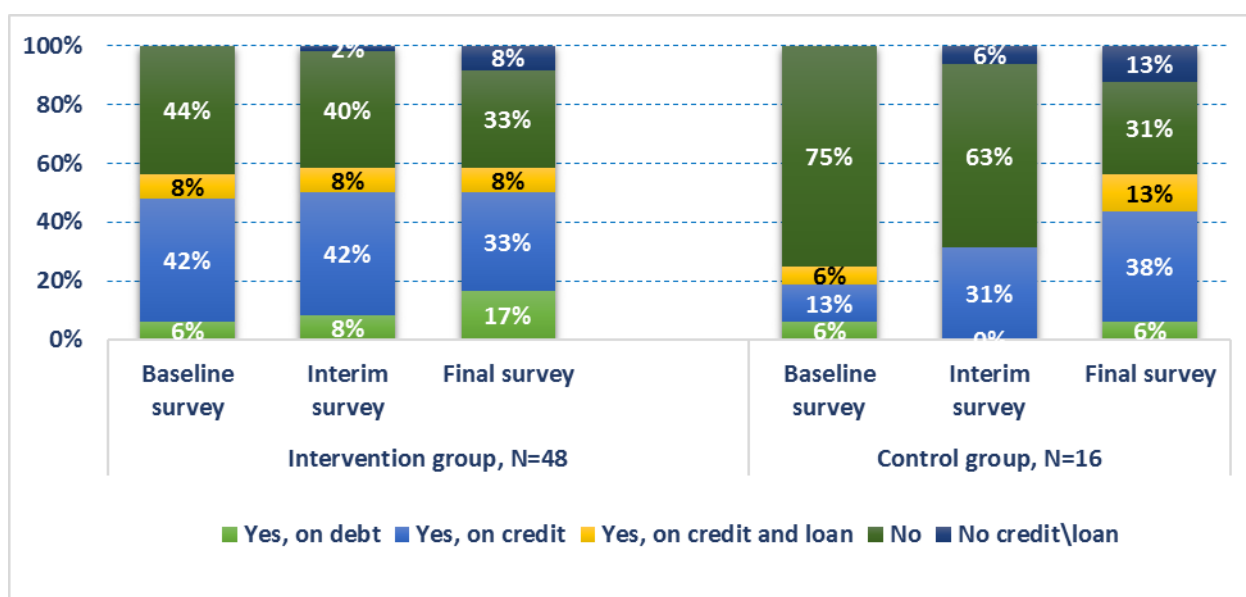


Figure 5.1.5. «Do you have arrear on payment of credit\loan?», KULYAB

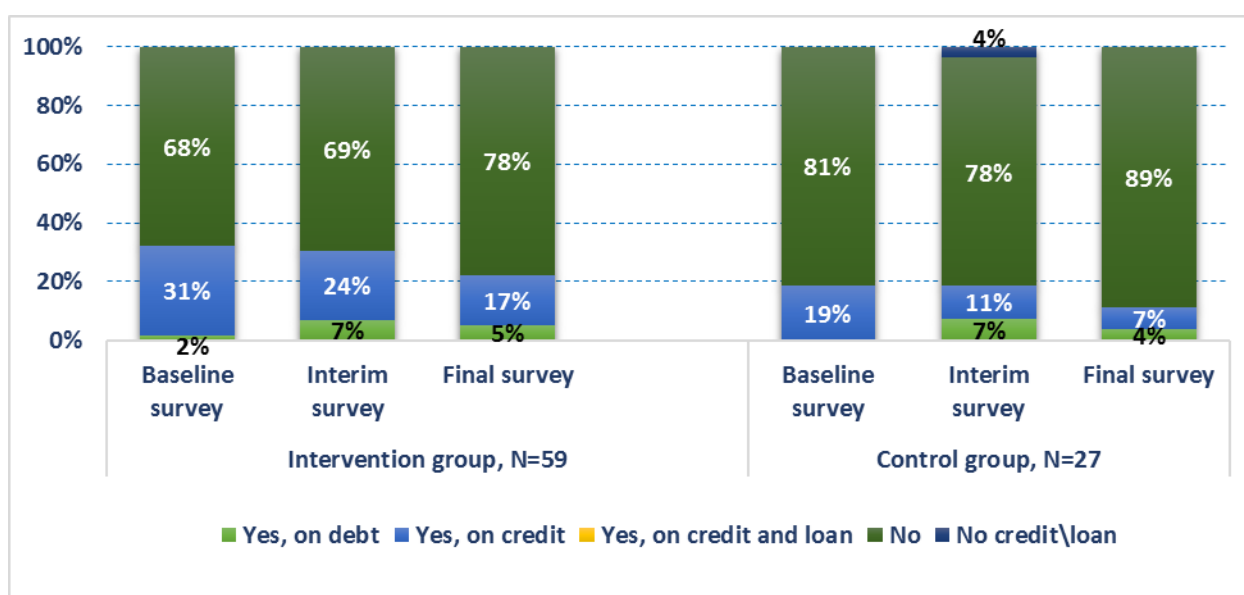


Figure 5.1.6. «Do you have arrear on payment of credit\loan?», KURGAN-TYUBE

At the course of the survey, the respondents also answered for the questions regarding relation of their credits\loans and debts of their HH members to the joint income of their household. As it turned out, the monthly HH income of majority of respondents (during first survey - 50%, during second - 53% and during third survey - 54%) is more than the payments on credits\loans. The monthly HH income of 13% of respondents during first survey, 21% of respondents during second survey and again 21% of respondents during third survey are equal to the payment of credits\loans. The payments of credits\loans, which are more (Slightly exceeding + significantly exceeding) than the monthly HH income, was observed among 37%, 23% and 21% during the first, second and third survey accordingly. If to consider this question at the level of **intervention group**, it should be mentioned that the share of respondents, whose monthly income is significantly lower than the payment of credits\loans, is sufficiently high: 28%, 18% and 16% during the first, second and third surveys accordingly.

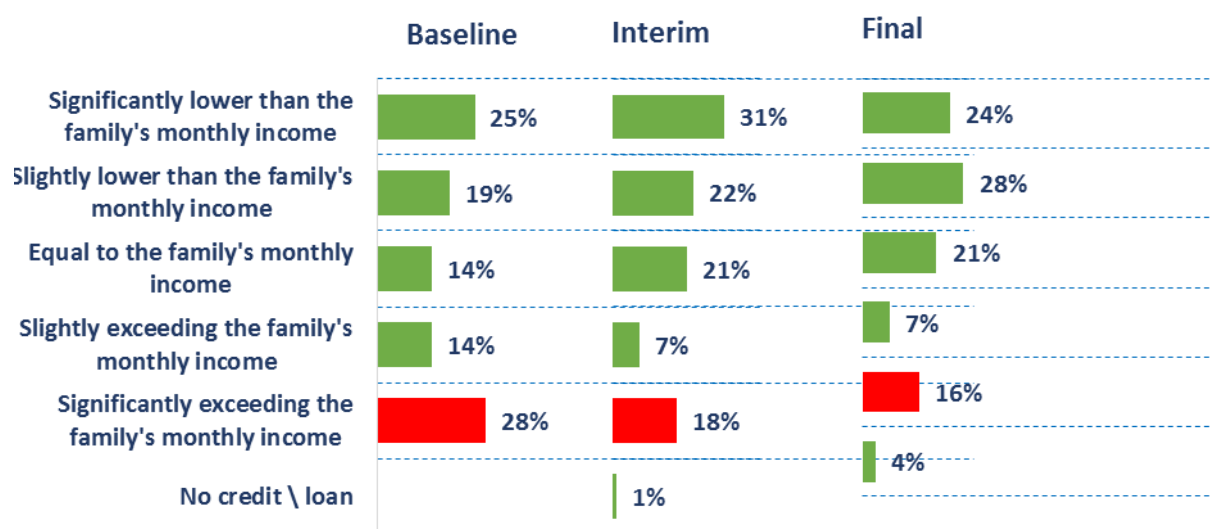


Figure 5.1.7. «Can you tell me, what amount the payments on your credit and debt and credit and debt of your HH members are equal to in one month?» Intervention group, N=107

In the **control group**, the share of such respondents is sensibly for 2-3 times less than in the intervention group: 9%, 12% and 9% during the first, second and third surveys accordingly.

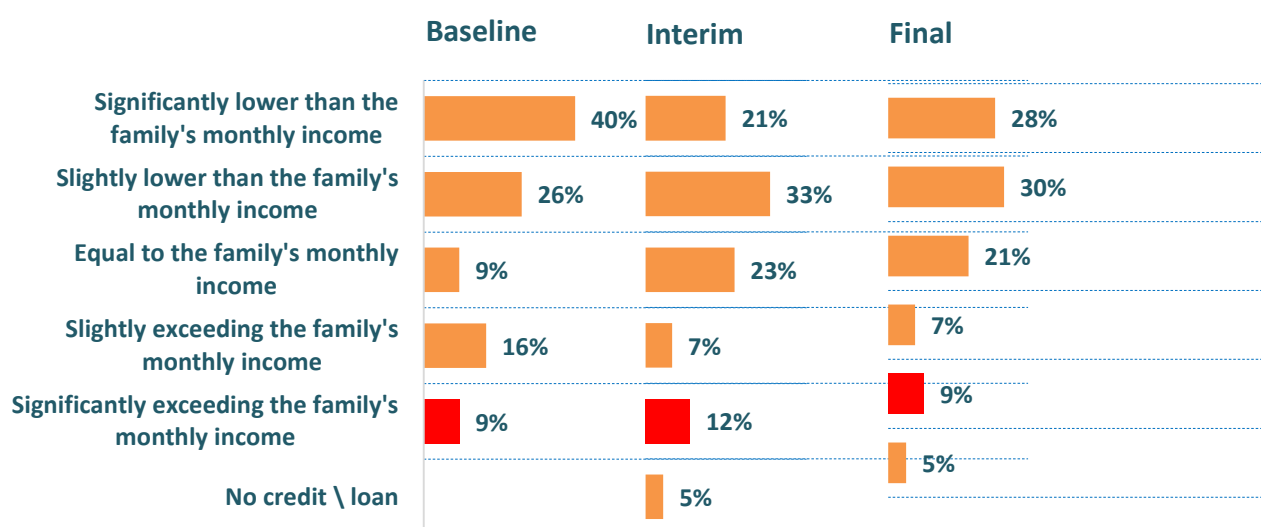


Figure 5.1.8. «Can you tell me, what amount the payments on your credit and debt and credit and debt of your HH members are equal to in one month?» Control group, N=43

Conclusions of section 5.2:

- Overall, if to consider the presence of credit in the intervention and control groups, then in both these groups, there are respondents during the second and third survey, who repaid all their debts, but their share is not too high (at the moment of final survey: in the intervention group – 4%, in the control group – 5%). That is to say, the impact of trainings to this indicator, as it can be seen, is not so strong.
- If to consider by the level of settlements, then, in Kulyab zone, there are more respondents to the end of survey (at the moment of final survey), who repaid their debts, than in Kurgan-tyube zone: in intervention group of Kulyab – 8%, in intervention group of Kurgan-tyube – no any respondent.
- Only some respondents, who had 1-2 credits\loans (in Kulyab – 1-2 credits\loans, in Kurgan-tyube – only respondents with one credit\loan) at the moment of the baseline survey, could repay all their debts to the final survey. No any respondent, who had more than 2 credits\loans at the moment of the survey, repaid their debts to the final survey.
- Among respondents, there were those, who had 1 credit\loan at the moment of the first survey, but they repaid them in the second survey and took another credit\loan in the final survey. There was one respondent in intervention group and 2 respondents in control group with such indicators.
- As for changes in number of credits at the end of 6 months, this indicator didn't change among the majority of respondents (64% in intervention group, 70% in control group). The decrease is observed only among 27% of respondents of intervention group and 21% of respondents of control group. The increase of number of credits\loans is observed among 9% of respondents in both intervention and control groups.
- The share of respondents, who had no arrear on payment of credits\loans, in intervention group, at the moment of the final survey, has increased to 1% in comparison with the baseline level and was 58%. However, in control group, this indicator decreased from 79% to 67% (for 12%).
- The share of respondents, whose payment on credits is significantly higher than their monthly income, in intervention group, decreased to the final survey for 12% in relation to the baseline level. There was no observations of changes in control group (it remained on the level of baseline survey – 9%).

5.2. EVALUATION OF CONSULTATIONS

After conducting consultations by experts of company «Fidokor», respondents (intervention group) evaluated the usefulness and understandability of conducted consultations. The evaluation was conducted 3 times – during the baseline, interim and final surveys. The evaluation of both usefulness and understandability of conducted consultations were implemented by using 5-grade scale, where:

- **Scale of usefulness:** 5. «Very useful», 4. «Useful», 3. «More or less useful», 2. «Not very useful» and 1. «Useless at all»
- **Scale of understandability:** 5. «Very audible », 4. «Audible», 3. «More or less audible», 2. «Not very audible» and 1. «Not audible at all».

As it turned out, the average score of usefulness of the consultations is on the level 3,47 points (baseline survey) – 3,79 points (final survey), which corresponds to the middle of the level «More or less useful» and «Useful». It should be mentioned that Kurgan-tyube respondents evaluated the usefulness of consultations higher than the Kulyab respondents did. In addition, it should be mentioned that this score has tendency to increase from baseline to final survey. For example, in interim survey, this score increased for 0,17 points in comparison with baseline survey and, in final survey, increased for 0,32 points in comparison with baseline survey. The change of average score at the level of Kulyab and Kurgan-tyube zones is look like the following:

- **In Kulyab zone:** the increase for 0,25 points in interim survey in comparison with baseline survey and increase for 0,46 points in final survey in comparison with baseline survey.
- **In Kurgan-tyube zone:** the increase of score for 0,06 points in interim survey in comparison with baseline survey and increase for 0,16 points in final survey in comparison with baseline survey.

Above given changes of score says that, in Kulyab, the score is significantly increased at the end of 6 months than in Kurgan-tyube. The more detailed distribution (percentage ratio) of answers of respondents for this question is given in Table 5.2.1.

Table 5.2.1. «How useful for you were the consultations conducted by the experts of company «Fidokor»?» 5-grade scale of evaluation

	Kulyab			Kurgan-tyube			Total (Intervention group)		
	Intervention group			Intervention group			Baseline survey, N=200	Interim survey, N=128	Final survey, N=107
	Baseline survey, n=100	Interim survey, n=59	Final survey, n=48	Baseline survey, n=100	Interim survey, n=69	Final survey, n=59			
Very useful	14%	17%	21%	29%	29%	19%	22%	23%	20%
Useful	27%	41%	46%	41%	45%	64%	34%	43%	56%
More or less useful	34%	22%	17%	16%	12%	12%	25%	16%	14%
Not very useful	12%	8%	8%	6%	9%	2%	9%	9%	5%
Useless at all	13%	12%	8%	8%	6%	3%	11%	9%	6%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%
Average score	3,17	3,42	3,63	3,77	3,83	3,93	3,47	3,64	3,79

As for the level of understandability of consultations, this level was evaluated by respondents slightly higher than the level of usefulness. In average, the score of understandability varied from 4,02 to 4,06 points, which corresponds to the good level of understandability of consultations. – Table 5.2.2. The

average score of understandability of consultations do not have exact tendency to increase, which was observed in evaluation of usefulness. The average score of understandability increased during the interim survey in comparison with baseline survey, and decreased in final survey:

- **In Kulyab zone:** the increase for 0,15 points in interim survey in comparison with baseline survey and decrease of score for -0,05 points in final survey in comparison with baseline survey.
- **In Kurgan-tyube zone:** the increase of score for 0,09 points in interim survey in comparison with baseline survey and decrease of score for -0,04 points in final survey in comparison with baseline survey.
- **In overall:** the increase of score for 0,12 points in interim survey in comparison with baseline survey and decrease of score for -0,04 points in final survey in comparison with baseline survey.

As seen, the tendency of how understandable evaluation of consultations to the increase in interim survey and to the decrease in final survey in comparison with baseline survey was observed also in Kulyab and Kurgan-tyube zones.

In addition, as for usefulness evaluation, the average score for understandability in Kurgan-tyube is slightly higher than in Kulyab.

Table 5.2.2. «How audible did the consultant of company «Fidokor» explain to you the theme of consultations?», 5-grade scale

	Kulyab			Kurgan-tyube			Total		
	Intervention group			Intervention group			Baseline survey, N=200	Interim survey, N=128	Final survey, N=107
	Baseline survey, n=100	Interim survey, n=59	Final survey, n=48	Baseline survey, n=100	Interim survey, n=69	Final survey, n=59			
Very audible	33%	29%	25%	32%	41%	24%	33%	35%	24%
Audible	41%	59%	54%	57%	49%	66%	49%	54%	61%
More or less audible	19%	8%	8%	6%	4%	8%	13%	6%	8%
Not very audible	4%	2%	13%	3%	4%	0%	4%	3%	6%
Not audible at all	3%	2%	0%	2%	1%	2%	3%	2%	1%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%
Average score	3,97	4,12	3,92	4,14	4,23	4,10	4,06	4,18	4,02

Besides the evaluation of conducted consultations by experts of company «Fidokor», the respondents also answered for the following question: *«What do you advice for improving the conduct of such consultations in future?»*.

Answers of respondents for this question were the following:

- **Kulyab zone:**
 - «It is necessary to organize such consultations more often» -12 people;
 - «These consultations are useless» - 7 people.
 - «The representative of bank has to participate in consultations» - 2 people.
 - «It is necessary to improve the quality of such consultations in future» - 2 people.
 - «The place of conducting of such consultations have to correspond to the weather» - 1 person.
 - «It is necessary to organize the program on TV about such subjects. At least once a month to show this program» - 1 person.

- **Kurgan-tyube zone:**
 - «It is necessary to organize such consultations more often» - 47 people;
 - «It is necessary to involve specialists, who have good economic education and know everything about credit» - 1 person.
 - «There is need of consultant, who knows Uzbek language» - 1 person.
 - «The representative of bank has to participate in consultations» - 1 person.
 - «It is necessary to explain everything wider and conduct it in different jamoats» - 1 person.

There were no other important wishes\suggestions from respondents, besides above mentioned.

Conclusion of section 5.2:

- Overall, respondents-participants accepted consultations positively. The majority of them wished that similar consultations would be conducted more often and wider (in various settlements).
- The level of conducted consultations in terms of understandability and usefulness in Kurgan-tyube zone was evaluated by respondents slightly higher than in Kulyab zone.
- The overall average score of consultation, if to consider the score for usefulness and score for understandability, was: in baseline survey – 3,76 points, in interim and final survey – 3,91 points. The overall average score of conducted consultations in all three surveys was 3,86 points, which corresponds to the good level.
- Based on wishes of participants of consultations, it would be good, if representatives of banks participate in some consultations. In addition, as one respondent indicated, the consultations have to be conducted in available language for participants (at this case - Uzbek).

5.3. KNOWLEDGE

5.3.1. Financial literacy

Financial literacy – is one of the most important factors of successful control of the budget and rational distribution of financial incomes and expenses.

This section examines the financial literacy of respondents by several directions. In addition, this section determines the overall (complex) indicator of financial literacy, which includes all answers of respondents on each question concerning the financial literacy, which was asked to the respondents at the course of interview.

For determining the level of financial literacy of respondents, there was asked the following range of questions to the respondents during the interview:

1. *«What do you think the term «Principal» means in credit agreement?»*
2. *«Is it necessary to do the following prior to signing the credit agreement:*
 - 1) *Read the credit payment schedule?*
 - 2) *Seek explanation from officers of credit institutions?*
 - 3) *Study the credit agreement thoroughly?*
 - 4) *Demand more time to make a final decision?*
 - 5) *Compare the terms and conditions of other microcredit institutions and choose the most preferred one?»*

There was only one right answer for each of above-mentioned questions.

For the first question about the meaning of the term «Principal» during the baseline survey, 39% of respondents gave right answer. In the interim survey, the share of respondents, who gave right answer, increased for 11% in comparison with baseline survey and was 50%. In the final survey, the share of respondents, who gave right answer, conversely, decreased for 7% in comparison with interim survey, but remained a little more (for 4%) than the share of respondents, who gave right answer in the baseline survey. In the final survey, the share of respondents, who gave right answer to this question, was 43%.

At the level of intervention and control groups, there is observed the overall tendency to increase of the share of respondents, who gave right answer, in the second survey, and decrease of share during the third survey (see table 5.3.1.). For example, in intervention group, in the interim survey, the share of respondents, who gave right answer, is for 14% more than in baseline survey, and, in the final survey, it is for 7% more than in baseline survey, but is for 7% lower than in interim survey. As for control group, in interim survey, the share of respondents, who gave right answer, is for 2% more than in baseline survey and, in the final survey, it is for 5% lower than in baseline survey and is for 7% lower than in interim survey.

Based on this, one can make conclusion that consultations were useful in this case, because the increase of share of respondents in intervention group, who gave right answer, virtually is high for two times than in control group during the interim survey. In addition, it should be mentioned that, in control group, the share of respondents, who gave right answer to this question during the final

survey, decreased in comparison with baseline survey, but, in intervention group, it conversely increased.

Table 5.3.1.1. «What do you think the term «Principal» means in credit agreement?»

	Intervention group, N=107			Control group, N=43		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Credit amount	36%	50%	43%	47%	49%	42%
Credit amount plus interest on credit	52%	47%	34%	42%	47%	42%
Credit amount plus interest on credit plus any amount of credit fee	12%	3%	23%	12%	5%	16%

At the level of settlements, in **Kulyab zone**, in **intervention group**, it clearly shows (See Table 5.3.1.2) that the share of respondents, who gave right answer, has the tendency to increase from baseline to the final survey (increase for 6% in interim survey in comparison with baseline survey and for 16% in final survey). In **control group** of Kulyab zone, there is observed increase for 6% in interim survey and decrease for 6% in comparison with baseline survey.

Kurgan-tyube. In interim survey, the share of respondents of intervention group, who gave right answer for this question, increased for 22% in comparison with baseline survey and in the final survey, it decreased up to the baseline level (31%). In control group of Kurgan-tyube zone, no any strong change was observed. In the final survey, this indicator decreased for 3% in comparison with baseline survey.

Table 5.3.1.2. «What do you think the term «Principal» means in credit agreement?»

		Intervention group, N=48			Control group, N=16		
		Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Kulyab	Credit amount	42%	48%	58%	50%	56%	44%
	Credit amount plus interest on credit	50%	52%	31%	44%	44%	38%
	Credit amount plus interest on credit plus any amount of credit fee	8%	0%	10%	6%	0%	19%
	Bcero	100%	100%	100%	100%	100%	100%
		N=59			N=27		
Kurgan-tyube	Credit amount	31%	53%	31%	44%	44%	41%
	Credit amount plus interest on credit	54%	42%	36%	41%	48%	44%
	Credit amount plus interest on credit plus any amount of credit fee	15%	5%	34%	15%	7%	15%
	Total	100%	100%	100%	100%	100%	100%

Based on answers for the second question («Is it necessary to do the following prior to signing the credit agreement: options 1-5»), respondents were divided by the level of knowledge to three groups:

1. High level – there were answered 4-5 right variants of the answer;
2. Average level – there were answered 2-3 right variants of the answer;
3. Low level – there was answered 1 right variant or no any right variants of the answer.

In Table 5.3.1.3., there are presented results of this division of respondents into groups by the level of answers for the second question. As seen, the level of majority of respondents (92% and more) in both intervention and control groups is high during the baseline survey. In the interim survey, the share of respondents with high level increased in both intervention and control groups. It should be mentioned that, in control group, in the second survey, this indicator reached 100% in both in Kulyab and Kurgan-tyube zones. In third survey, this indicator in Kulyab decreased in relation to the baseline level in both intervention (decreased for 9%) and control (decrease for 31%) groups. In Kurgan-tyube, the decrease of this indicator in comparison with baseline level was not observed.

Table 5.3.1.3. Understanding of what have to be done prior to signing the credit agreement, distribution by cities

		Intervention group			Control group		
		Kulyab, n=48	Kurgan- tyube, n=59	Total, N=107	Kulyab, n=16	Kurgan- tyube, n=27	Total, N=43
Baseline survey	Low level	0%	0%	0%	6%	0%	2%
	Average level	8%	5%	7%	0%	4%	2%
	High level	92%	95%	93%	94%	96%	95%
Interim survey	Low level	0%	0%	0%	0%	0%	0%
	Average level	2%	3%	3%	0%	0%	0%
	High level	98%	97%	97%	100%	100%	100%
Final survey	Low level	2%	0%	1%	6%	0%	2%
	Average level	15%	2%	7%	31%	0%	12%
	High level	83%	98%	92%	63%	100%	86%

If to consider all 5 articles of the second question by the average level of answered respondents during the all 3 surveys, then the first place will be given to the question «Read the credit payment schedule» and the fifth place will be given to the question «Demand more time to make the final decision»:

Is it necessary to do the following prior to signing the credit agreement:	Average level of respondents, who answered «Yes»
Read the credit payment schedule?	98%
Seek the explanation from the officers of credit institutions?	97%
Study the credit agreement thoroughly?	97%
Compare the terms and conditions of other microcredit institutions and choose the most preferred one?	94%
Demand more time to make a final decision?	89%

Based on the above-mentioned questions, there was compiled an aggregate indicator of financial literacy. As a results of answers for the first question and 5 articles for the second question on financial literacy, respondents were divided into 3 groups:

1. High level of financial literacy (answered correctly for the first question and to the all 5 articles of second question);
2. Average level of financial literacy (answered correctly for 4-5 from 6 questions. Sub-articles of second question are also considered as separate questions);
3. Low level of financial literacy (answered correctly for 4 from 6 questions. Sub-articles of second question are also considered as separate questions).

Results of this grouping are shown in Table 5.3.1.4. As seen in this Table, in **intervention group**, the share of respondents increased in second and third surveys in relation to the baseline level: for 16% and for 2% accordingly. There is mainly observed increase of financial literacy in Kurgan-tyube: in the second survey – for 25%, in the third survey – for 5% from the baseline level. In Kulyab, there is observed an increase of financial literacy for 5% in intervention group during the second survey. In the third survey, there was observed decrease for 2% in comparison with baseline level.

In **control group**, there is observed a decrease of this indicator in the second (for 2%) and in the third (for 7%) surveys in relation to the baseline level. It should be mentioned that, in Kurgan-tyube, there was not observed any changes on financial literacy among respondents in control group. In Kulyab, the level of financial literacy decreased in the second survey for 6% and in the final survey for 19% in comparison with baseline indicator.

Table 5.3.1.4. Level of financial literacy

		Intervention group			Control group		
		Kulyab, n=48	Kurgan-tyube, n=59	Total, N=107	Kulyab, n=16	Kurgan-tyube, n=27	Total, N=43
1 survey	Low level	6%	2%	4%	6%	4%	5%
	Average level	58%	75%	67%	44%	59%	53%
	High level	35%	24%	29%	50%	37%	42%
2 survey	Low level	0%	2%	1%	0%	0%	0%
	Average level	60%	49%	54%	56%	63%	60%
	High level	40%	49%	45%	44%	37%	40%
3 survey	Low level	10%	0%	5%	31%	0%	12%
	Average level	56%	71%	64%	38%	63%	53%
	High level	33%	29%	31%	31%	37%	35%

5.3.2. Determining incomes and expenses

Determining incomes and expenses is an integral part of the financial planning of each person. This section examines the degree of awareness of respondents about their monthly incomes and expenses (including for credit), as well as knowledge of respondents about their rights to the credit institutions; the ratio of expectations on size of payments with the real situation; change in the level of incomes during the survey.

As the results of the survey showed, in baseline survey, in the **intervention group**, the share of respondents, who can calculate their incomes and incomes of their HH with high accuracy, is on the level of 31%. This indicator didn't change in the intervention group during the interim survey and increased for 8% during the final survey (See Figure 5.3.2.1.).

As for respondents of **control group**, then among them, the level of respondents, who can calculate their expected incomes and expected incomes of their HH, is slightly higher (for 3%) than this indicator in the intervention group during the baseline survey and is much higher (19%) during the final survey (See Figure 5.3.2.2.).

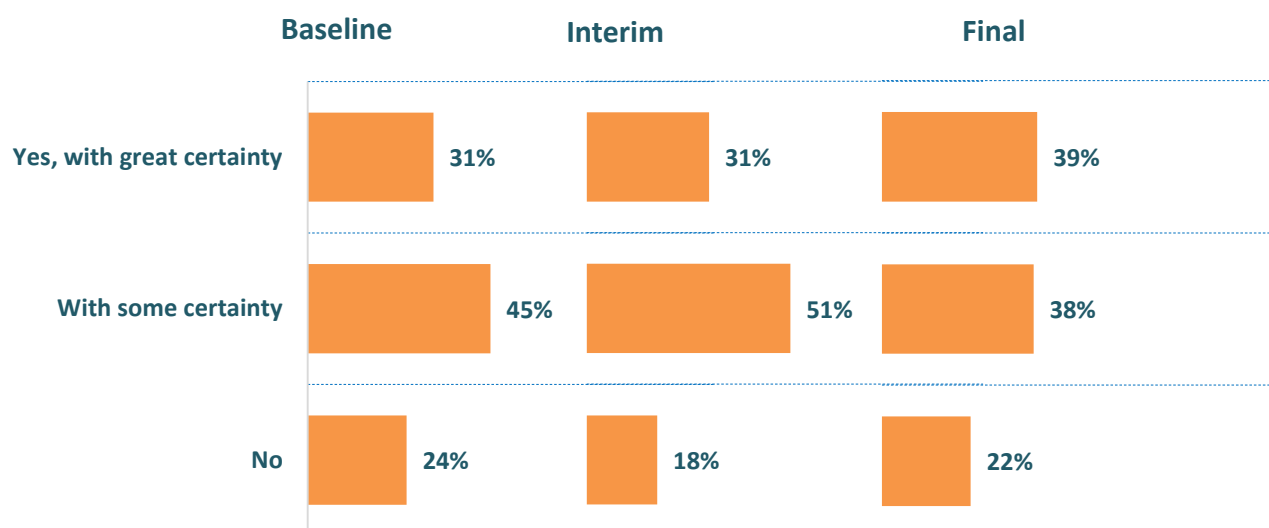


Figure 5.3.2.1. «Can you calculate the total income, which you and your HH expect to receive this month?», Intervention group, N=107

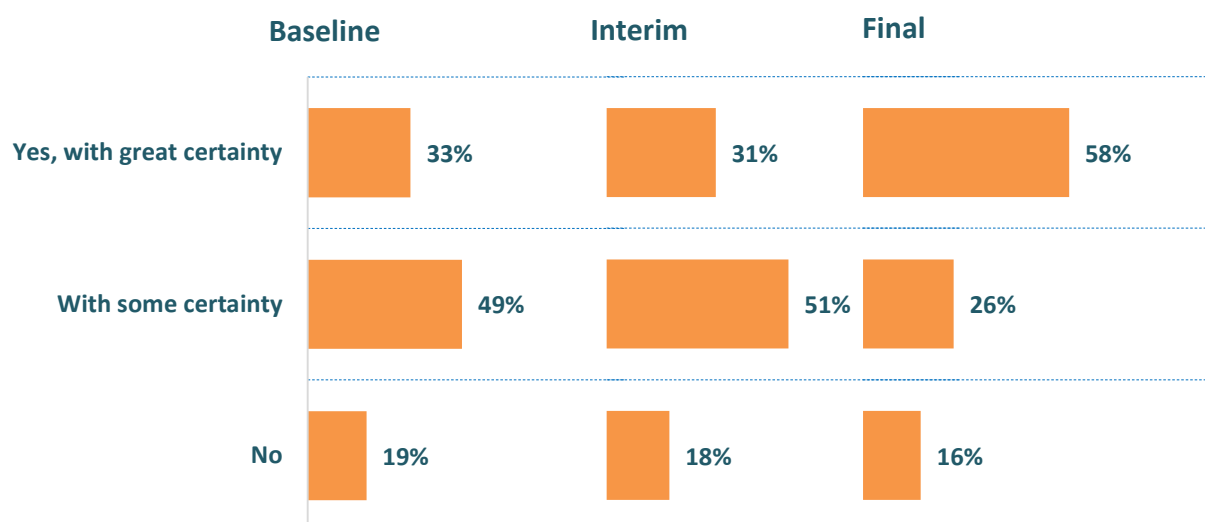


Figure 5.3.2.2. «Can you calculate the total income, which you and your HH expect to receive this month?», Control group, N=43

While considering this indicator at the level of settlements (Figures 5.3.2.3 – 5.3.2.4), it appears that, in **Kulyab**, in both intervention and control groups, there is observed a decrease of indicator in the second and third surveys: in intervention group of Kulyab, the share of respondents, who can calculate their expected incomes and expected incomes of their HH with high accuracy, decreased for 4% in the second survey and for 19% in the third survey in comparison with baseline survey. In control group of Kulyab, this indicator decreased in the second survey for 19% and in the third survey for 6% in comparison with baseline level.

As for **Kurgan-tyube**, this indicator significantly decreased in both intervention and control groups. In the third survey, in intervention group, this indicator increased for 31% and in control group for 67%.

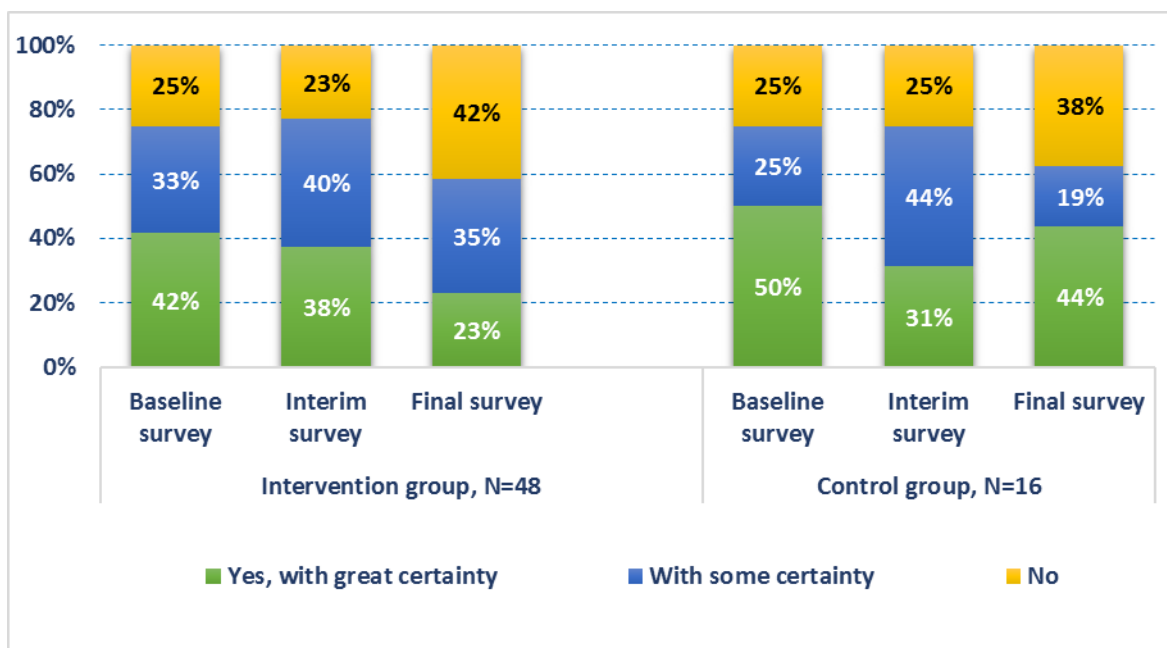


Figure 5.3.2.3. «Can you calculate the total income, which you and your HH expect to receive this month?», KULYAB

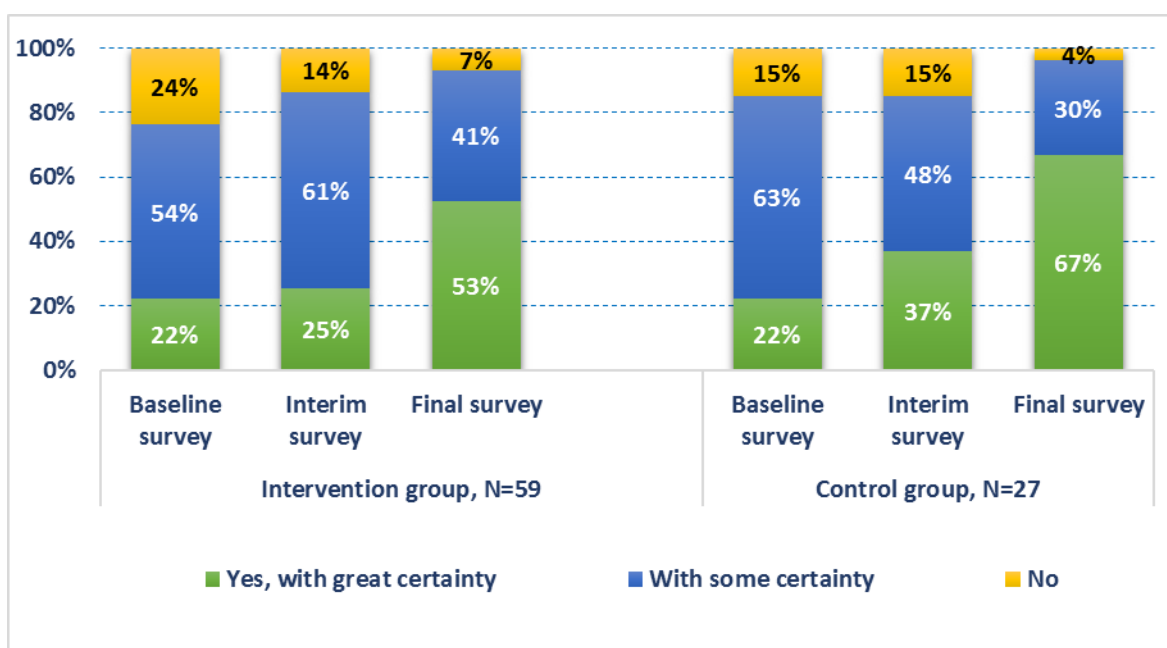


Figure 5.3.2.4. «Can you calculate the total income, which you and your HH expect to receive this month?», KURGAN-TYUBE

As for skills of respondents to calculate their expenses and expenses of their HH with the high accuracy, then, in this case, the tendency differs from the respondents' skills to calculate incomes (Figures 5.3.2.5 – 5.3.2.6). In both intervention and control groups, there is observed an increase of this indicator in second and third surveys. It should be mentioned that more significant increase was observed in control group. For example, in the second survey, this indicator increased for 5% in intervention group and for 21% in control group in comparison with baseline level and, in the third survey: in intervention group for 13% and in control group for 28%.

As for share of respondents, who can't calculate their own and their HH expected expenses, their share decrease in the second and third surveys in both intervention and control groups.

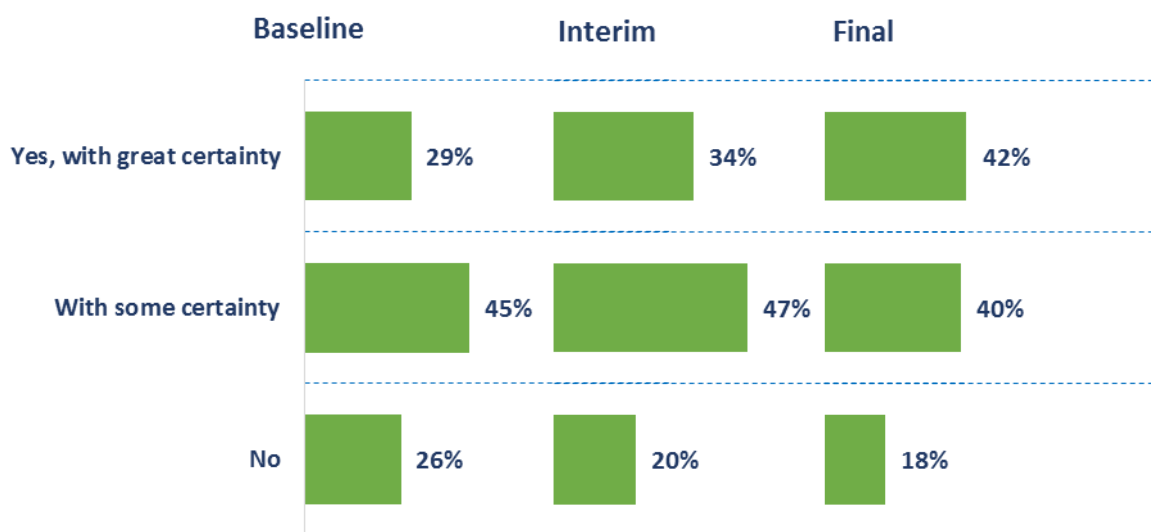


Figure 5.3.2.5. «Can you calculate the total expenses, which you and your household expect to pay out this month?» Intervention group, N=107

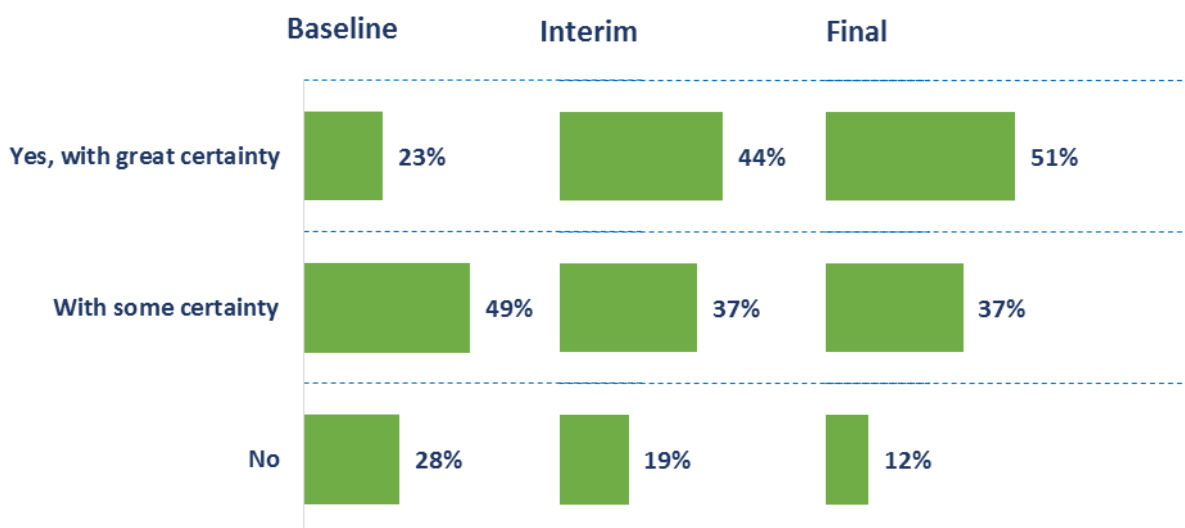


Figure 5.3.2.6. «Can you calculate the total expenses, which you and your household expect to pay out this month?» Control group, N=43

Let us consider this indicator at the level of settlements (Figures 5.3.2.7 - 5.3.2.8):

Kulyab. In intervention group, this indicator increased for 7% during the second survey and decreased for 2% during the third survey. In control group, there is observed a significant increase in the second and third surveys – for 32% and 50% accordingly. Most probably those, who were at the level «with some certainty» in the baseline survey, moved to the level «with great certainty».

Kurgan-tyube. In intervention group, there is observed the increase of indicator in the second and third surveys in relation to the baseline indicator: for 3% and 25% accordingly. In control group, this indicator increased (for 15%) in the second survey and remained at the same level in the final survey.

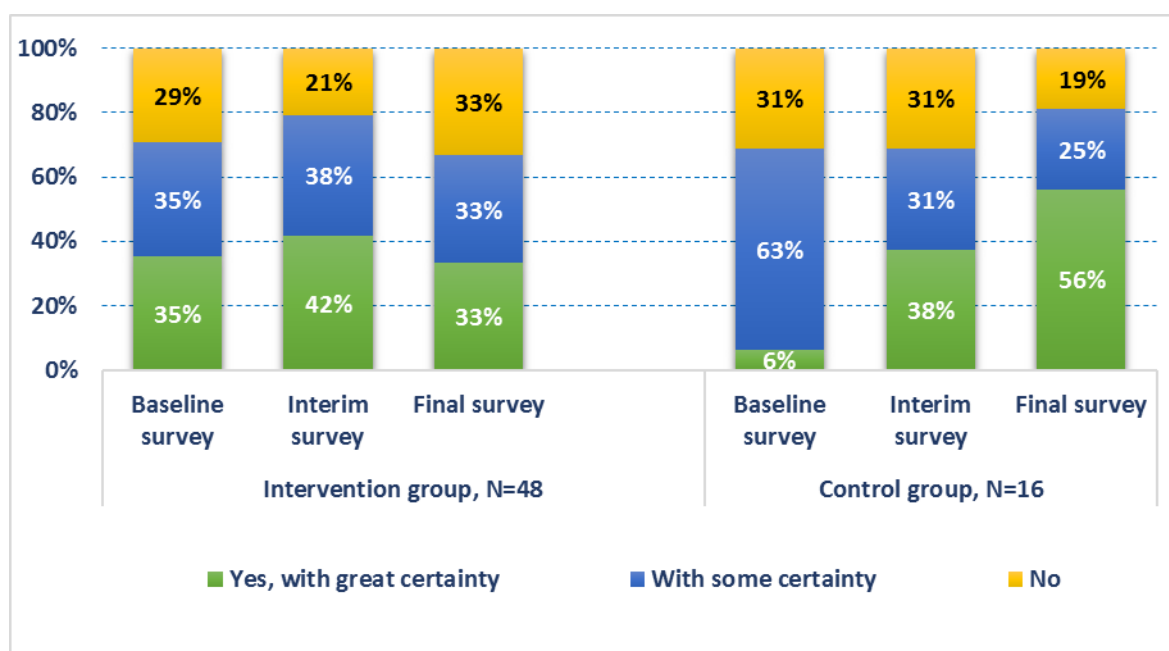


Figure 5.3.2.7. «Can you calculate the total expenses, which you and your HH expect to pay this month?», KULYAB

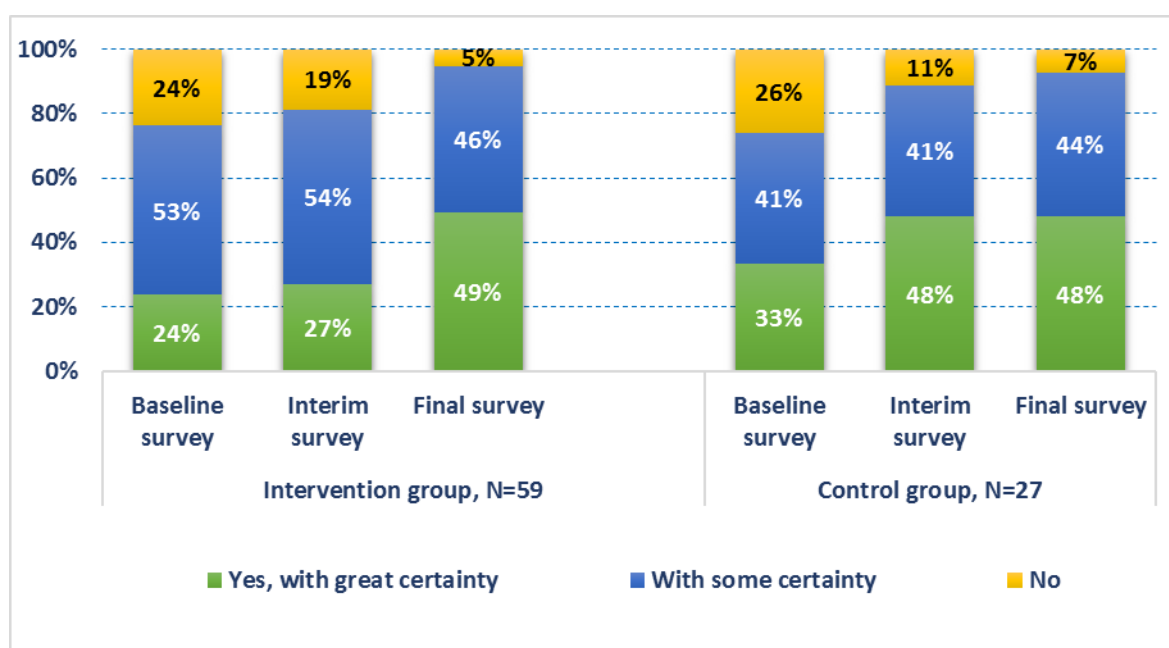


Figure 5.3.2.8. «Can you calculate the total expenses, which you and your HH expect to pay out this month?», KURGAN-TYUBE

The survey results also shows that the sufficiently high level of respondents, in both intervention and control groups, know the credit amount with great certainty, which they have to repay in the month of the survey (Figures 5.3.2.9 - 5.3.2.10). The share of those, who do not know the amount of repayment at the moment of the survey, was 11% and 5% in intervention and control groups accordingly. The share of those, who do not know the amount, decreased in the second survey. In **intervention group** for 9% in comparison with baseline level and in the third survey, it increased for 2% in comparison with the second survey (and decreased for 7% in comparison with baseline

survey). In **control group**, the respondents, who do not know the amount of payment at the moment of the survey, decreased in the second survey for 3% in comparison with baseline level and, in the third survey, there was no any respondent, who didn't know the amount of repayment on his/her own credit\loan.

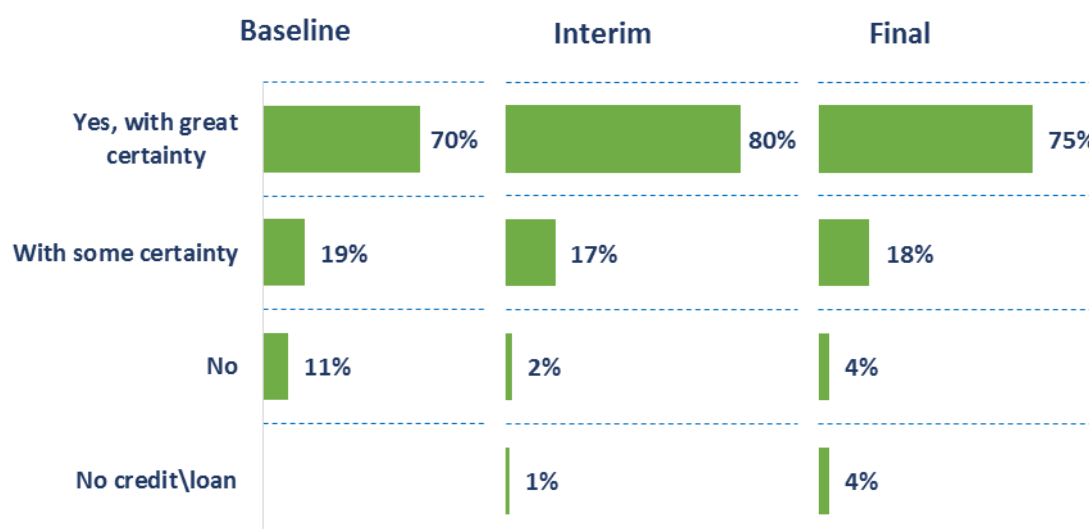


Figure 5.3.2.9. «Do you know the amount, which you have to repay on your private credits and debts this month?» Intervention group, N=107

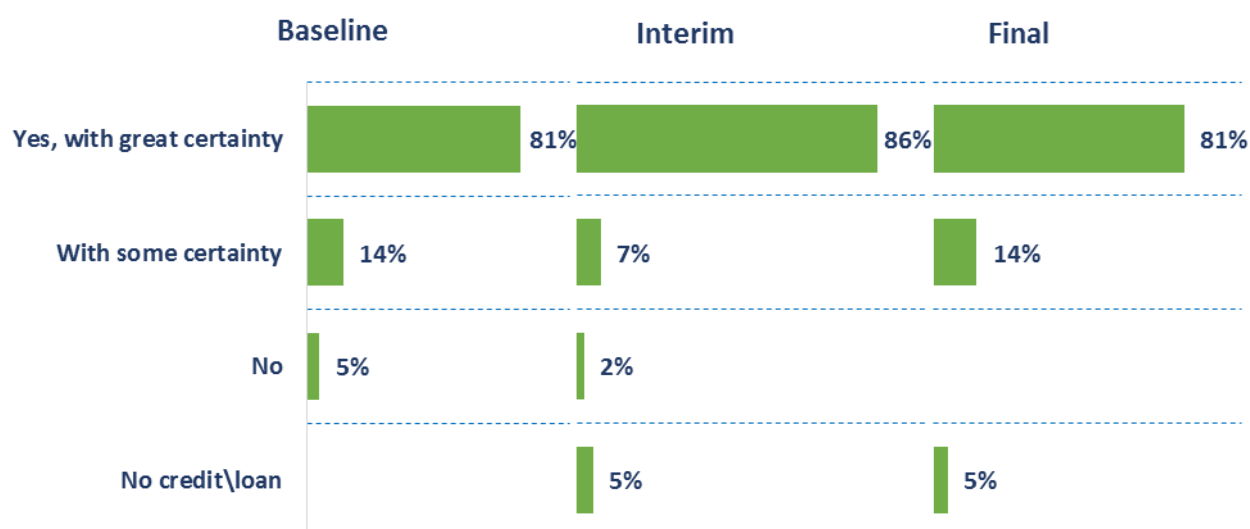


Figure 5.3.2.10. «Do you know the amount, which you have to repay on your private credits and debts this month?» Control group, N=43

Respondents were also asked question about the amount, which their HH (members of their HH) have to pay in month of conducting the survey. As expected, the significant share of respondents (23% in the intervention and 26% in the control group during the baseline survey) do not know the amount, which the members of their HH have to pay. It should be noted that, in intervention group, the share of such respondents decreased to the second and third surveys in relation to the baseline indicator (for 8% for 16% accordingly). In control group, the share of such respondents (who do not know the amount, which their HH members have to pay) didn't change to the second survey and, in

the third survey, it decreased for 12% in relation to the baseline survey (See Figures 5.3.2.11 – 5.3.2.12.).

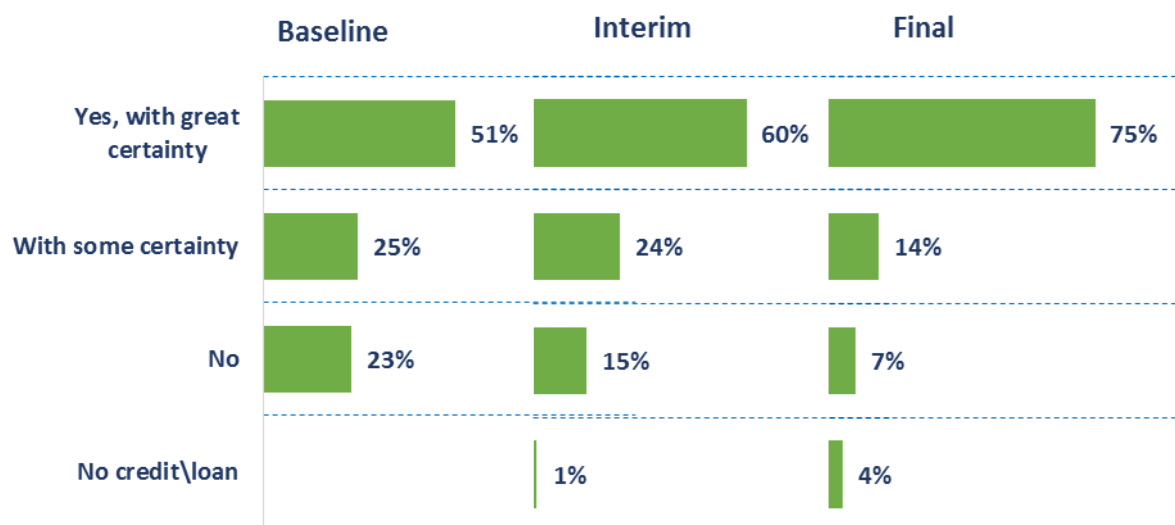


Figure 5.3.2.11. «Do you know the amount, which your HH have to pay on credits and debts this month?» Intervention group, N=107

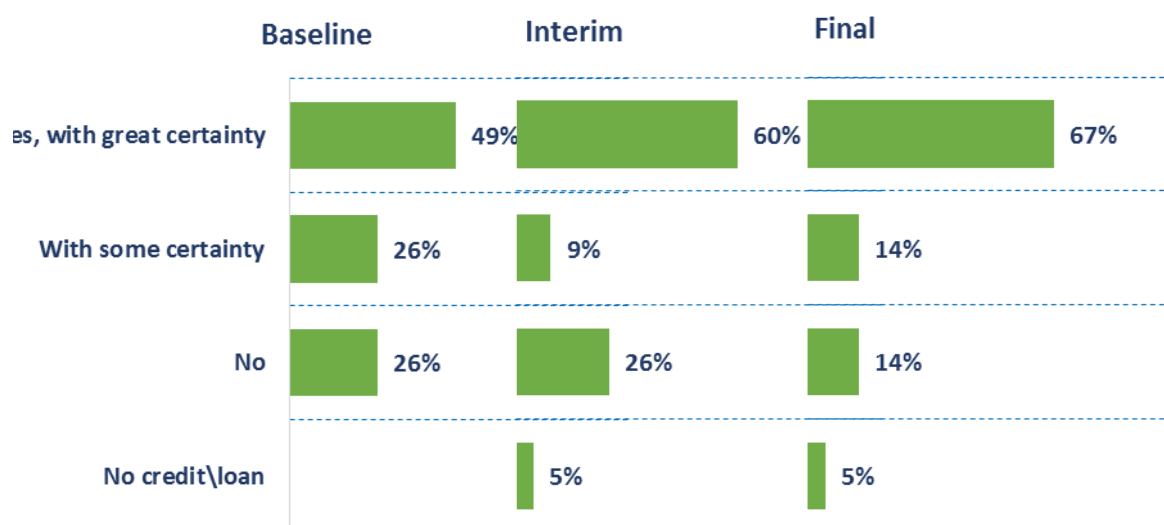


Figure 5.3.2.12. «Do you know the amount, which your HH have to pay on credits and debts this month?» Control group, N=43

Cross-analysis on questions about the amount of payment of debts by respondent and his/her HH members shows that, in **intervention group**, there is a sufficient high share of those, who knows, with the great certainty, the amount, which their HH members have to pay, and the amount, which they have to pay themselves (their share is on the level of 84%, 95% and 87% during the first, second and third surveys accordingly).

As for **control group**, the share of similar respondents is even higher (in the first and second surveys), than in intervention group. Only in the third survey, their share was 87%, which is equal to the similar indicator of the intervention group.

Table 5.3.2.1. «Do you know, how much do you have to repay on your private credits and debts this month?» X «Do you know, how much do your household have to repay on credits and debts this month?»

			Intervention group			Control group		
			Do you know, how much do your household have to repay on credits and debts this month?			Do you know, how much do your household have to repay on credits and debts this month?		
			Yes, with great certainty	With some certainty	No	Yes, with great certainty	With some certainty	No
Do you know, how much do you have to repay on your private credits and debts this month?	Baseline survey	Yes, with great certainty	84%	48%	64%	100%	64%	64%
		With some certainty	13%	37%	12%	0%	36%	18%
		No	4%	15%	24%	0%	0%	18%
		n	55	27	25	21	11	11
	Interim survey	Yes, with great certainty	95%	46%	81%	96%	50%	83%
		With some certainty	5%	50%	13%	4%	50%	8%
		No	0%	4%	6%	0%	0%	8%
		n	65	26	16	27	4	12
	Final survey	Yes, with great certainty	87%	31%	67%	87%	67%	86%
		With some certainty	12%	56%	11%	13%	33%	0%
		No	1%	13%	22%	0%	0%	14%
		n	82	16	9	30	6	7

On the Pictures 5.3.2.13 - 5.3.2.14, there is given an information on knowledge of respondents about their rights when interacting with a credit institution. The share of respondents, who think that they have right to demand the respite of their payments from credit institutions (bank, microfinance organization, credit union), in the baseline survey was 67% within the intervention group and 53% within the control group. This indicator increased to the second survey, in the intervention group, for 9% and, in the control group, for 24% in comparison with baseline level. In the third survey, there is observed the slight decrease of this indicator in both intervention and control groups (for 2% and 5% accordingly) in comparison with the second survey, but this indicator is still enough more than baseline indicator.

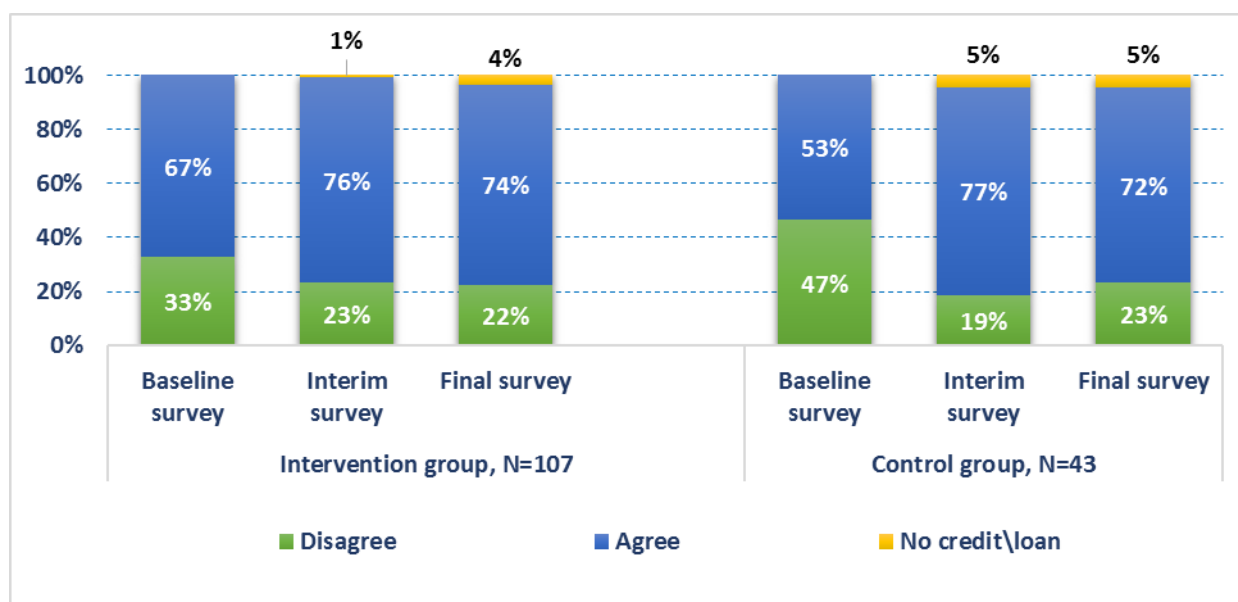


Figure 5.3.2.13. I have right to demand the respite of payments from my credit institution (bank, microfinance organization, credit union)

In the baseline survey, the share of respondents, who think that they have right to demand to restructure the debt from their credit institution, was at the level of 77% in intervention group and 65% in the control group. There is observed a decrease of this indicator in the **intervention group** to the second and third surveys (for 12% and 16% accordingly). In the **control group**, this indicator increased for 12% in the second survey in relation to the baseline level. Then it decreased for 5% in relation to the second survey, but remained higher than the baseline level (for 2%).

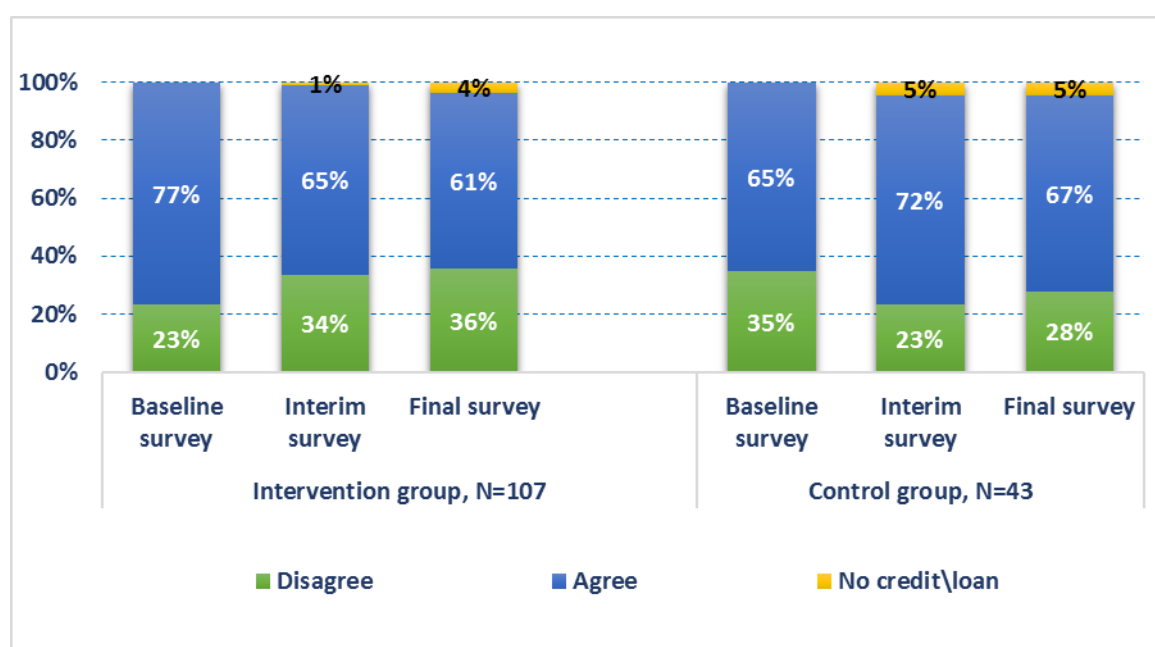


Figure 5.3.2.14. I have right to demand to restructure my debts from my credit organization (bank, microfinance organization, credit union)

In the **intervention group**, the share of respondents, who think that they have right to demand acquittal (fractional or complete) from their credit organization, have the tendency to decrease during the second and third surveys (for 2% and 5% accordingly) in comparison with the first survey. In the **control group**, this indicator also decreased to the second survey for 7% in relation to the baseline survey, but it increased to the third survey in relation to the second survey for 5%, but remained lower than the baseline level (for 2%).

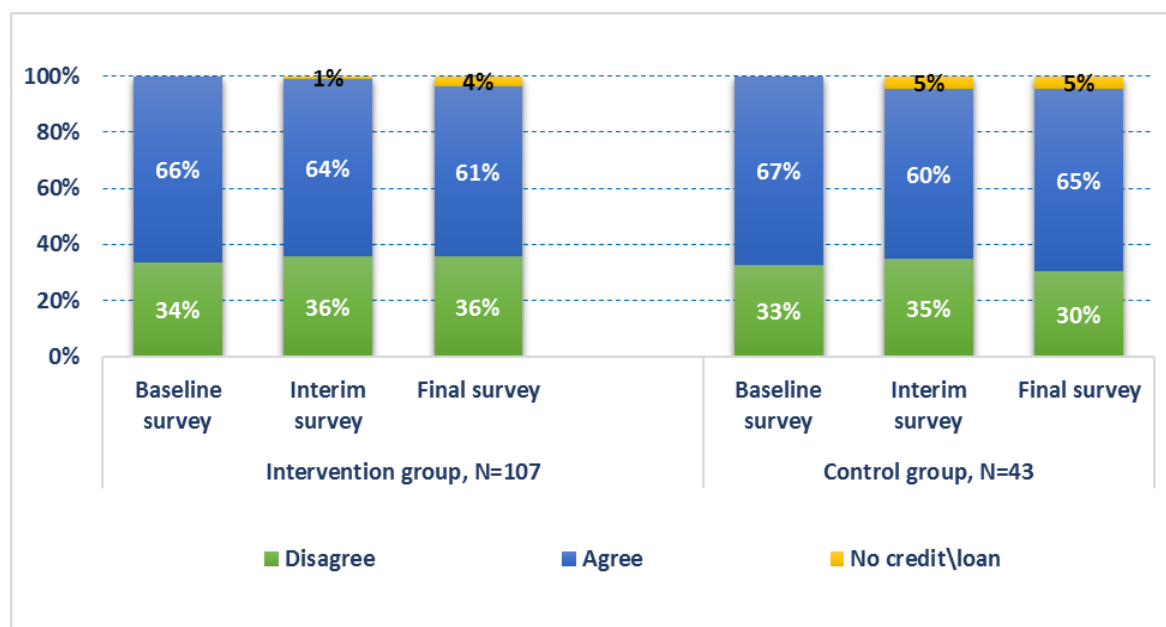


Figure 5.3.2.15. I have the right to demand acquittal (fractional or complete) from my credit institution (bank, micro finance organization, credit union)

On the pictures 5.3.2.16 and 5.3.2.17, there is given an information on answers of respondents regarding their rights for getting monthly statement and additional explanation to this statement. As it turned out, the sufficiently high share of respondents (more than 88%), in both intervention and control groups, think that they have to receive the similar statement on their debts. In the intervention group, the share of such respondents increased in the second survey for 4% and decreased for 3% in the third survey in relation to the baseline level. As for control group, the share of similar respondents decreased for 2% in the second and third surveys in comparison with baseline level.

The share respondents, who think that they also have to receive explanation (statement on amount of credit, number of payments, real interest rate, etc.) on received statement on their debts, is slightly lower than the share of respondents, who think that they have to receive the statement on their debt itself. In the baseline survey, the share of such respondents virtually is the same in both intervention and control groups (78% and 79% accordingly). In the second survey, the share of such respondents increased (in intervention group for 13% and in control group for 9%). In the final survey, there is observed a decrease of this indicator in relation to the second survey (in intervention group for 8% and control group for 4%), but the share of similar respondents in the third survey is higher than in baseline survey (in intervention group for 5% and control group for 5%).

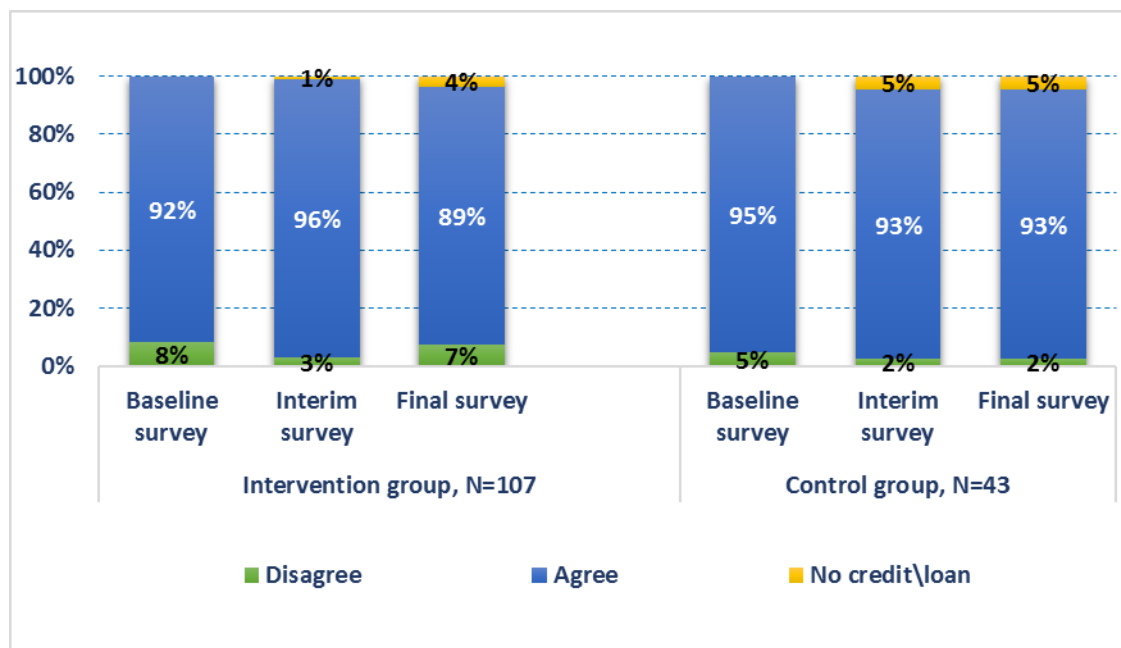


Figure 5.3.2.16. I have right to receive the monthly statement about my debt

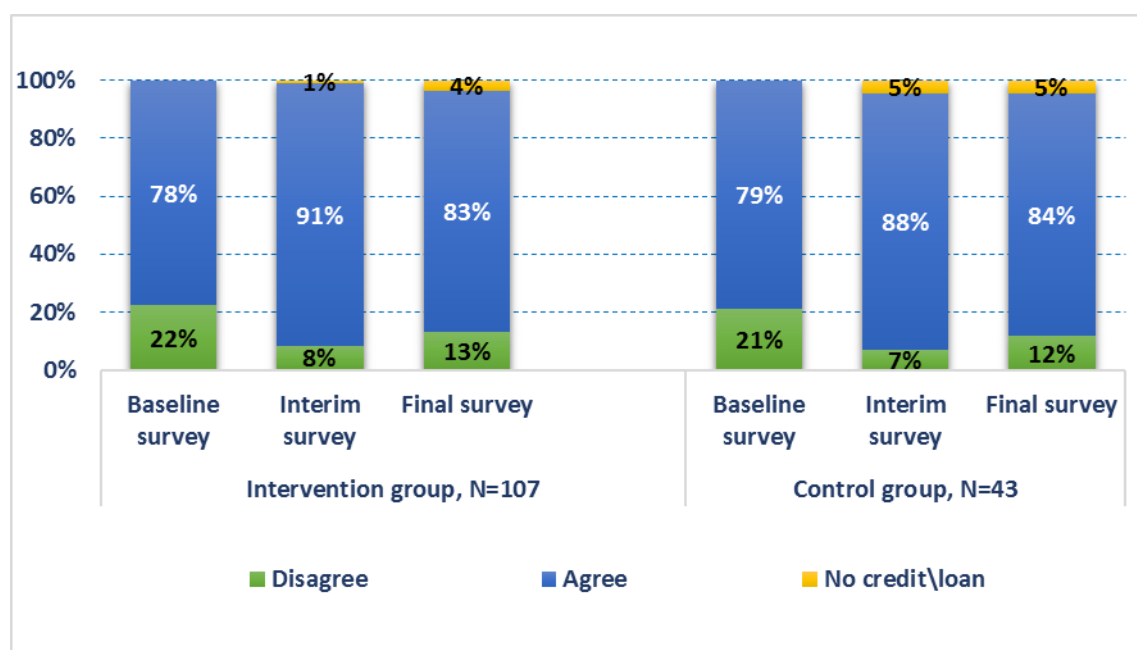


Figure 5.3.2.17. I have right to receive the explanation on this statement (explanation about credit amount, number of payments, real interest rate, etc.)

In addition, within the survey, there was determined a share of respondents, who think that they have right to make complaints. This question was given for determining the nature of borrowers\ their ability to make the complaint. It emerged that, in the final survey, the share of respondents, who are ready to make the complaint in the intervention group, was 61%, which is for 9% lower than in the baseline survey. As for control group, the share of similar respondents (who are ready to make

the complaint) have tendency to increase from first to the third survey. In the third survey, the share of such respondents was 81%, which is for 11% more than this indicator in the baseline survey.

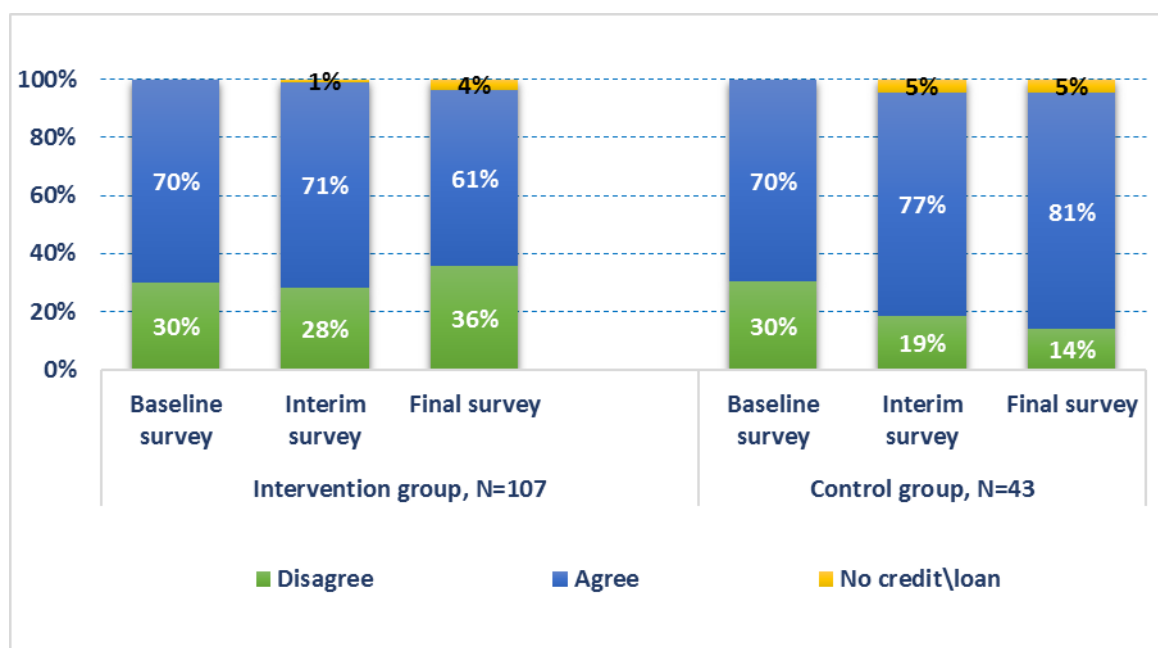
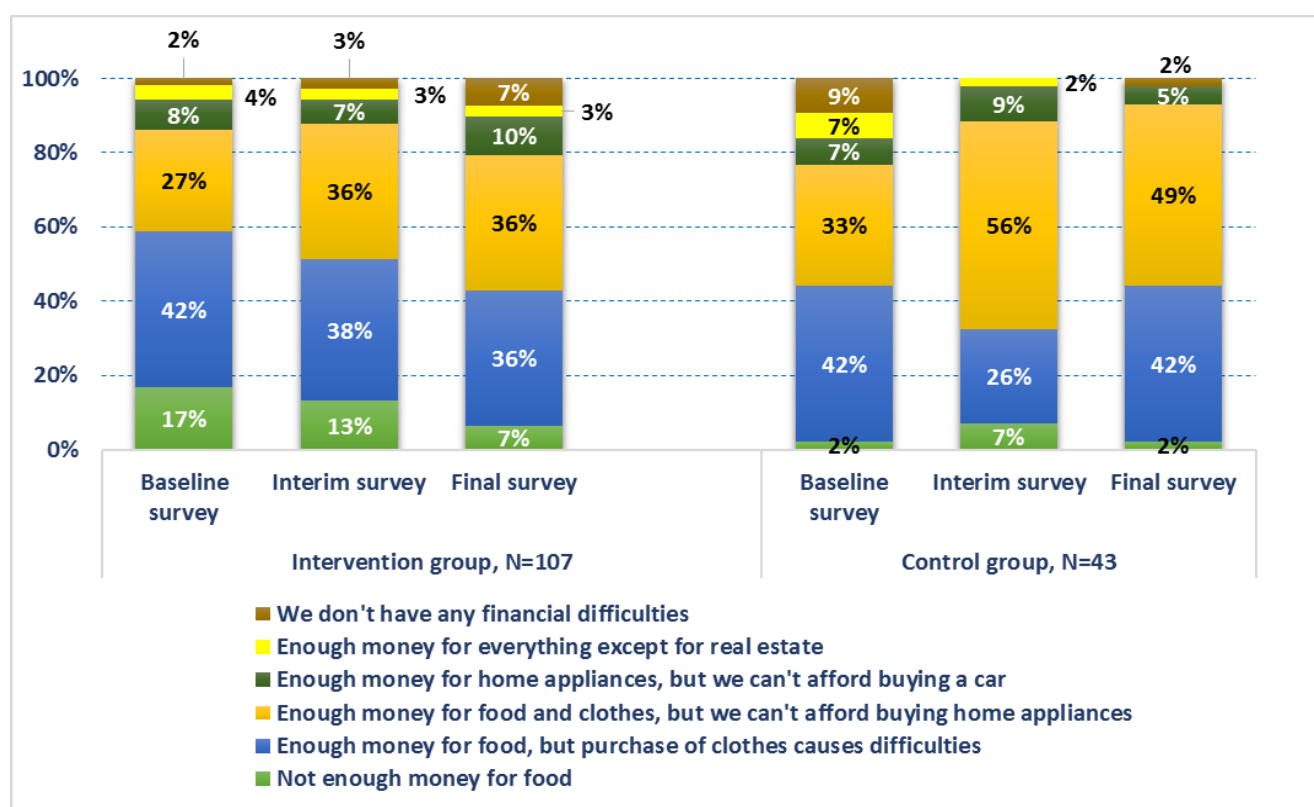


Figure 5.3.2.18. I have right to make a complaint

Within the survey, there was also evaluated the financial standing of the respondents. This evaluation is subjective, because each respondent evaluated his/her financial situation himself/herself. As turned out, the financial standing of 7% of intervention group's respondents and 2% of control group's respondents was in a very low level during the final survey (not enough money for food). It should be mentioned that, in the final survey, the number of respondents, who don't have financial difficulties, is at the same level as the respondents, who don't have enough money for food.



5.3.2.19. Please, evaluate figure the financial standing of your family.

During the analysis, the financial standing of respondents at the moment of second and third surveys was compared with the financial standing during the baseline survey. It emerged that the financial standing of majority of respondents in both intervention and control groups didn't change. Improvement of financial standing is observed among 18% of respondents in the intervention group during the final survey and 40% of respondents of control group in comparison with 6 months until the final survey (during first survey).

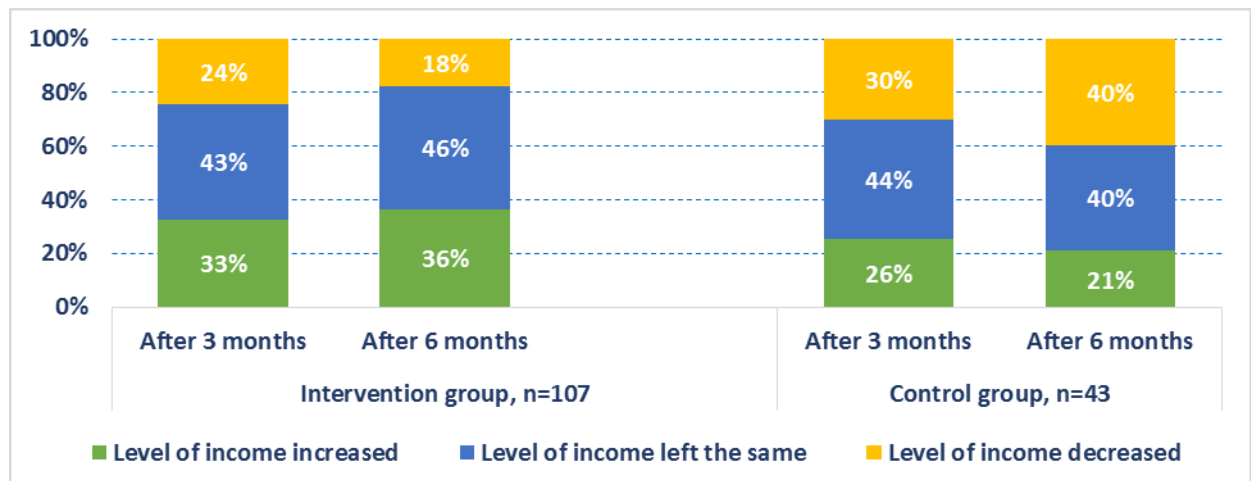


Figure 5.3.2.20. Change of income level in comparison with level, indicated in the baseline survey

Conclusions of section 5.3:

- The high level of financial literacy in intervention group, which was determined based on six questions (first question was about the principal of the credit, the rest 5 were about what have to be done prior to signing the credit agreement), increased to the second survey for 16% in relation to the baseline survey, but it decreased to the final survey for 14% in relation to the second survey, but remained for 2% more than in the baseline survey. This may indicate about the short-term effect (3-4 months) of conducted trainings and about the gradual decrease of this effect after 4 months. In the control group, this indicator, conversely, decreased for 7% to the final survey in comparison with baseline survey.
- In the intervention group, the share of respondents, who could not calculate the total income, which their HH expected to receive in the month of the survey, decreased for 24% during the baseline survey and up to 22% to the final survey (for 2%). In the control group, it decreased for 3% (from 19% to 16%).
- The share of respondents, who could not calculate the expected incomes (their own and their HH members), decreased for 8% in the intervention group (from 26% to 18%) and for 16% in the control group to the final survey in comparison with the baseline survey.
- The level of respondents, who indicated that they have right for receiving statement on credit\loan, in the final survey, decreased in both intervention and control groups (for 3% and 2% accordingly) in comparison with baseline level. Increase of this level is observed only in the second survey in intervention group (for 4%). As for share of respondents, who also think that they also have to receive explanation about this statement, it increased in the final survey from 78% to 83% (for 5%) in intervention group and from 79% to 84% (for 5%) in control group.
- The share of respondents, who are ready to make a complaint, decreased in the intervention group for 9% (from 70% to 61%) and, in the control group, it, conversely, increased for 11% (from 70% to 81%) to the final survey in comparison with baseline survey.

5.4. PERCEPTION

This section examines the perception of borrowers, who have problems with payment of debts, on feasibility of their credits, level of certainty of repayment, their attitude to financial planning.

As the survey results shows, the share of respondents in the baseline survey, who are sure (mostly sure and absolutely sure) that they keep their collateral property, was 62% in the **intervention group** and 77% in the **control group**. To the second survey, their share was 71% in the **intervention group**, which is for 9% more than in the baseline indicator, and was 69% in the **control group**, which is for 8% lower than in the baseline level. To the final survey, the share of these respondents, in the **intervention group**, increased for 7% in comparison with second survey and was 78%. In the **control group**, their share to the third survey was 90%, which is for 21% more of this indicator than in the second survey and it is for 13% more than in the baseline survey. In addition, it should be mentioned that the share of respondents in intervention group, who are absolutely sure that they keep their collateral property, has tendency to decrease and to the third survey, it reached 2%, which is for 11% lower than in the baseline survey.

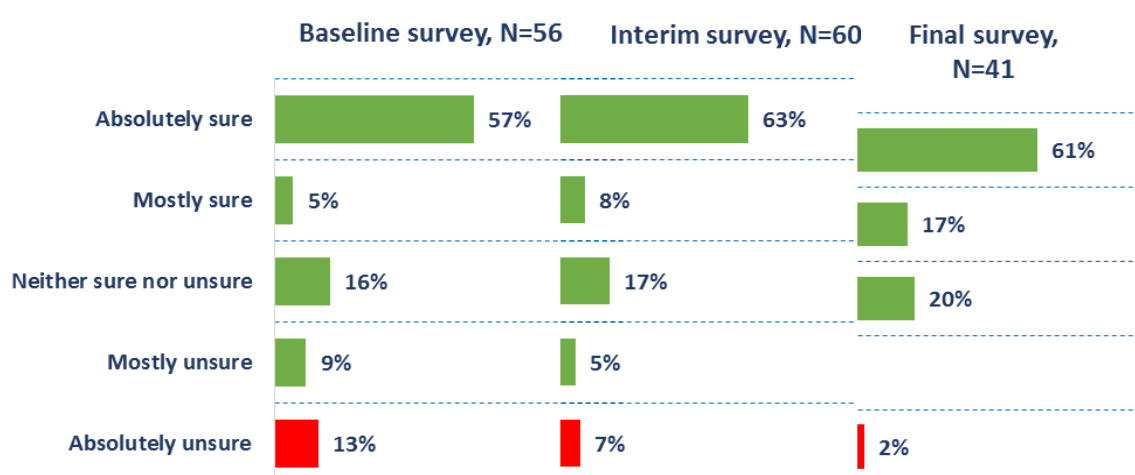


Figure 5.4.1. «How confident you are that you keep your collateral property (financial institution do not take it as a payment for credit)?», Intervention

In the control group, the share of respondents, who are not absolutely sure, increased for 13% to the second survey. In the third survey, such respondents didn't exist.

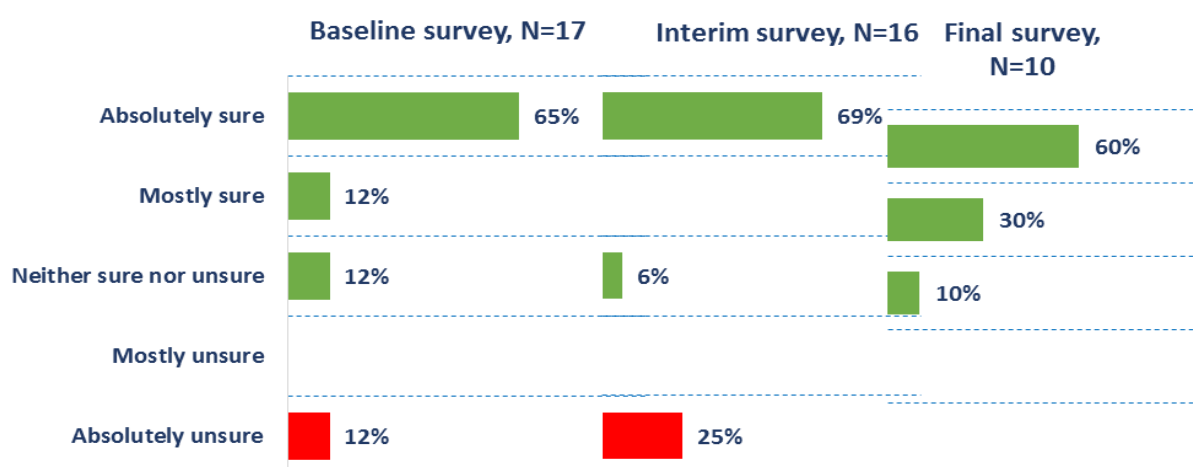


Figure 5.4.2. «How confident you are that you keep your collateral property (financial institution do not take it as a payment for credit)?», Control group

As for **Kulyab** respondents, who are sure (mostly sure and absolutely sure) that they keep their collateral property, their share during the baseline survey was 58% in the intervention group and 80% in the control group. In the second survey, their share was 64% in the intervention group, which is for 6% more than in the baseline indicator. In the control group, their share was 64%, which is for 16% less than in the baseline level. In the third survey, the share of these respondents in the **intervention group** increases for 8% in comparison with second survey and was 72%. In the control group, their share to the third survey was 86%, which is for 22% more than in the second survey and is for 6% more than the baseline level. In addition, it should be mentioned that the share of Kulyab respondents in the intervention group, who are absolutely not sure that they keep their collateral property, has the tendency to decrease. In the third survey, such respondents were not observed.

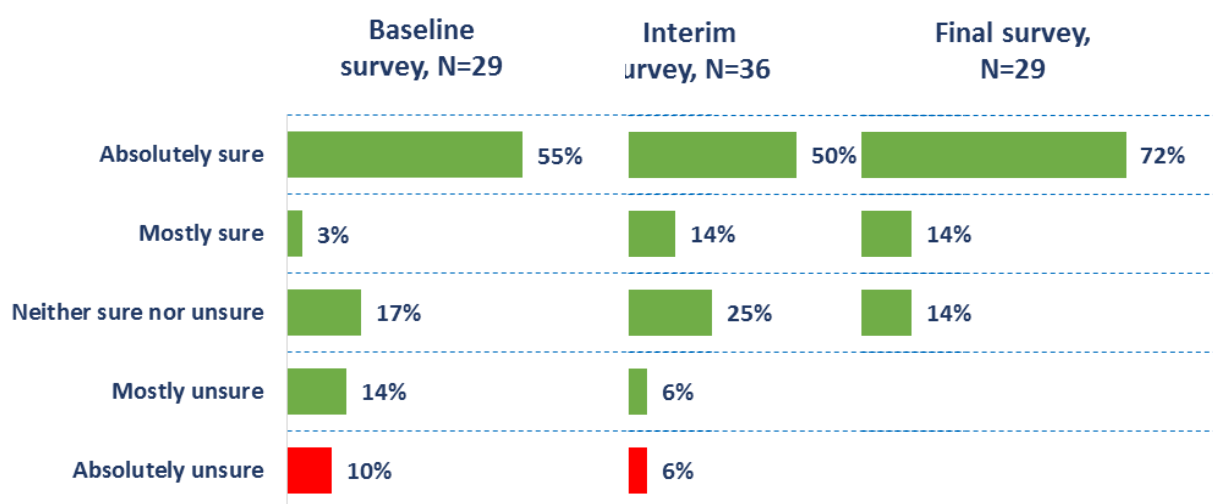


Figure 5.4.3. «How confident you are that you keep your collateral property (financial institution do not take it as a payment for credit?», Intervention group, KULYAB

In the control group of Kulyab, the share of respondents, who are absolutely not sure, increased for 7% to the second survey. In the third survey, such respondents didn't not exist among the control group of Kulyab.

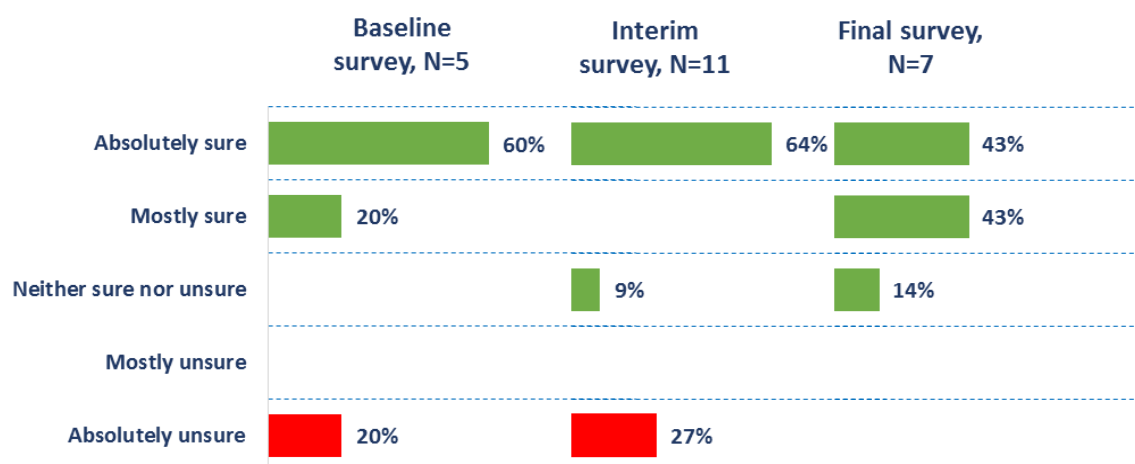


Figure 5.4.4. «How confident you are that you keep your collateral property (financial institution do not take it as a payment for credit?», Control group, KULYAB

The share of **Kurgan-tyube** respondents, who are sure (mostly sure and absolutely sure) that they keep their collateral property, in the baseline survey was 66% in the intervention group and 75% in the control group. To the second survey, their share in the intervention group was 83%, which is for 17% more than in the baseline survey. In the control group, their share was 80%, which is for 13% more than in the baseline survey. To the third survey, the share of these respondents in the intervention group in Kurgan-tyube zone decreased for 25% in comparison with the second survey and was 58%. In the control group, their share to the third survey was 100%, which is for 20% more than in the second survey and is for 33% more than in the baseline survey. In addition, it should be mentioned that the share of respondents, who are not sure that they keep their collateral property, in the intervention group of Kurgan-tyube has the tendency to decrease and to the second and third surveys was 8%, which is for 7% less than in the baseline indicator.

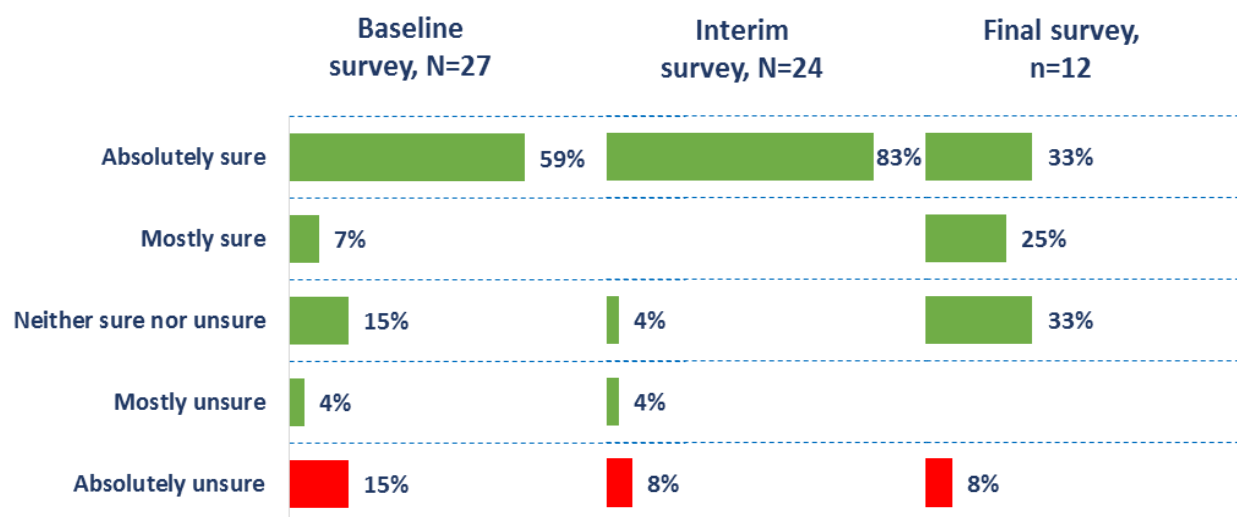


Figure 5.4.5. «How sure are you that you will keep your collateral property (financial institution will not take it as a repayment of the debt)?», Intervention group, KURGAN-TYUBE

In the control group of Kurgan-tyube, the share of respondents, who are absolutely not sure, has the similar tendency as in Kulyab – increase in the second survey and no any not sure respondent in the third survey.

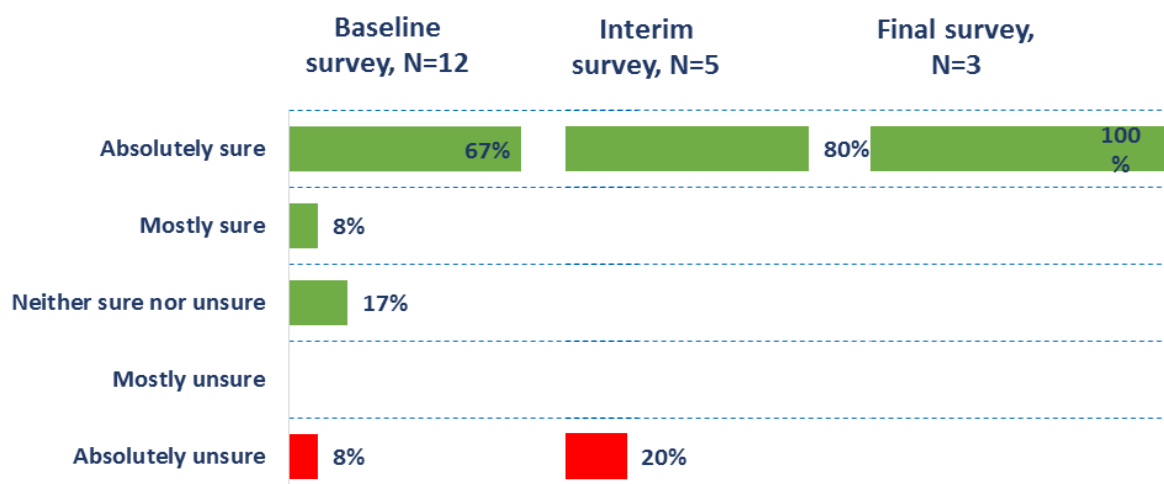


Figure 5.4.6. «How sure are you that you will keep your collateral property (financial institution will not take it as a repayment of the debt)?», Control group, KURGAN-TYUBE

Within the survey, there was also determined the share of respondents, who think that the credit\loan improves the quality of the life. In the **intervention group**, the share of respondents with such opinion (partially or absolutely agree with this statement) during the baseline survey was 81%. In the second survey, their share decreased up to 73% (decrease for 8%) and, in the third survey, it increased up to 85% (increase for 12% in comparison with the second survey).

In the **control group**, the share of such respondents in the baseline survey was 86%. In the second survey, it decreased for 19%, in the third survey, it increased for 14% in comparison with the second survey, but remained lower than in the baseline level (for 5%).

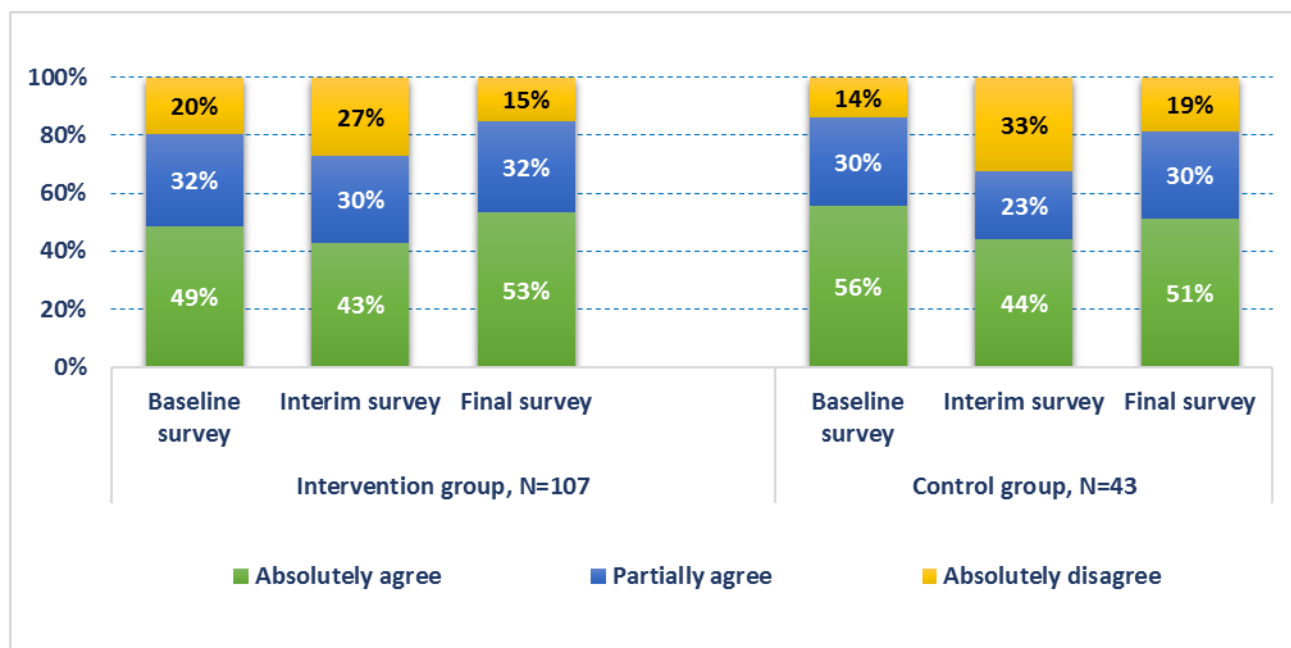


Figure 5.4.6. I decide to take credit / loan, because it improves my life quality

Cross-analysis of respondents' opinions on statement that the credit\loan improve the quality of the life, is given in Table 5.4.1. The levels of convergences of respondents' opinions on this question to the second and third surveys with the baseline survey are marked by red color. As turned out, opinion of respondents in the intervention group, who are absolutely agree with this statement, coincides in the second and first surveys only among 56% of interviewed respondents and in the third survey with the baseline survey among 62% of interviewed respondents. As for **control group**, the level of convergences of respondents' opinions on the article «Absolutely agree» during the second and baseline surveys was 50%. This means that 50% of respondents didn't change their opinion in the second survey. During the third survey, the level of convergences of respondents' opinions on the article «Absolutely agree» with the baseline survey was 54%.

Table 5.4.1. Respondents' opinions about how the credit / loan improve the quality of life in distribution by answers in the baseline survey

		Intervention group 1 survey			Control group 1 survey		
		Absolutely agree	Partially agree	Absolutely disagree	Absolutely agree	Partially agree	Absolutely disagree
2 survey	Absolutely agree	56%	38%	19%	50%	31%	50%
	Partially agree	29%	29%	33%	29%	23%	0%
	Absolutely disagree	15%	32%	48%	21%	46%	50%
3 survey	Absolutely agree	62%	50%	38%	54%	62%	17%
	Partially agree	23%	35%	48%	38%	8%	50%
	Absolutely disagree	15%	15%	14%	8%	31%	33%
Total	n	52	34	21	24	13	6
	%	100%	100%	100%	100%	100%	100%

The survey also revealed that financial situation, possibility to save and debt is not under the control of 8% of respondents in the intervention group during the baseline survey in Kulyab and of 3% of respondents in the intervention group during the baseline survey in Kurgan-tyube. In Kulyab, the share of such respondents in the intervention group decreases in the second survey for 6% in comparison with the baseline survey and increases in the third survey for 11% in comparison with the second survey.

In Kurgan-tyube, the share of respondents of intervention group, who are not absolutely sure that everything is under their control, has the tendency to decrease to the second and third surveys (to the second survey, decrease for 1% and to the third survey, there were no such respondents).

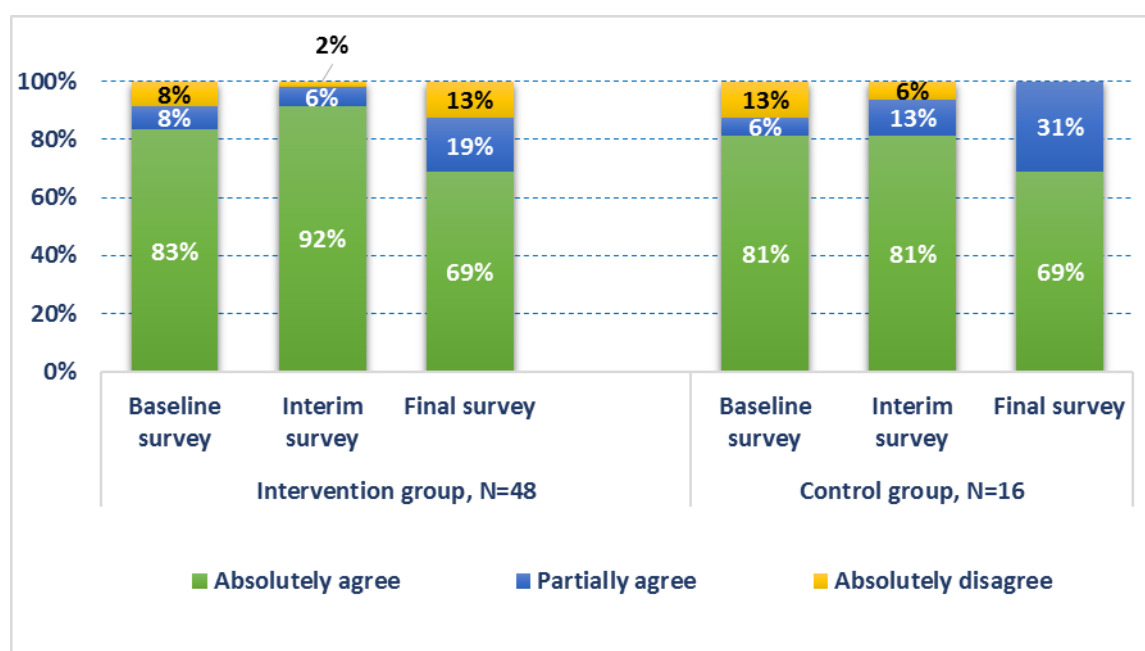


Figure 5.4.7. My financial situation, possibility to save and my debt is under my control, KULYAB

As for **control group in Kulyab**, the share of respondents, who are not absolutely sure that everything is under their control, also has tendency to decrease to the second and third surveys (to the second survey, decrease for 7% and to the third survey, decrease there were no such respondents).

In the control group of Kurgan-tyube, this level didn't change during the whole survey and was 4% in all three surveys.

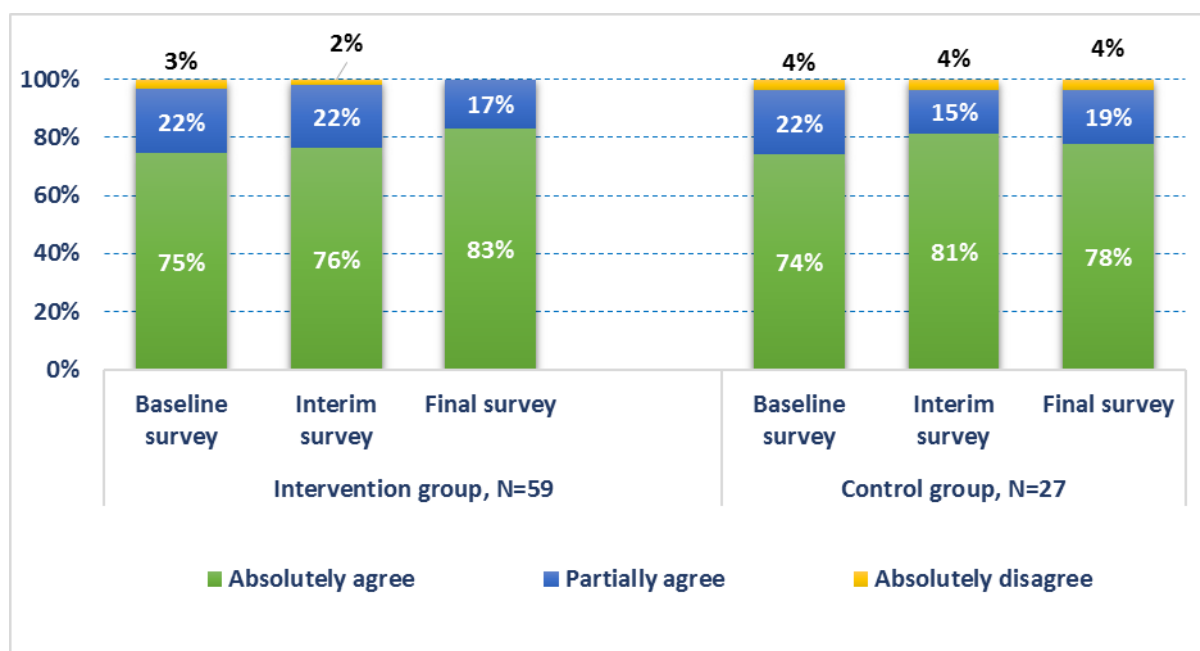


Figure 5.4.8. My financial situation, possibility to save and my debt is under my control, KURGAN-TYUBE

While drawing up the financial plan, 6% of respondents of **intervention group** indicated in the baseline survey that they feel themselves **tentatively**. Their share to the second survey decreased for 4% and increased for 4% to the third survey in comparison with second survey, which is equal to the level of baseline survey. Maybe the effect of conducted consultations affected in a small period (for 3 months).

In the **control group**, there is observed a clear tendency to decrease of the share of tentative people while drawing up the financial plan during the whole survey. In the second survey, the share of such respondents decreased for 2% and, in the third survey, it decreased more for 3%. In the end, in the third survey, the share of tentative respondents in the control group was only 2%.

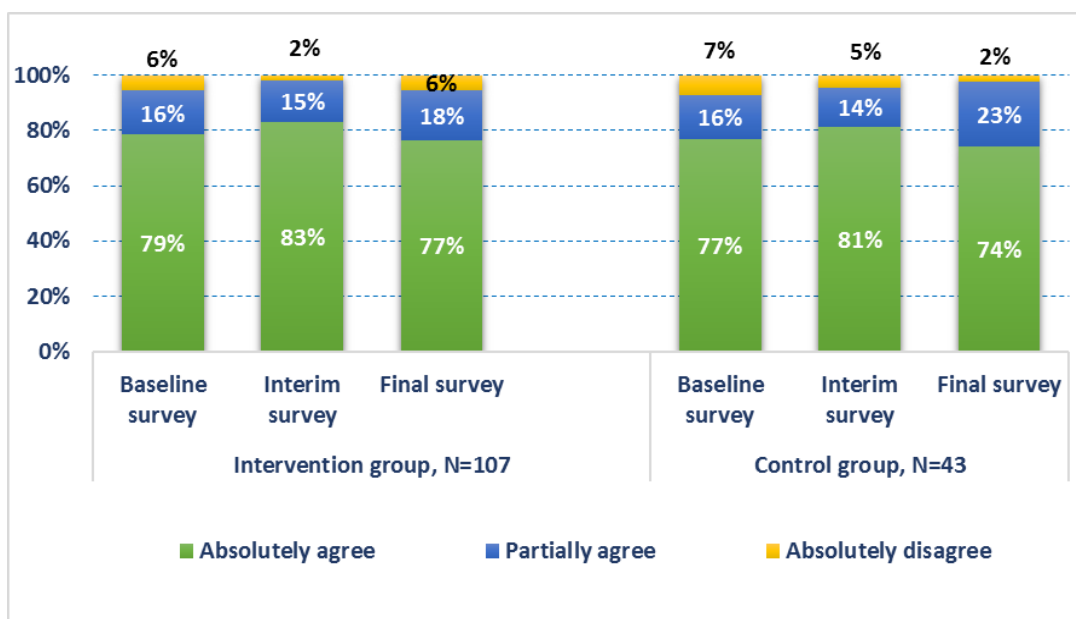


Figure 5.4.9. I feel myself confident while drawing up the financial plans

31% of respondents in **intervention group** have **difficulties** with collection of money for payment of credits. Their share to the second survey increased for 1% and decreased for 20% to the third survey in comparison with second survey, which is for 19% less than in baseline level.

In the **control group**, there is observed an increase of share of such respondents to the second survey, but, in the third survey, there is observed decrease of share. In the second survey, the share of such respondents increased for 2% and decreased for 16% to the third survey in comparison with second survey and for 9% in comparison with baseline level.

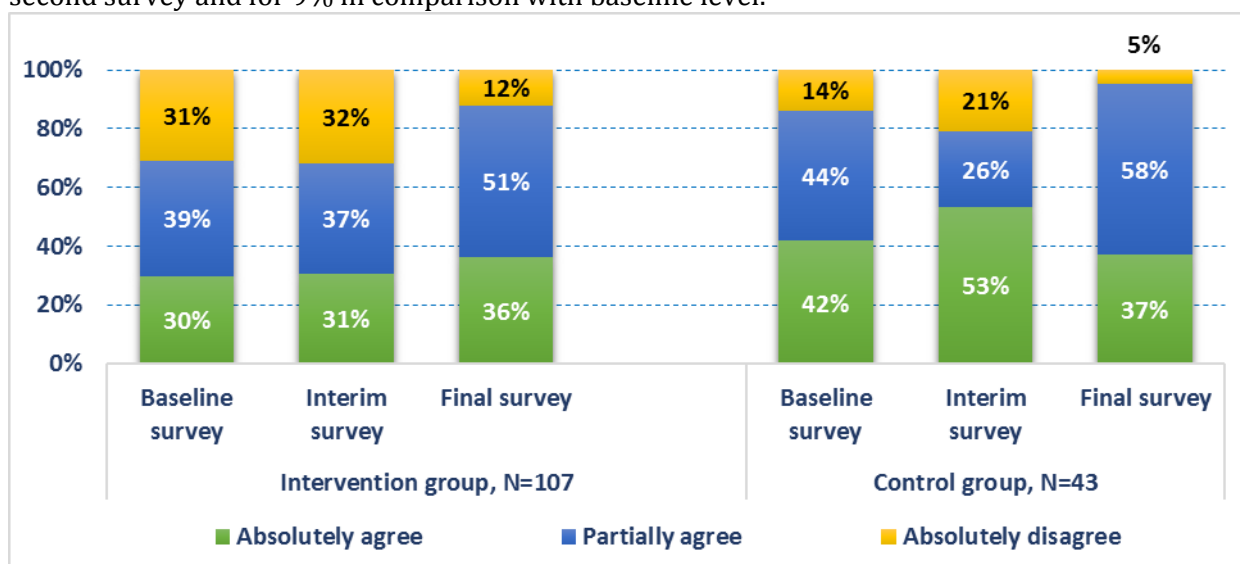


Figure 5.4.10. I don't have difficulties to collect money for payment of credits\loans on a monthly basis

Within the survey, there also was determined the attitude of respondents to the statement «Even if my expenditures on food, transport and clothes increases, my life quality will remain the same». The share of respondents, who were agree (absolutely and partially) with this statement during the

baseline survey, was 64% in the **intervention group**. During the second and third survey, this indicator increased up to 80% (for 16%).

In the **control group**, the share of respondents, who were agree (absolutely and partially) with this statement during the baseline survey, was 77%. During the second survey, this indicator decreased to 74% (for 3%). In the third survey, it increased up to 88% (for 11% in comparison with baseline survey).

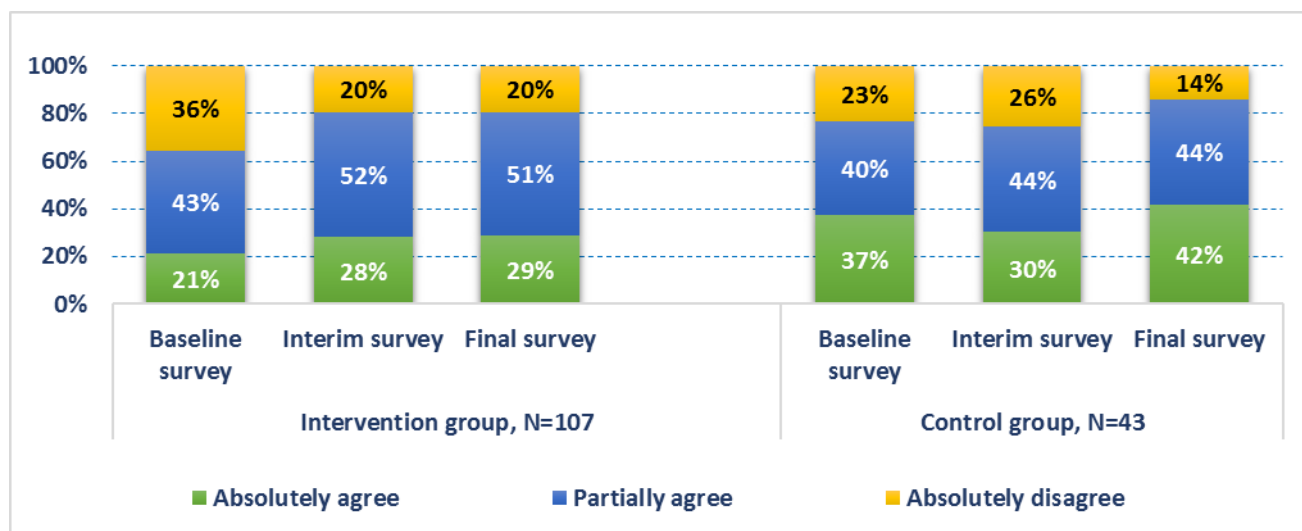


Figure 5.4.11. Even if my expenditures for food, transport and clothes increase, my life quality will remain the same

In the **intervention group**, the share of respondents did not change strongly from survey to survey according to their degree of cost efficiency («Surely can be cost efficient» and «Mostly can be cost efficient»): in the baseline survey – 84%, in the interim – 87% (for 3% more) and in the final – 87%.

In the **control group**, this indicator in baseline and interim surveys was on the level of 77% and during the final survey, it increased for 9% and was 86%.

If to consider by respondents, who exactly can't be **cost efficient**, then their share also didn't change strongly to the third survey in comparison with first survey (in the intervention group for 1% and in the control group for 3%).

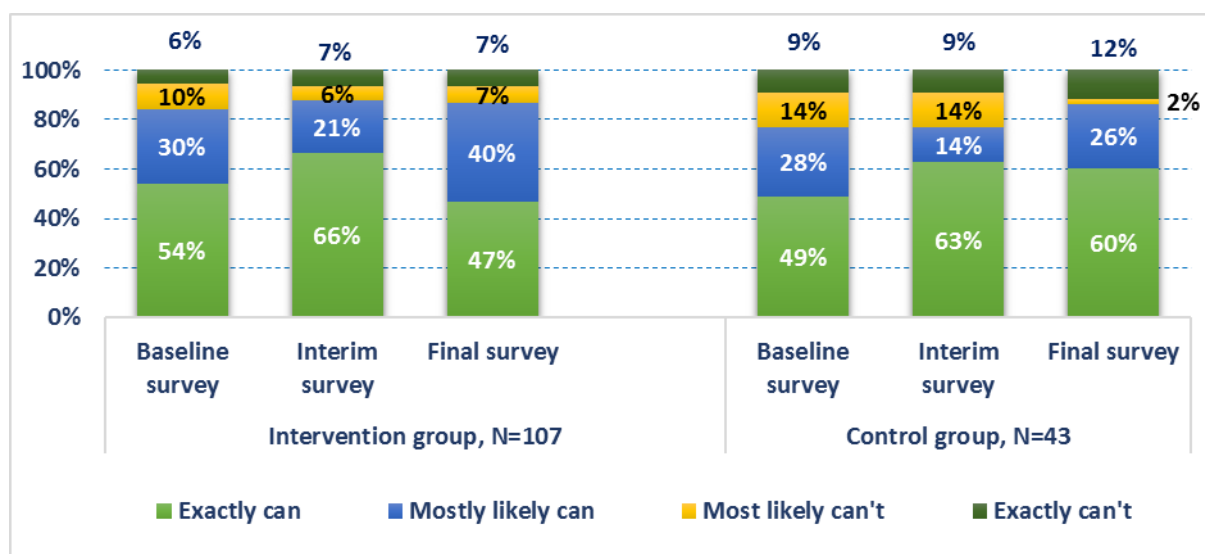


Figure 5.4.12. «Do you think that you can be more cost efficient?»

In **Kulyab zone**, the share of respondents in **intervention group**, who can be cost efficient («exactly can be cost efficient» and «mostly can be cost efficient») during the baseline survey was 87%. During the second survey, there is observed increase for 3% and in the third survey, there is observed decrease for 3%, i.e. decrease to the level of baseline survey.

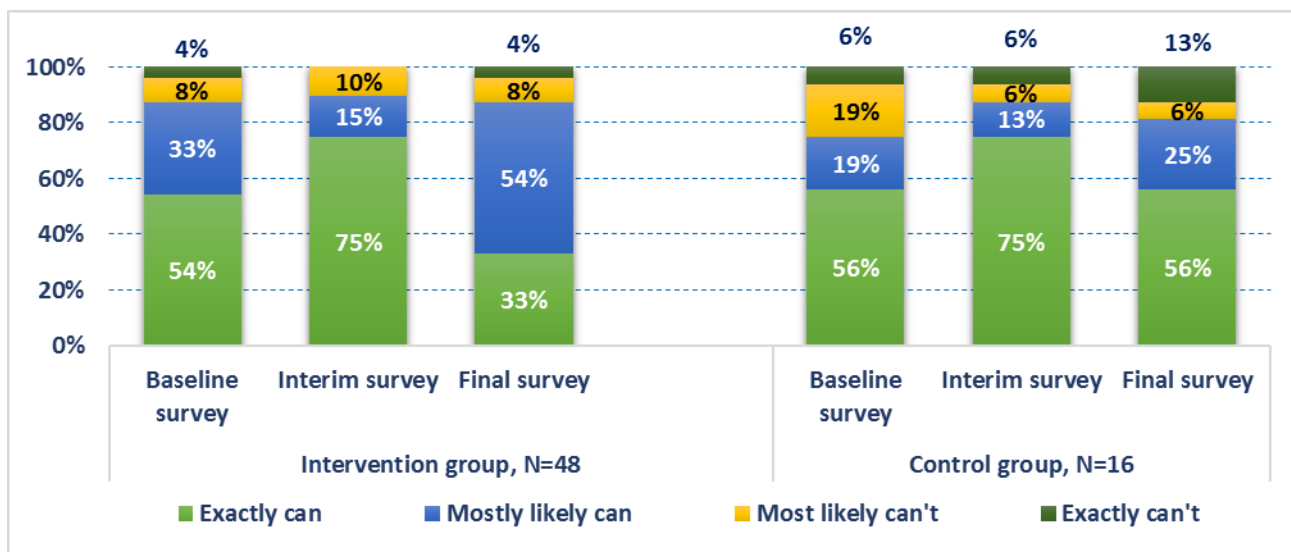


Figure 5.4.12. «Do you think you can be more cost efficient?», KULYAB

In **Kulyab zone**, in the **control group**, the share of respondents who can be cost efficient («exactly can be cost efficient» and «mostly can be cost efficient») was 75% during the baseline survey. In the second survey, it was 88% (increase for 13%). During the final survey, their share was 81%, which is for 7% less than in the second survey and is for 6% more than in the baseline survey.

In **Kurgan-tyube zone**, in the **intervention group**, the share of respondents, who can be cost efficient («exactly can be cost efficient» and «mostly can be cost efficient») was 81% during the baseline survey. In the second survey, there is observed an increase for 5% and, in the final survey, there is observed increase for 1% more.

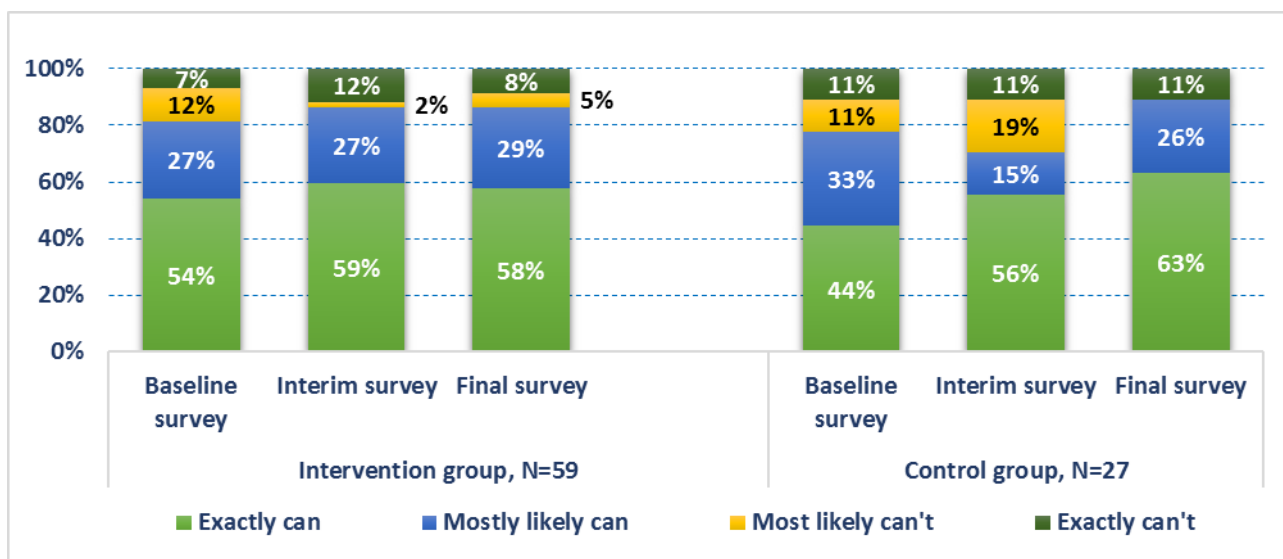


Figure 5.4.12. «Do you think you can be more cost efficient?», KURGAN-TYUBE

In **Kurgan-tyube zone**, in the **control group**, the share of respondents, who can be cost efficient («exactly can be cost efficient» and «mostly can be cost efficient») was 75% during the baseline survey and 71% during the second survey (decrease for 4%). During the final survey, their share was 89%, which is more than in the second survey for 18% and more than in the baseline survey for 14%. Within the survey, there was evaluated a tuning of respondents regarding their future financial standings. The share of pessimistic-minded respondents, who think that next year their financial standing will be worse than this year, in **Kulyab zone**, within the **intervention group**, has tendency to decrease to the second and third survey. In the baseline survey, in the intervention group, such respondents were 15%. In the second survey, their share decreased for 5% and, in the third survey, their share decreased for 6% more.

As for **control group** in **Kulyab zone**, the share of pessimistic-minded respondents to the third survey was not observed. In the second survey, their share decreased from 19% to 6% (decrease for 13%).

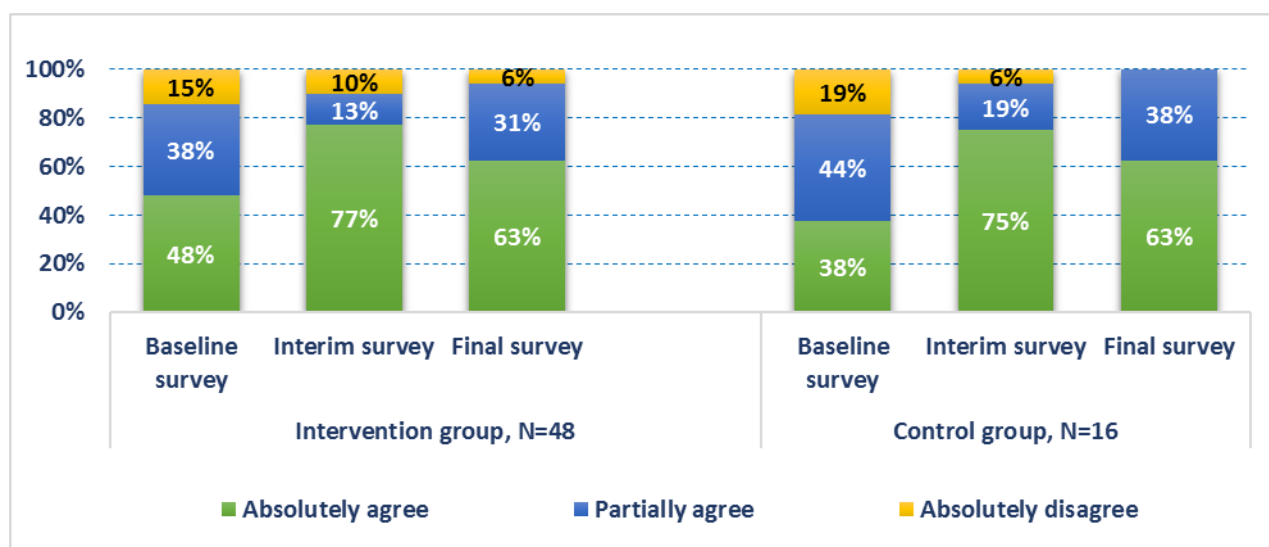


Figure 5.4.13. I think that next year my financial standing will be better than this year, KULYAB

The share of pessimistic-minded respondents, who think that next year their financial standing will be worse than this year, in **Kurgan-tyube zone**, within the **intervention group**, has also tendency to decrease to the second and third survey. In the baseline survey, such respondents were 5% in the intervention group. In the second survey, their share decreased for 3% and, in the third survey, such respondents were not observed.

As for **control group** in **Kurgan-tyube zone**, the pessimistic-minded respondents were absent in this group. All respondents are either partially or absolutely sure that their financial standing will improve.

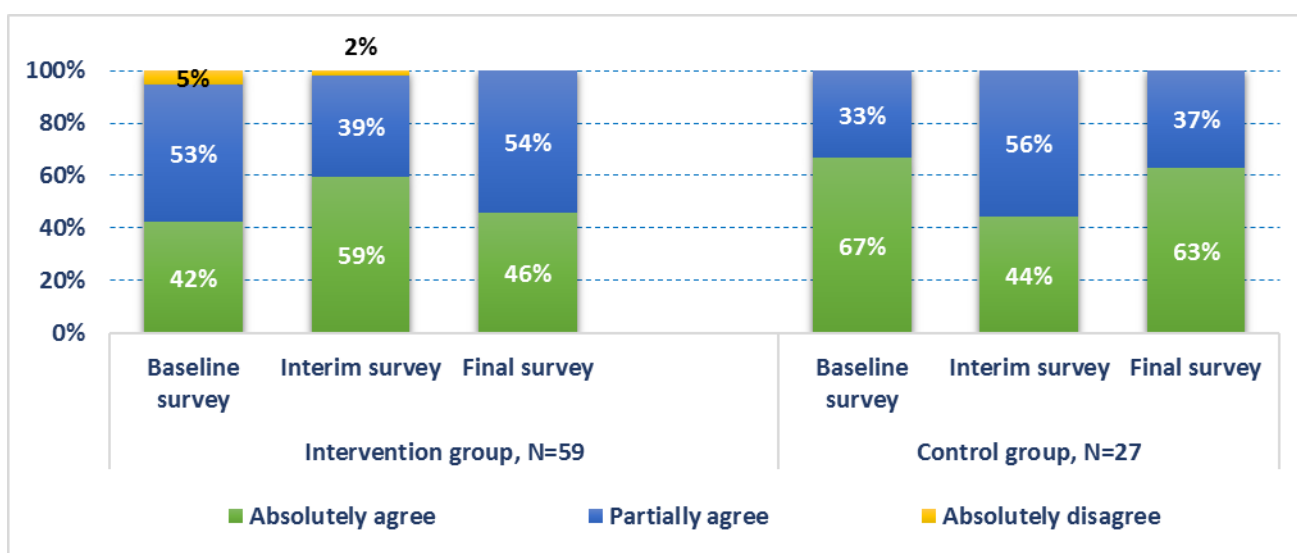


Figure 5.4.13. I think that next year my financial standing will be better than this year, KURGAN-TYUBE

For evaluating the attitude of respondents to the credits\loans, there was developed a complex indicator, who includes criteria listed in the table 5.4.2. This indicator characterizes the degree of confidence of respondents that their financial situation is under their control.

Table 5.4.2. Classification by the degree of perception

Criteria	1	2	3
	Optimistic perception	Neutral perception	Pessimistic perception
I choose to contract credit /loan, because it will increase my life quality.	Absolutely agree	Partially agree	Absolutely disagree
I control my financial standing, possibility to save and debts.	Absolutely agree	Partially agree	Absolutely disagree
I can easily afford monthly payments on my credit\loan	Absolutely agree	Partially agree	Absolutely disagree
Even if my expenditures on food, transport and clothes increase, my life quality will remain the same	Absolutely agree	Partially agree	Absolutely disagree
I believe my financial standing next year will be better than this year	Absolutely agree	Partially agree	Absolutely disagree
What is your level of confidence in keeping your collateral property (the financial institution doesn't take it to pay off your credit)?	Absolutely sure OR mostly sure	Neither sure nor unsure	Mostly not sure OR absolutely unsure

Results of classification of respondents on complex indicator of perception are given in Figures 5.4.14 – 5.4.15. Results of this classification shows that the share of respondents of **intervention group** in **Kulyab**, who are optimistic in relation to their financial standing, has tendency to increase to the second and third surveys. In the final survey, the level of respondents with optimistic perception increased for 34% in relation to the baseline survey. As for pessimistic-minded respondents of **intervention group** in **Kulyab**, their share with 10% in the baseline survey decreased to 8% in the second survey and again increased for 2% to the final survey in relation to the second survey and was 4%, which is for 6% less than in baseline survey.

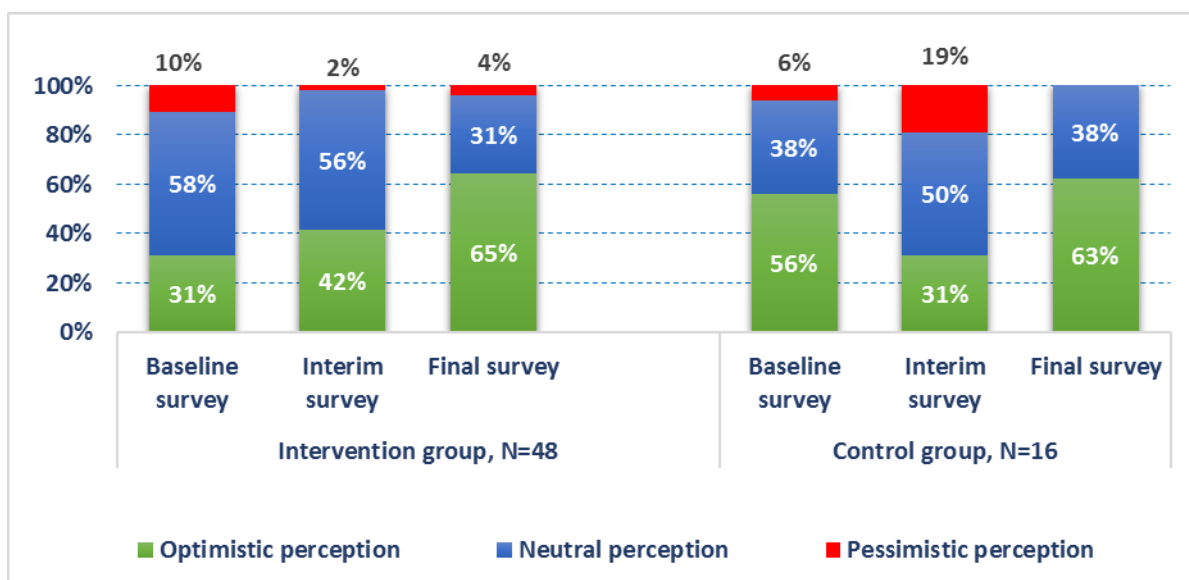


Figure 5.4.14. The overall characteristic of respondents' attitude to the credits\loans, KULYAB

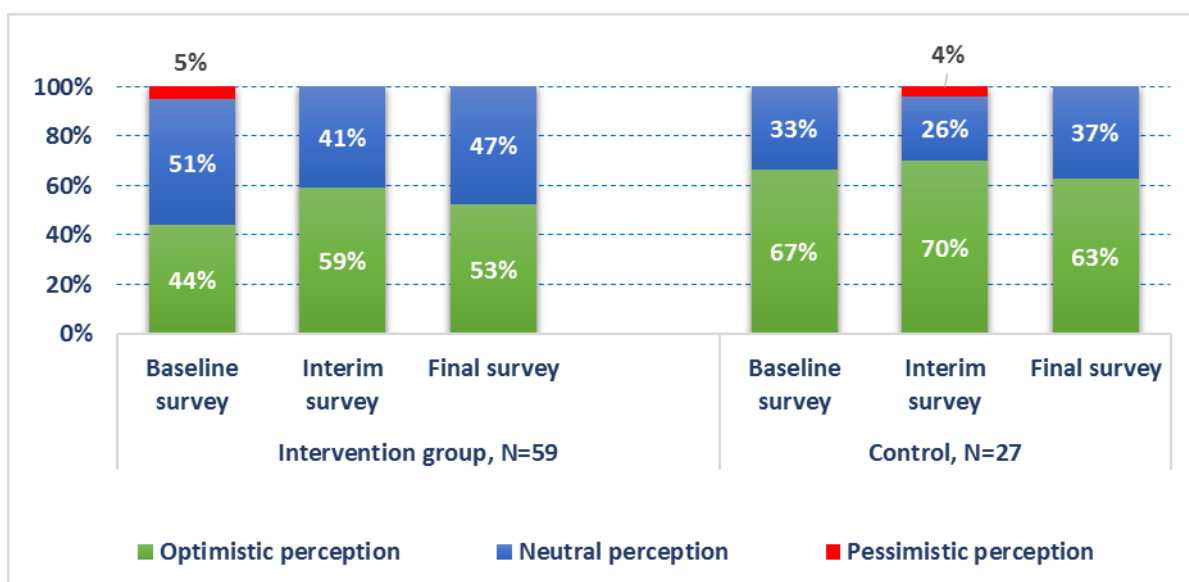


Figure 5.4.15. The overall characteristic of respondents' attitude to the credits\loans, KURGAN-TYUBE

Conclusion of section 5.4:

- The share of (absolutely unsure and mostly unsure) respondents, who are not sure, that they keep their collateral property, in both intervention and control group decreased to the final survey. The decrease in intervention group has a gradual character. For example, in the second survey, the share of such respondents decreased for 10% in comparison with the baseline survey and in the final survey, it decreased more for 10% in comparison with second survey, which is for 20% less than the baseline indicator. In the control group, the tendency is slightly different: in the second survey, there is observed an increase of the share of such respondents from 12% to 25% (for 13%). At the moment of the survey, there were no such respondents. In Kurgan-tyube, the share of uncertain respondents in the intervention group is slightly higher (from 2% to 5%) than the share of the same respondents in Kulyab.
- The share of respondents, who think that (partially and absolutely agree with the statement) that the credit improve the life quality, in intervention group increased from 81% in baseline survey to 85% in final survey (for 4%). In control group, there is observed a decrease of share of such respondents from 86% to 81% (for 5%).
- Financial standing and possibility to save in Kulyab within the intervention group is not under the control of 13% respondents during the final survey, which is for 5% higher than the baseline level. As for control group of Kulyab, the share of such respondents has tendency to decrease and, to the final survey, there was no any such respondent. However, there were 13% of such respondents in baseline survey. In Kurgan-tyube, there is observed another tendency: in intervention group, there is observed the gradual decrease of the share of such respondents from 3% in baseline survey to 0% in the final survey. In control group of Kurgan-tyube, there were no changes. All this says that, in this case, conducted trainings were more effective in Kurgan-tyube than in Kulyab.
- In the **intervention group**, the share of respondents did not change strongly from survey to survey according to their degree of cost efficiency («Surely can be cost efficient» and «Mostly can be cost efficient»): in the baseline survey – 84%, in the interim – 87% (for 3% more) and in the final – 87%. In the **control group**, this indicator in baseline and interim surveys was on the level of 77% and during the final survey, it increased for 9% and was 86%.
- The share of pessimistic-minded respondents (who think that next year their financial standing will be worse this year) in intervention group of Kulyab is gradually decrease and reach 6% to the final survey, which is for 9% less than in baseline survey. In Kurgan-tyube, there were no such respondents in the intervention during the final survey. During the baseline survey, their share was 5%.
- The overall (complex) indicator of perception shows that the share of respondents with pessimistic perception decreases in intervention group of Kulyab during the final survey for 6% in comparison with baseline survey and reach 4%. In Kurgan-tyube, such respondents were only at the moment of the first survey (with pessimistic perception – 5%). In the second and third surveys, there were no respondents with pessimistic perception. The overall (complex) indicator also shows that the share of respondents with positive level of perception in Kurgan-tyube is higher than in Kulyab. Maybe this happened because of trainings, which were accepted by citizens of Kurgan-tyube more effectively than Kulyab.

5.5. ACTIONS

This section studies the factual actions, which were taken by respondents for improving their financial standings («My last payment was made on time»; «I sold property to make credit\loan payments»; «I set financial goals for the next several months»; «I discussed our incomes and expenditures with my family, etc.), their future financial plans («I will make the next payment on my credit\loan on time»; «If I encounter difficulties with credit payments in the future, the I will...»).

The survey results shows that the share of respondents, who didn't make the last payment on credit\loan in time, in the intervention group, varies from 14% to 17% and in the control group, varies from 5% to 7% from survey to survey. In **intervention group**, the share of such respondents is decreasing in the second and third surveys for 3% in comparison with the baseline survey. In the **control group**, the share of respondents, who didn't make payments on credit\loan in time, is decreasing only in the third survey (for 2% in comparison with the baseline survey).

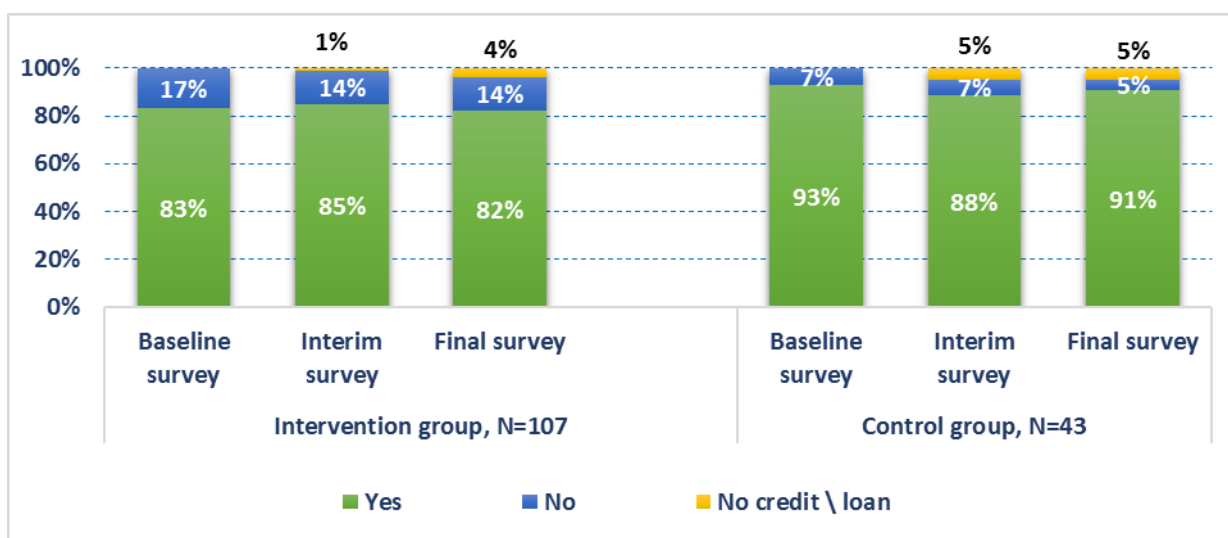


Figure 5.5.1. I made my last payment on credit\loan in time

As for future actions of respondents (i.e. timely payment of next credit payment), then the share of respondents, who were not ready to make the next payment, is slightly higher than the share of respondents, who indicated that they made last credit\loan payment in time.

In **intervention group**, the share of such respondents is decreasing in the second and third surveys in comparison with baseline survey (for 5% and 9% accordingly).

As for **control group**, the share of such respondents, who are not ready to make the next payment in time, is much lower than the same indicator in intervention group. In the baseline survey, the share of such respondents was 7%, in the second survey, it decreased for 2% in relation to the baseline and in the third, it increased for 2% in relation to the baseline survey.

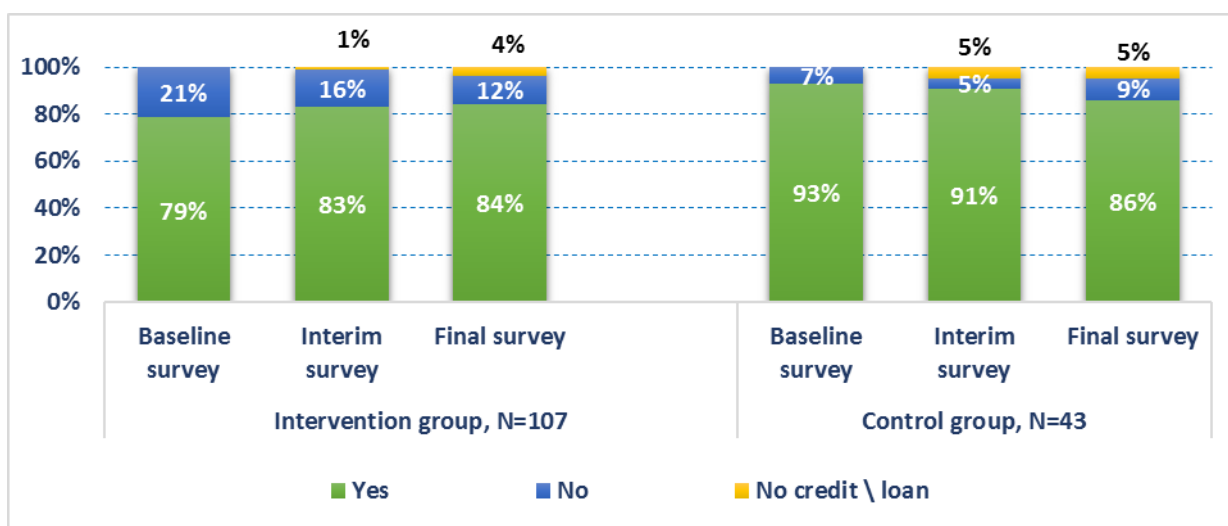


Figure 5.5.2. I will make my next payment on credit\loan in time

In addition, as it turned out, 53% of respondents of intervention group and 65% of respondents of control group consulted with their financial organization at the moment of the survey. At the moment of the second survey, this indicator increased for 8% in the intervention group and for 2% in the control group in relation to the baseline survey. At the moment of the third survey, this indicator increased decreased for 6% in relation to the second survey, but remained higher than the baseline level (for 2%). As for this indicator at the moment of third survey in the control group, then this indicator decreased for 16% in relation to the baseline survey.

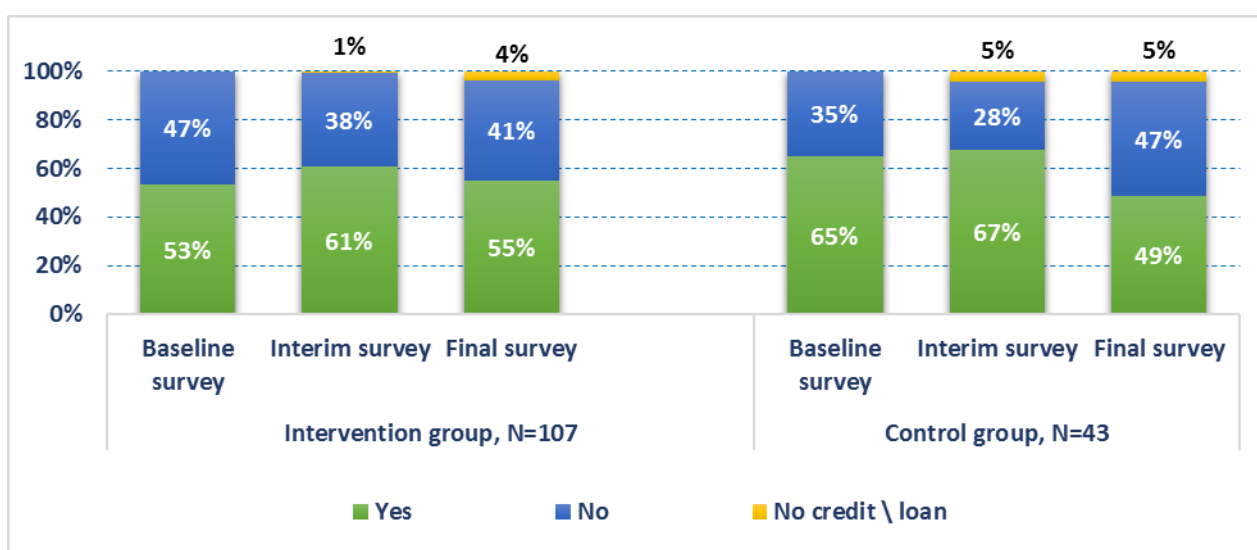


Figure 5.5.3. I consulted with my financial organization (bank, MFO) about the restructure \ respite of my current debt

At the course of the survey, there was also emerged that the share of respondents, who sold their property in order to pay on credits\loans, in the intervention group is higher than in the control group. This situation is observed in all three surveys. In the intervention group, this indicator has tendency to decrease from baseline to the final survey. During the final survey, this indicator in the intervention group was 21%, which is for 8% less than in the baseline level.

In the control group, this indicator increased in the second survey for 7% in relation to the baseline survey. In the third survey, it decreased for 2% in relation to the second survey, but remained for 5% higher than in the baseline survey.

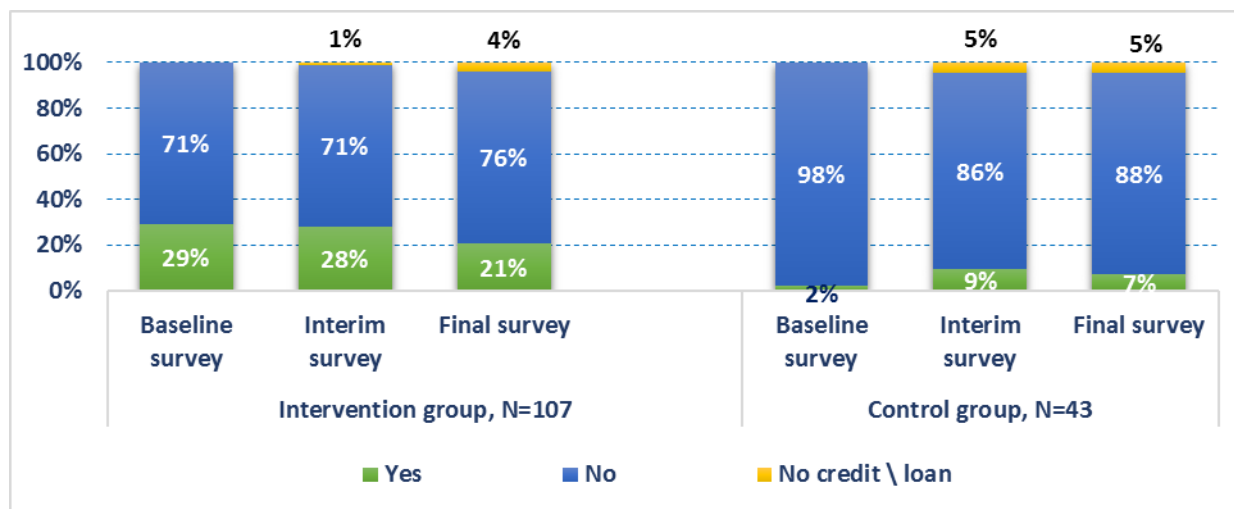


Figure 5.5.4. I sold my property in order to pay on credits\loans

In Figures 5.5.5 и 5.5.6, there is shown an information on respondents, who are planning \ not planning to take credit during the 12 months after repaying the current credit, and those, who are planning to take \ do not take one more credit\loan, while still repaying the current credit. As it turned out, the share of respondents, who are planning to take credit after 12 months after repayment of current credit, is on the level of 40%-50% and has tendency to decrease to the second and third surveys. For example, the share of such respondents decreased in the third survey for 11% in comparison with baseline survey and was 43%. In the control group, the share of similar respondents decreased for 18% in comparison with baseline survey and was 40%.

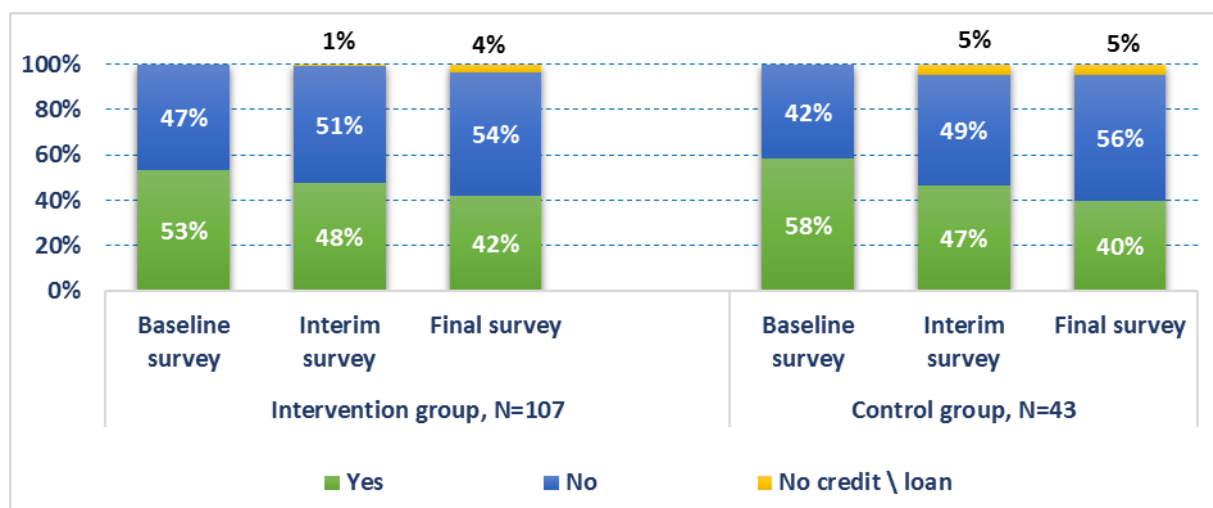


Figure 5.5.5. I am planning to take credit\loan (during the 12 months) after repayment of the current credit\loan

As for respondents, who are planning to take credit \ loan while still repaying the current credit\loan, their share is much less than the respondents, who are planning to take credit after 12 months after repayment of the current credit. Their level varies from 22% to 35% in the intervention group and from 12% to 28% in the control group.

The level of such respondents also has tendency to decrease to the second and third surveys. For example, this indicator in the intervention group was 22% to the final survey, which is for 13% less than in baseline survey and in the control group, this indicator was 12% to the final survey, which is for 16% less than in baseline survey.

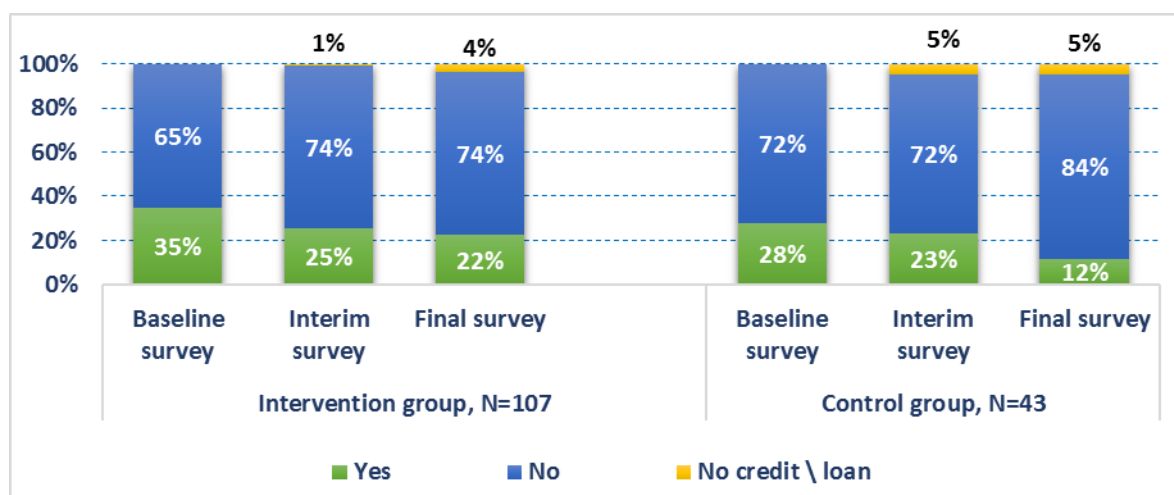


Figure 5.5.6. I am planning to take credit / loan while I am still repaying my current credit\loan

In Pictures 5.5.7, 5.5.8 and 5.5.9, there is given an information on respondents, who made family budget (made notes of expenses and incomes) for the last 3 months before the survey. The share of such respondents in intervention group varies from 59% to 74% and, in control group, it varies from 70% to 72%. The share of respondents, who made the family budget for the last 3 months, increased in both intervention and control group (for 9% and 2% accordingly) in relation to the baseline survey.

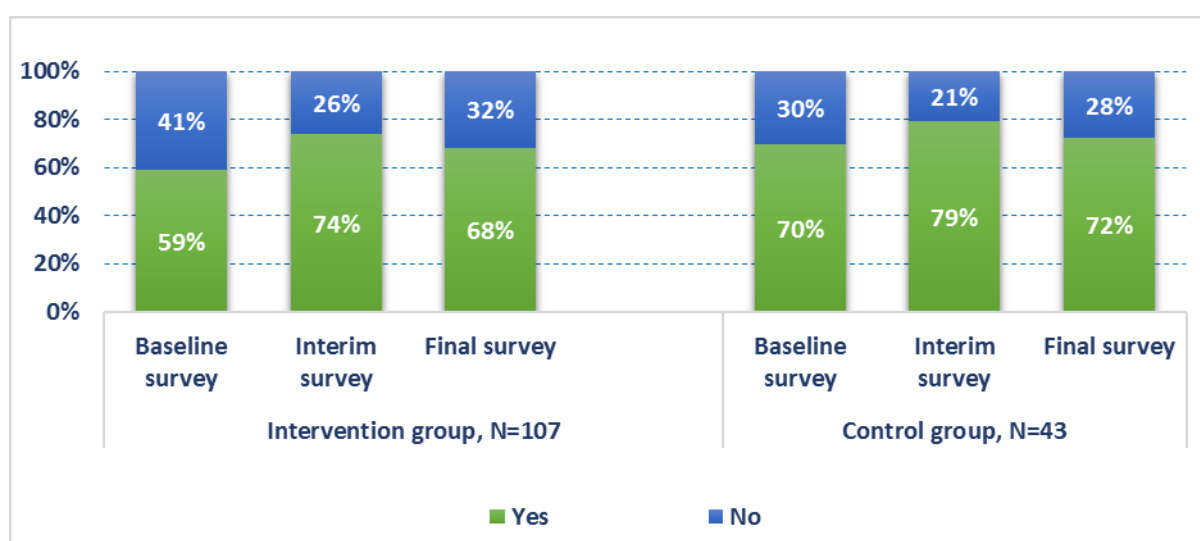


Figure 5.5.7. I made the family budget (made notes of expenses and incomes) for the last 3 months

While considering this question at the level of settlements, it can be mentioned that, in Kurgan-tyube, the share of such respondents (made family budget for the last 3 months) is significantly higher than in Kulyab. This tendency is observed in all three surveys.

During the final survey, the share of similar respondents in Kurgan-tyube, in intervention group, was 80%, which is for 26% more than the similar indicator in Kulyab during the third survey. In the control group, this indicator was for 45% more in Kurgan-tyube than in Kulyab during the third survey.

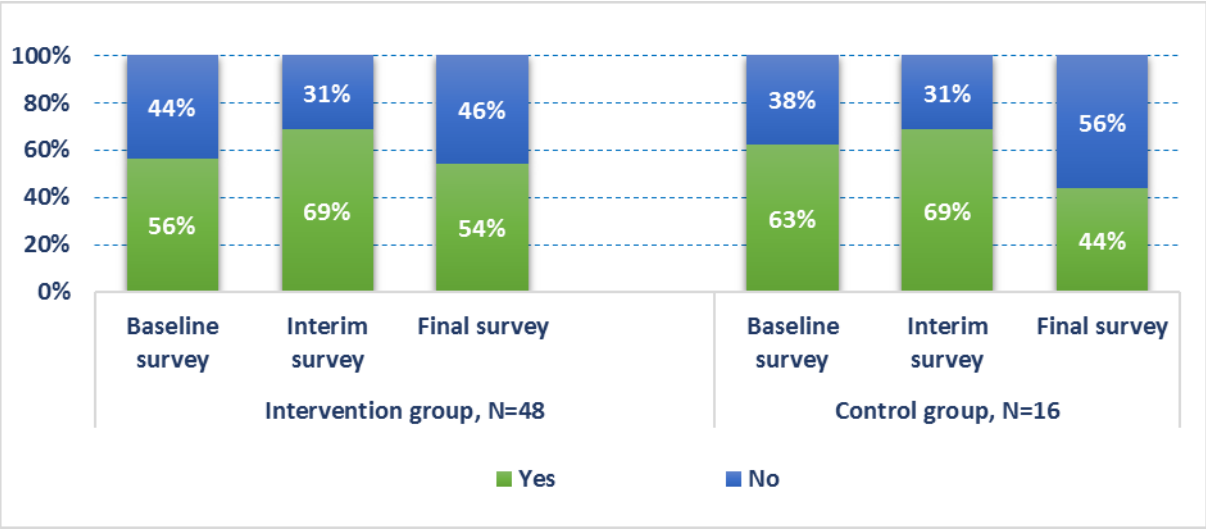


Figure 5.5.8. I made the family budget (made notes of expenses and incomes) for the last 3 months, KULYAB

In addition, it should be mentioned that this indicator has tendency to increase in Kurgan-tyube from the first to the third survey. In Kulyab, such tendency was not observed. Most probably, conducted consultations in this case were more effectively conducted in Kurgan-tyube.

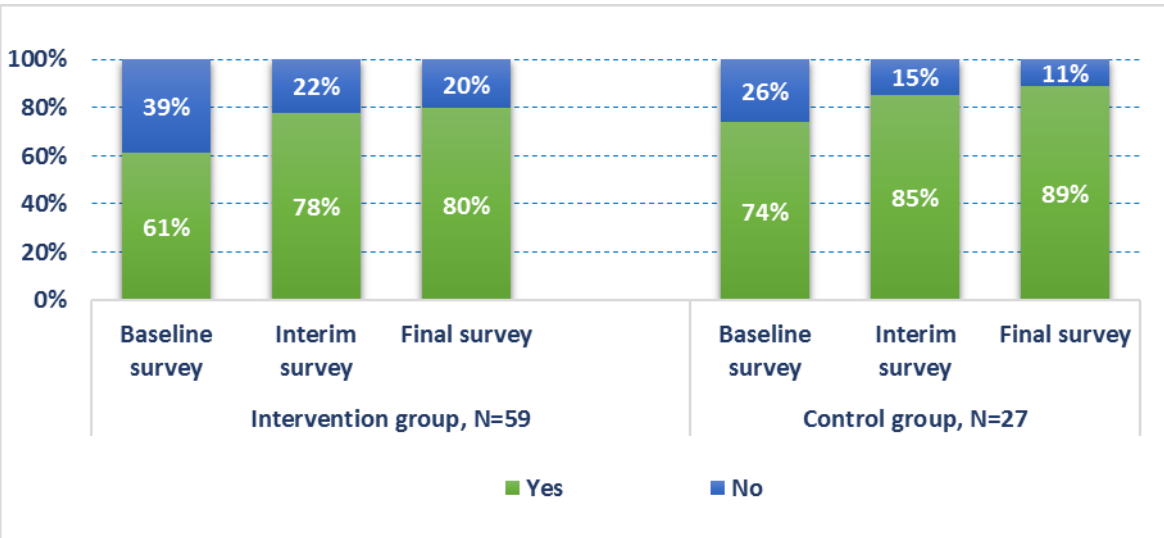


Figure 5.5.9. I made the family budget (made notes of expenses and incomes) for the last 3 months, KURGAN-TYUBE

The next action of respondents, which was studied during this survey, is the setting of financial goals for the next several months by respondents. As it turned out, even according to this indicator, the level of active (set goals) respondents in Kurgan-tyube is higher than in Kulyab during the third survey. This was observed in both intervention and control groups. In addition, in Kurgan-tyube, there is observed a positive dynamics of this indicator from first to the third survey. In Kulyab, such dynamics was not observed in intervention group, but control group has such dynamics. In intervention group of Kulyab, this indicator in the third survey decreased for 2% in comparison with baseline survey. In the control group, there is observed an increase of this indicator for 25% in the third survey in comparison with baseline survey.

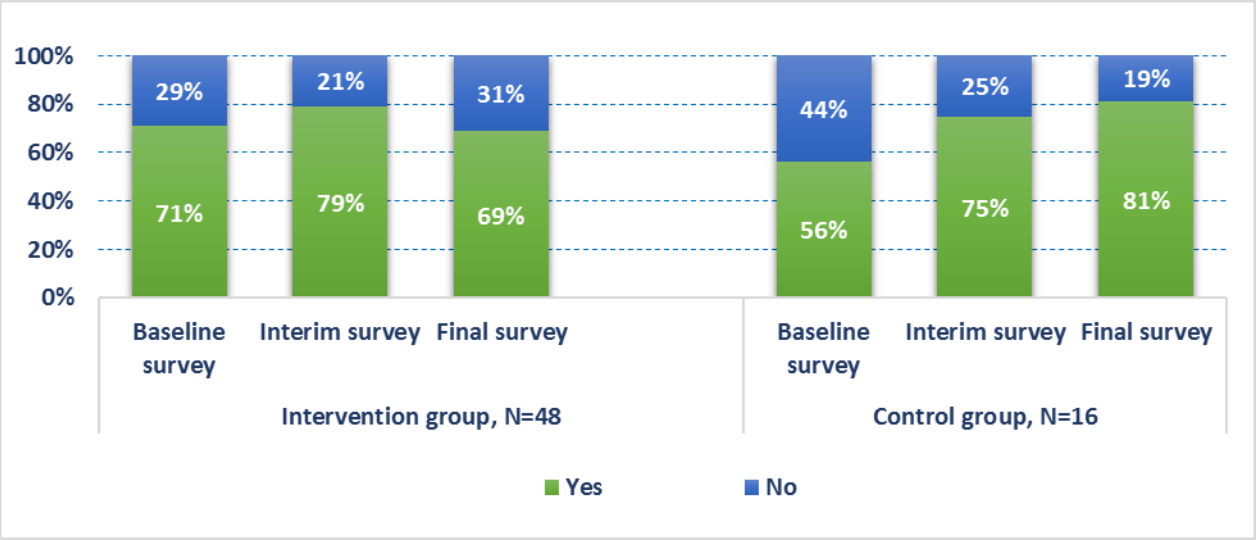


Figure 5.5.12. I set financial goals for the next several months, KULYAB

In Kurgan-tyube, as it was said already, there is observed positive dynamics in both intervention and control groups. In intervention group, in the third survey, this indicator increased for 29% in comparison with baseline survey and in the control group, it increased for 30%.

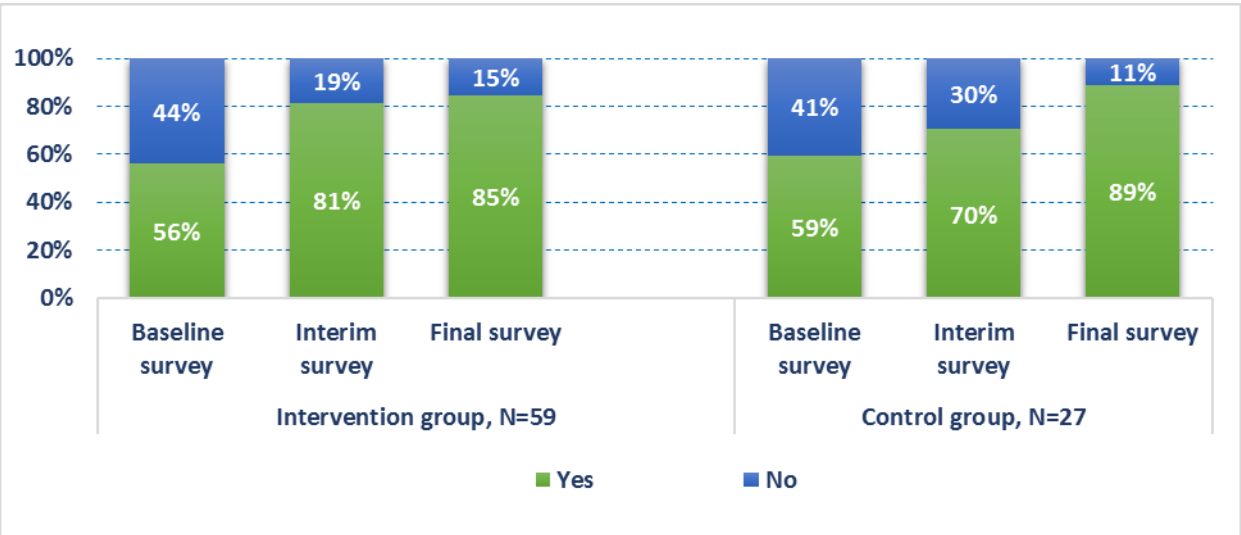


Figure 5.5.13. I set financial goals for the next several months, KURGAN-TYUBE

Within the survey, there was also determined a share of respondents, who discussed their incomes and expenses with their families. In the third survey, this indicator increased in both Kulyab and Kurgan-tyube. In the intervention group of Kulyab, this indicator increased to the third survey for 11% in relation to the baseline survey, and, in the control group, it reached 100%, which is for 6% more than in the baseline survey.

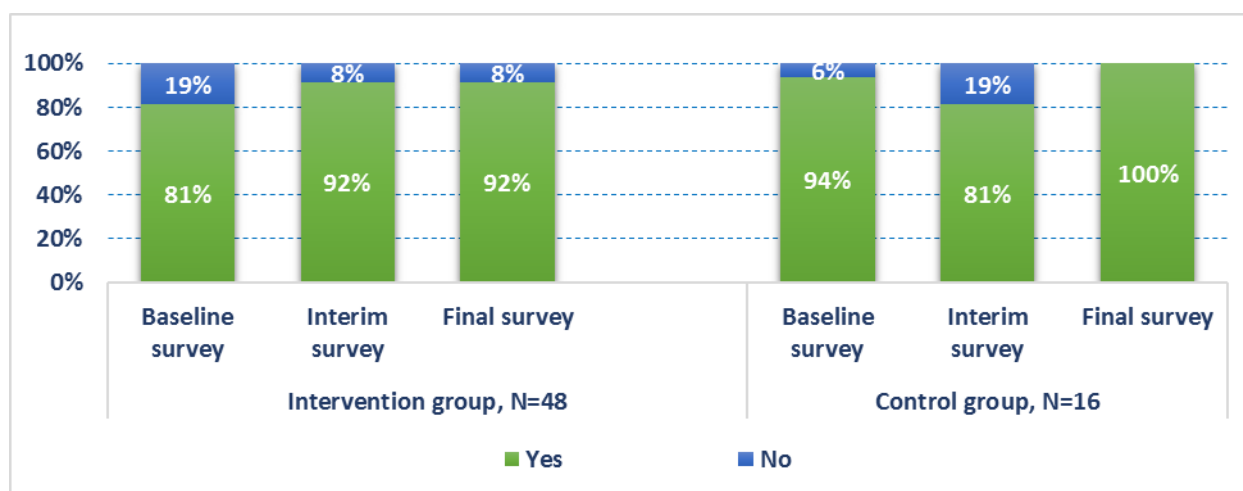


Figure 5.5.14. I discussed our incomes and expenses with my family, KULYAB

In intervention group of Kurgan-tyube, this indicator increased for 5% in third survey in comparison with baseline survey. In control group, there is observed an increase of this indicator for 11% in third survey in comparison with baseline survey.

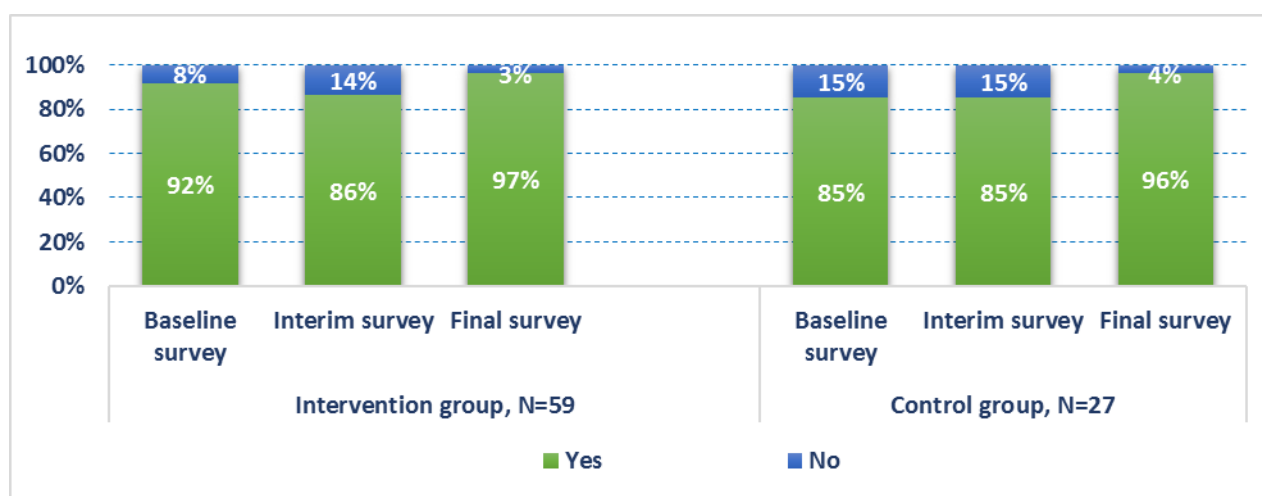


Figure 5.5.15. I discussed our incomes and expenses with my family, KURGAN-TYUBE

The share of respondents, who spend enough money for food, clothes and transport for their family, in **intervention group of Kulyab** increased for 19% in the second survey and decreased in the third survey (for 8%) in relation to the second survey, but remained more than the baseline level (for 11%). In the **control group**, this indicator was 100% during the first and second surveys and decreased for 13% to the third survey.

As for **Kurgan-tyube**, this indicator, in both intervention and control group, has tendency to the increase. In the intervention group, this indicator increased to the second survey for 9% in comparison with baseline survey. During the survey, it increased more for 2% in relation to the

second survey. More detailed information about Kulyab and Kurgan-tyube is given in pictures 5.5.16 and 5.5.17.

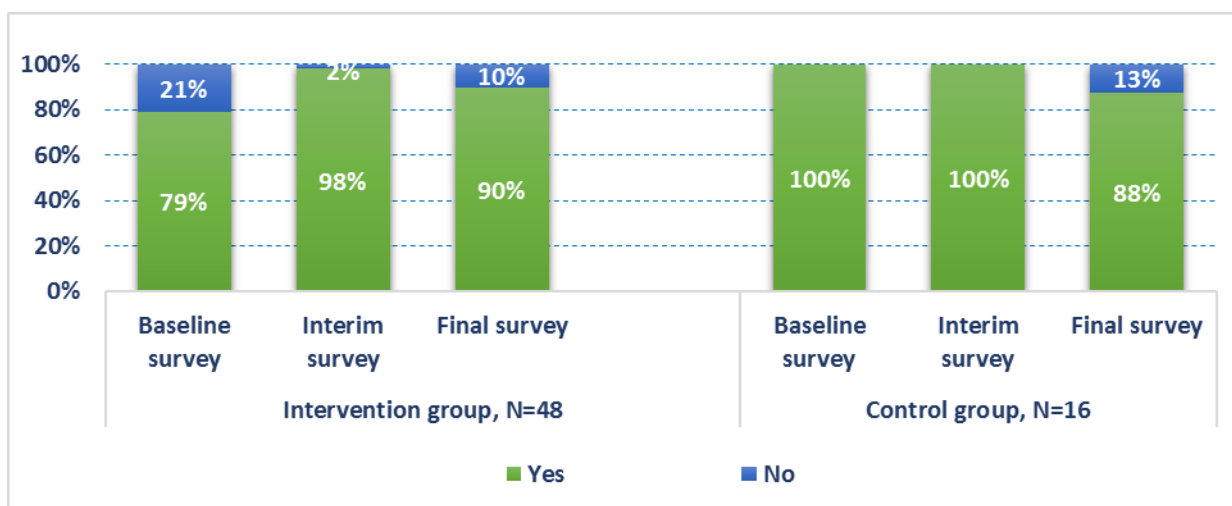


Figure 5.5.16. I spend enough money for food, clothes and transport for my family, KULYAB

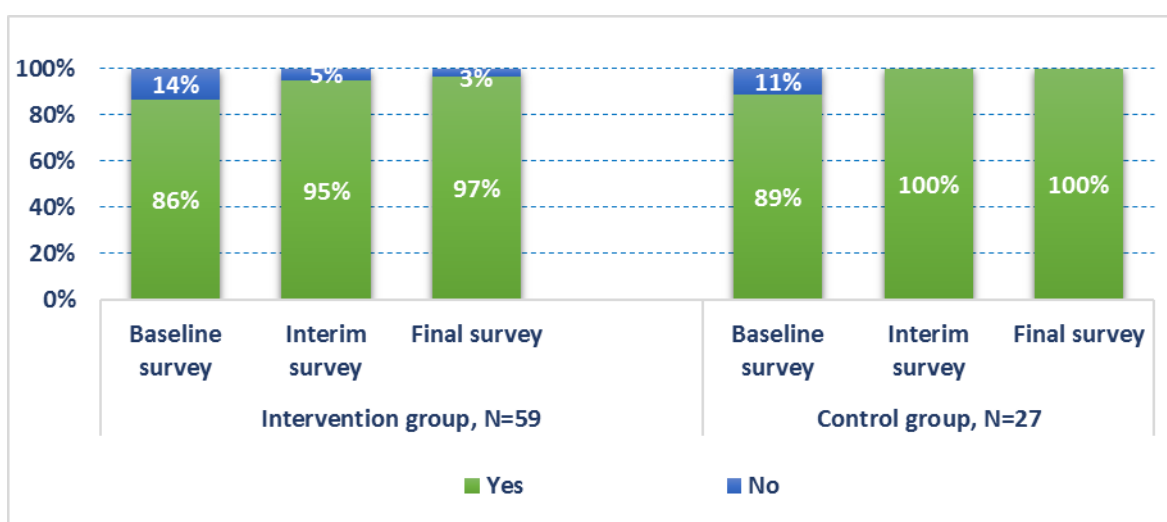


Figure 5.5.16. I spend enough money for food, clothes and transport for my family, KURGAN-TYUBE

The level of respondents, who prefer to borrow money than to save in advance, in Kulyab, in both intervention and control groups, has tendency to increase in the second and third surveys. The share of respondents, who prefer to borrow money than to save in advance, in intervention group during the second survey increased for 21% in comparison with first survey. In the third survey, it decreased for 2% in comparison with the second survey, but remained higher for 19% than the baseline level. This is negative increase, because the share of respondents, who prefer to borrow money than to save in advance, should be decreased to the third survey, but this didn't happen in Kulyab.

In Kurgan-tyube, there was observed the same situation, but with a smaller scope. The share of respondents, who prefer to borrow money, than to save in advance, increased for 8% during the second survey in comparison with the baseline survey and decreased for 5% during the third survey, but remained for 3% more than in baseline survey.

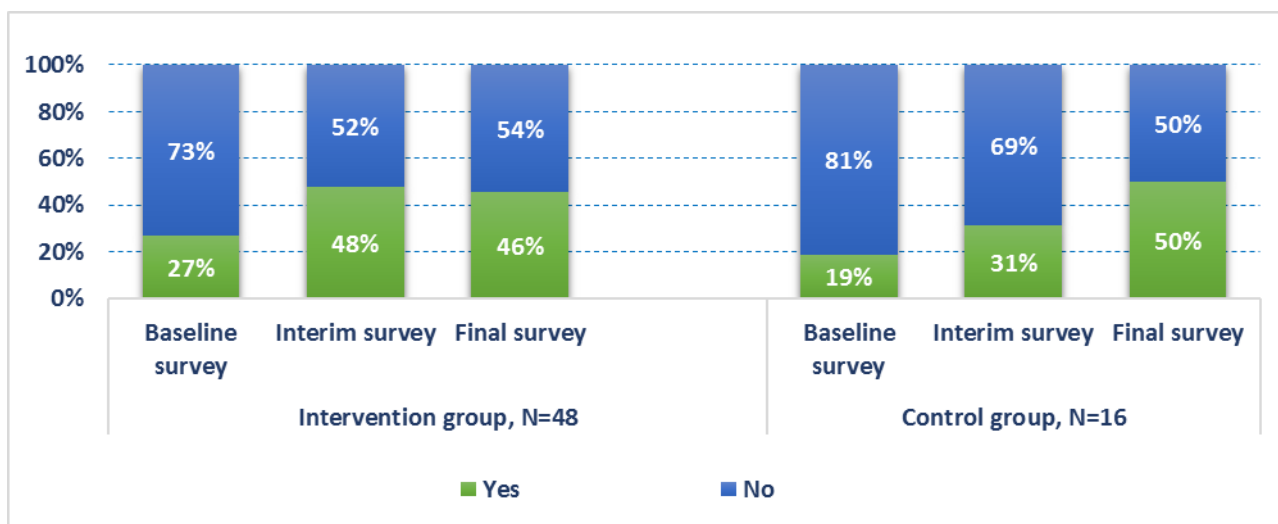


Figure 5.5.18. I prefer to borrow money (when I need them) than to save in advance, KULYAB

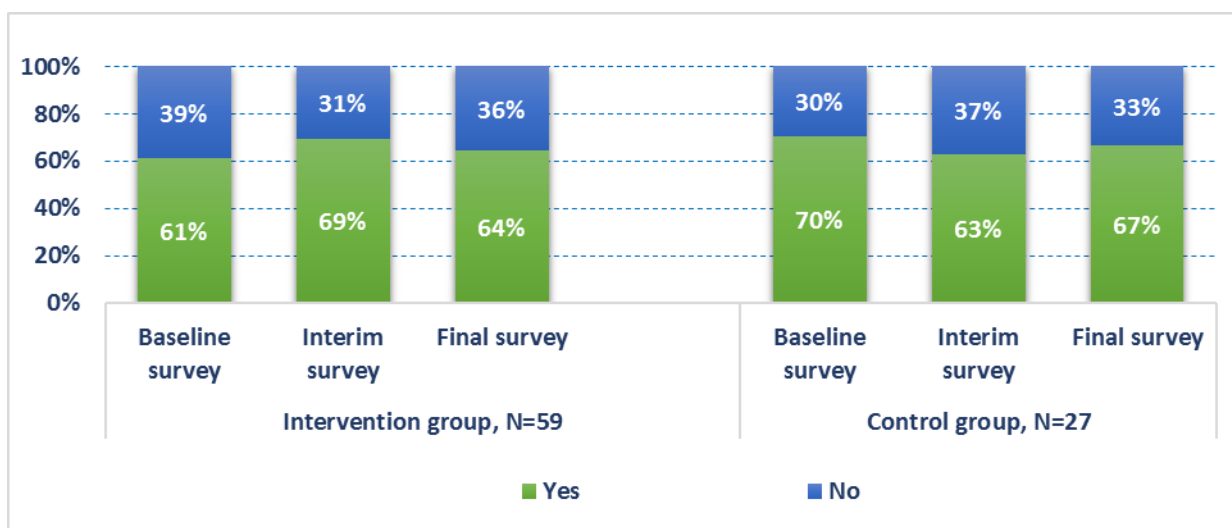
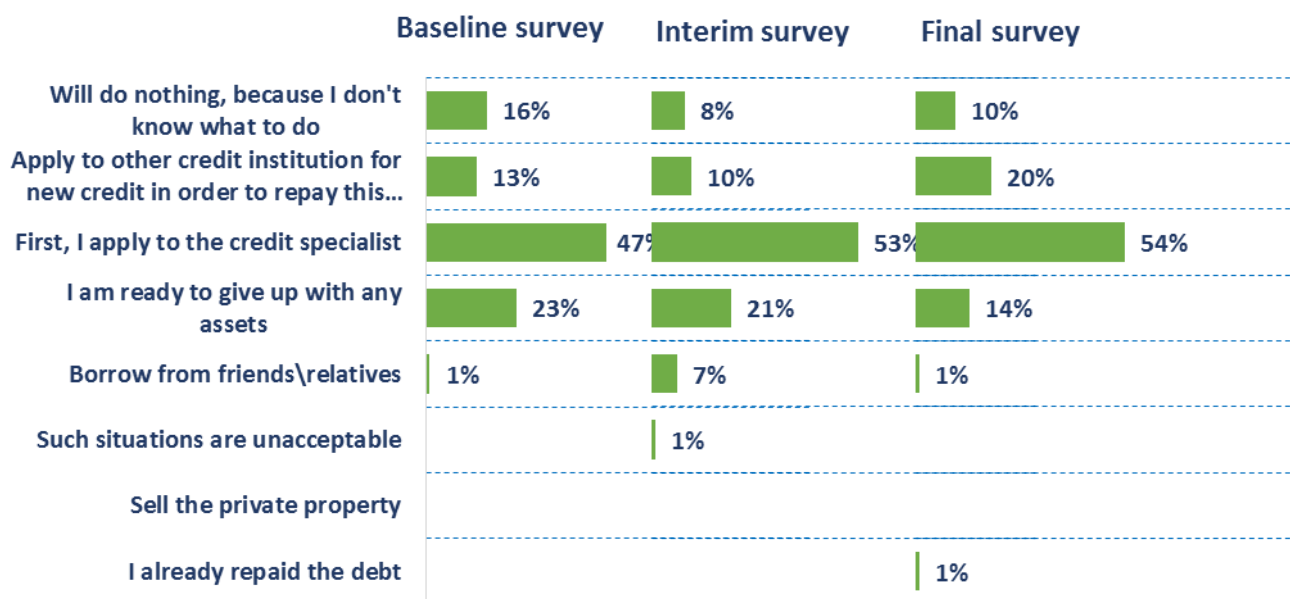


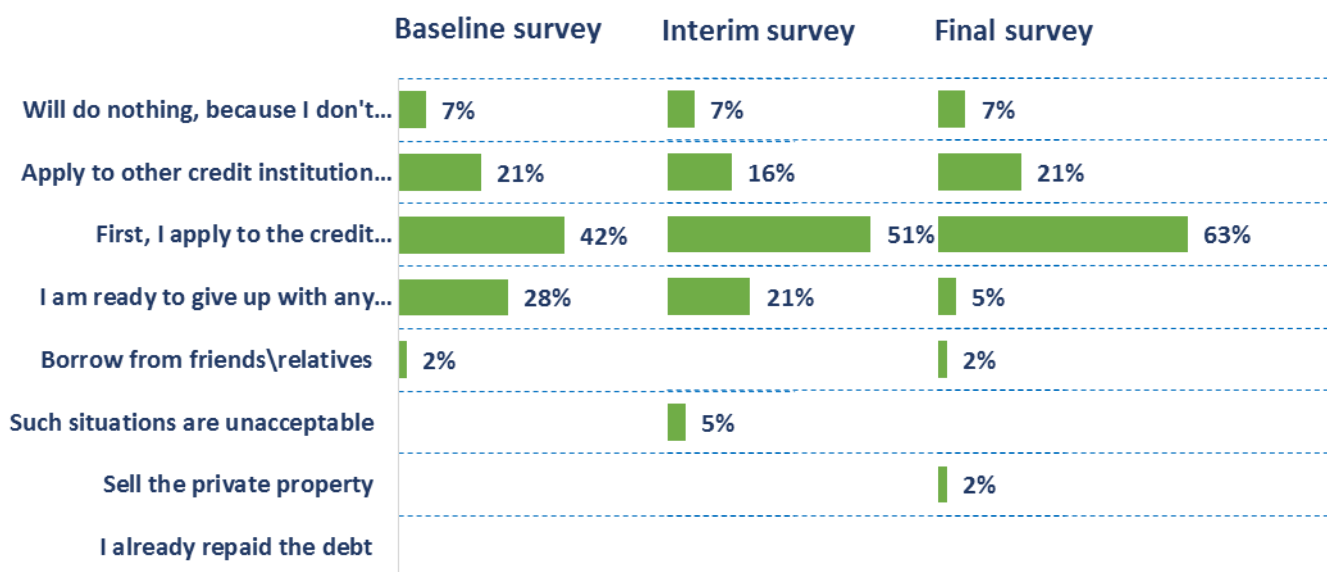
Figure 5.5.19. I prefer to borrow money (when I need them) than to save in advance, KURGAN-TYUBE

The last actions of respondents, which was studied within this survey, was the measures, which they take while occurring problems with payment of debts. The survey results shows that, primarily, the majority (45%, 53% and 57% during the first, second and third surveys accordingly) of respondents in this case apply to the credit specialist, because they consider the credit company as their adviser and have confidence to them. Second place is taken by the article «Ready to give up with any assets», third place is taken by «Will apply to other credit institution», the fourth place is taken by the article «I do nothing, because I don't know what to do».

The share of respondents, who will do nothing, because they do not know what to do, in **control group**, was in unchanged level in first, second and third surveys (for 7%). As for **intervention group**, the share of respondents, who do nothing, decreased in the second survey for 8% (two times) in comparison with baseline survey. In the third survey, it increased for 2% in comparison with the second survey, but remained for 6% less than the baseline survey, which means that consultations in this case were not in vain and maybe their effect decreased to the third survey.



**Figure 5.5.20. «If you will have difficulties with payment of credit in future, what will you do?»
Intervention group, N=107**



**Figure 5.5.20. «If you will have difficulties with payment of credit in future, what will you do?»
Control group, N=43**

Questions, which were considered in this section, characterizes the actions, which respondents were taken or plan to take in relation to the financial planning. In terms of the activity of undertaken measures, respondents were classified for the 3 groups (Active behavior, Neutral behavior and passive behavior).

Classification on degree of financial activity was done by the following questions:

1. I made the family budget (made notes of incomes and expenses) for the last 3 months
2. I set financial goals for the next several months
3. I discussed our incomes and expenses with my family
4. I spend enough money for food, clothes and transport in order to keep my family well
5. I made my previous debt payment on time
6. I will make my next debt payment on time
7. I consulted with my financial institution (bank, MFO) about restructuring \ rescheduling my current debt
8. I sold property in order to repay credits\loans
9. I am planning to take credit\loan (during the 12 months) after repayment of current credit\loan
10. I am planning to take credit\loan while I am repaying my current credit\loan
11. I prefer to borrow money (when I need them) than to save in advance
12. What will you do in the event of difficulties with credit repayment in the future?

The results of conducted classifications are given in Figures 5.5.21 and 5.5.22. As can be seen from these pictures, in Kulyab, there are observed more financially active respondents in both intervention and control groups during all three surveys. The share of financially active respondents in the **intervention group** varies from 54% to 67% and in the control group, it varies from 50% to 81%. The passive behavior in Kulyab is observed only in intervention group. The share of passive respondents in the intervention group decreased for 2% to the second survey, which is for 6% less than the baseline survey, but, in the final survey, it again increased up to the level of baseline survey (8%). In addition, it should be mentioned that the level of financial activity of respondents in intervention group of Kulyab increased to the second survey and decreased to the third survey. Most probably, the effect of conducted consultations eventually decreased.

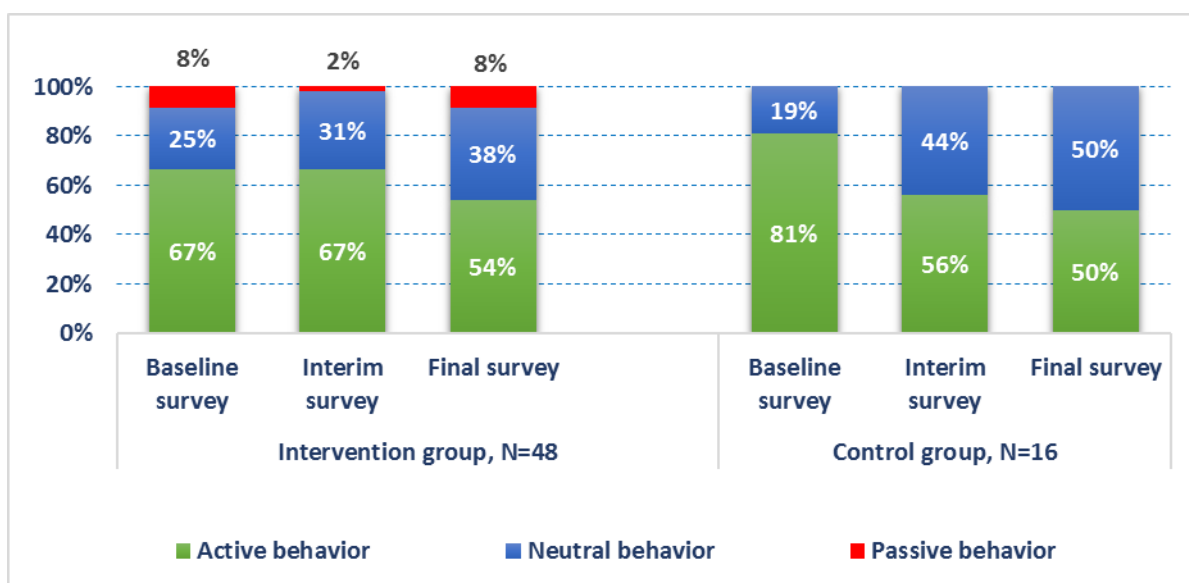


Figure 5.5.21. Financial activity, KULYAB

As for financial activity of Kurgan-tyube respondents in **intervention group**, this indicator has tendency to increase. The share of financially active respondents in the intervention group became for 26% more to the second survey and increased for 15% in the third survey in comparison with the second survey, which is for 41% more than the baseline survey. There were no any financially inactive respondents in intervention group of Kurgan-tyube in the final survey. As for financially active respondents in control group of Kurgan-tyube, their share also has tendency to increase to the final survey.

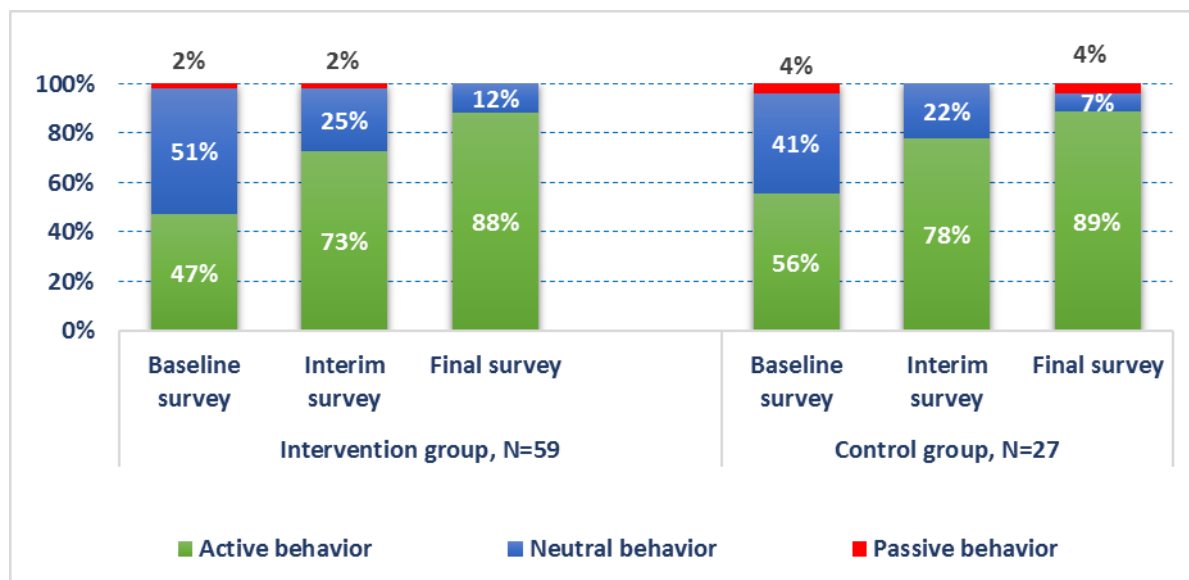


Figure 5.5.22. Financial activity, KURGAN-TYUBE

- The share of respondents, who didn't make the last payment in time, decreased in both intervention and control groups (for 3% and 2% accordingly). The share of respondents, who are planning to make their next payment on credit in time, increased for 5% (from 79% during the baseline survey to 84% during the final survey) in intervention group. In control group, it, conversely, decreased for 7% to the final survey.
- As for restructure of the debt, 55% of respondents in intervention group consulted with their financial organization at the moment of final survey, which is for 2% more than in baseline survey. In control group, the share of such respondents decreased for 16% (from 65% to 49%).
- The share of respondents, who sold their property in order to pay debts, in intervention group is gradually decrease and reach 21% to the final survey, which is for 8% less than in baseline survey. In the control group, the share of such respondents, conversely, increased to the final survey for 5% (from 2% in baseline survey to 7% in final survey).
- The share of respondents, who are planning to take credit after 12 months after repayment of current debt, decreased in intervention group for 11% (from 53% to 42%) to the final survey. In control group, it decreased for 18% (from 58% to 40%). The share of respondents, who are planning to take credit \ loan while repaying the current credit, decreased in intervention group for 13% in the final survey (from 35% in baseline survey to 22% in final survey). In control group, it decreased for 16% (from 28% to 12%).
- The share of respondents, who made the family budget (made notes of expenses and incomes) in both intervention and control group, increased at the moment of the survey in comparison with baseline survey (from 59% to 68% in intervention group and from 70% to 72% in control group).
- The share of respondents, who set financial goals for the next several months, increased in both intervention and control groups to the final survey in comparison with baseline survey (in intervention group – from 63% to 77%, in control group – from 58% to 86%).

- The share of respondents, who discussed their incomes and expenses with their families, is also increased in both intervention and control groups to the final survey in comparison with the baseline survey (in intervention group – from 87% to 94%, in control group – from 88% to 98%).
- The share of respondents, who prefer to borrow money than to save in advance, is also increased in both intervention and control groups to the final survey in comparison with the baseline survey (in intervention group – from 46% to 56%, in control group – from 51% to 60%). It seems that counseling alone does not reduce the preference for borrowing.
- First, the majority (45%, 53% and 57% during the first, second and third surveys accordingly) of respondents will apply to the credit specialist in case of occurring difficulties with repayment of debt, because they consider them as their own adviser and have confidence to them. Second place is taken by the article «Ready to give up with any assets», third place is taken by «Will apply to other credit institution», the fourth place is taken by the article «I do nothing, because I don't know what to do». The share of respondents, who will do nothing, because they do not know what to do, in control group, was in unchanged level in first, second and third surveys (for 7%). As for intervention group, the share of respondents, who do nothing, decreased in the second survey for 8% (two times) in comparison with baseline survey. In the third survey, it increased for 2% in comparison with the second survey, but remained for 6% less than the baseline survey, which means that consultations in this case were not in vain and maybe their effect decreased to the third survey.
- The level (complex indicator) of respondents with passive financial behavior at the moment of the final survey in intervention group of Kulyab didn't change in comparison with baseline survey (remained on the level of 8%). There were no any financially inactive respondents in intervention group of Kurgan-tyube in the final survey. At the moment of the baseline survey, such respondents were 2%. This complex indicator also shows that conducted trainings were more effective in Kurgan-tyube than in Kulyab.

6. ANNEXES

Annex 1. Level of over indebtedness

Table 1. Presence of credit \ loan, distribution by settlements

	Kulyab					
	Intervention group, N=48			Control group, N=16		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
No credit\loan	0%	2%	8%	0%	6%	13%
Have credit\loan	100%	98%	92%	100%	94%	88%
Total	100%	100%	100%	100%	100%	100%
	Kurgan-tyube					
	Intervention group, N=59			Control group, N=27		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
No credit\loan	0%	0%	0%	0%	4%	0%
Have credit\loan	100%	100%	100%	100%	96%	100%
Total	100%	100%	100%	100%	100%	100%

Table 2. Presence of credit\loan on settlements in distribution by sex of respondent

	Kulyab					
	Men, n=40			Women, n=24		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
No credit\loan	0%	5%	10%	0%	0%	8%
Have credit\loan	100%	95%	90%	100%	100%	92%
Total	100%	100%	100%	100%	100%	100%
	Kurgan-tyube					
	Men, n=31			Women, n=55		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
No credit\loan	0%	0%	0%	0%	2%	0%
Have credit\loan	100%	100%	100%	100%	98%	100%
Total	100%	100%	100%	100%	100%	100%

Table 3. «Can you tell me with great certainty, what amount the payments on your credit and debt and credit and debt of your HH members are equal to in one month?»

	Kulyab					
	Intervention group, N=48			Control group, N=16		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Significantly lower than the family's monthly income	15%	17%	21%	38%	19%	6%
Slightly lower than the family's monthly income	17%	13%	15%	31%	6%	19%
Equal to the family's monthly income	10%	29%	15%	0%	38%	25%
Significantly exceeding the family's monthly income	10%	10%	13%	31%	13%	19%
Significantly exceeding the family's monthly income	48%	29%	29%	0%	19%	19%
No credit \ loan		2%	8%		6%	13%
Total	100%	100%	100%	100%	100%	100%
	Kurgan-tyube					
	Intervention group, N=59			Control group, N=27		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Significantly lower than the family's monthly income	34%	42%	27%	41%	22%	41%
Slightly lower than the family's monthly income	20%	31%	39%	22%	48%	37%
Equal to the family's monthly income	17%	14%	25%	15%	15%	19%
Significantly exceeding the family's monthly income	17%	5%	3%	7%	4%	0%
Significantly exceeding the family's monthly income	12%	8%	5%	15%	7%	4%
No credit \ loan		0%	0%		4%	0%
Total	100%	100%	100%	100%	100%	100%

Annex 2. Determining incomes and expenses

Table 1. «Can you calculate the total income\expense, which you and your HH expect to receive\pay out this month?»

	Kulyab						Kurgan-tyube					
	Men, n=40			Women, n=24			Men, n=31			Women, n=55		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Total income												
Yes, with great certainty	53%	38%	25%	29%	33%	33%	16%	19%	58%	25%	35%	56%
With some certainty	30%	40%	30%	33%	42%	33%	68%	61%	32%	51%	55%	40%
No	18%	23%	45%	38%	25%	33%	16%	19%	10%	24%	11%	4%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Total expenses												
Yes, with great certainty	35%	38%	35%	17%	46%	46%	16%	29%	52%	33%	36%	47%
With some certainty	43%	40%	38%	42%	29%	21%	61%	52%	45%	42%	49%	45%
No	23%	23%	28%	42%	25%	33%	23%	19%	3%	25%	15%	7%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 2. «Do you know the amount, which you\your HH have to repay on your private credits and debts \ credits and debts this month?», intervention and control groups

	Kulyab						Kurgan-tyube					
	Intervention group, N=48			Control group, N=16			Intervention group, N=59			Control group, N=27		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Do you know the amount, which you have to repay on your private credits and debts this month?												
Yes, with great certainty	71%	79%	75%	81%	88%	75%	69%	81%	75%	81%	85%	85%
With some certainty	17%	17%	8%	6%	0%	13%	20%	17%	25%	19%	11%	15%
No	13%	2%	8%	13%	6%	0%	10%	2%	0%	0%	0%	0%
No credit\loan		2%	8%		6%	13%		0%	0%		4%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Do you know the amount, which your HH have to repay on credits and debts this month?												
Yes, with great certainty	52%	50%	65%	50%	56%	50%	51%	68%	83%	48%	63%	78%
With some certainty	13%	21%	13%	0%	6%	6%	36%	27%	15%	41%	11%	19%
No	35%	27%	15%	50%	31%	31%	14%	5%	2%	11%	22%	4%
No credit\loan		2%	8%		6%	13%		0%	0%		4%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 2. «Do you know the amount, which you\your HH have to repay on your private credits and debts \ credits and debts this month?», by sex of respondent

	Kulyab						Kurgan-tyube					
	Men, n=40			Women, n=24			Men, n=31			Women, n=55		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Do you know the amount, which you have to repay on your private credits and debts this month?												
Yes, with great certainty	73%	78%	80%	75%	88%	67%	71%	84%	87%	75%	82%	73%
With some certainty	15%	15%	5%	13%	8%	17%	23%	13%	13%	18%	16%	27%
No	13%	3%	5%	13%	4%	8%	6%	3%	0%	7%	0%	0%
No credit\loan		5%	10%		0%	8%		0%	0%		2%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Do you know the amount, which your HH have to repay on credits and debts this month?												
Yes, with great certainty	45%	50%	58%	63%	54%	67%	52%	74%	97%	49%	62%	73%
With some certainty	5%	20%	13%	17%	13%	8%	35%	19%	0%	38%	24%	25%
No	50%	25%	20%	21%	33%	17%	13%	6%	3%	13%	13%	2%
No credit\loan		5%	10%		0%	8%		0%	0%		2%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 1. «How confident you are that you keep your collateral property (financial institution will not take it as repayment of the debt)?»

	Kulyab						Kurgan-tyube					
	Men, n=40			Women, n=24			Men, n=31			Women, n=55		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Absolutely sure	74%	50%	74%	18%	58%	54%	67%	79%	14%	58%	87%	75%
Mostly sure	0%	7%	9%	18%	16%	38%	7%	0%	43%	8%	0%	0%
Neither sure nor unsure	17%	25%	17%	9%	16%	8%	13%	7%	29%	17%	0%	25%
Mostly unsure	9%	4%	0%	18%	5%	0%	0%	7%	0%	4%	0%	0%
Absolutely unsure	0%	14%	0%	36%	5%	0%	13%	7%	14%	13%	13%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 2. «I spend money, which I took for credit\loan, for the purposes, which are favorable / useful for me now»

	Kulyab						Kurgan-tyube					
	Men, n=40			Women, n=24			Men, n=31			Women, n=55		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Absolutely agree	83%	93%	80%	71%	88%	71%	58%	74%	55%	36%	56%	56%
Partially agree	10%	5%	15%	29%	4%	21%	39%	23%	42%	53%	40%	44%
Absolutely disagree	8%	3%	5%	0%	8%	8%	3%	3%	3%	11%	4%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 3. «I decide to contract credit /loan, because it improves my life quality»

	Kulyab						Kurgan-tyube					
	Men, n=40			Women, n=24			Men, n=31			Women, n=55		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Absolutely agree	45%	30%	68%	54%	38%	42%	39%	58%	45%	60%	47%	51%
Partially agree	35%	20%	18%	33%	17%	38%	42%	29%	32%	22%	38%	38%
Absolutely disagree	20%	50%	15%	13%	46%	21%	19%	13%	23%	18%	15%	11%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 4. «My financial standing, possibility to save and my debt is under my control»

	Kulyab						Kurgan-tyube					
	Men, n=40			Women, n=24			Men, n=31			Women, n=55		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Absolutely agree	85%	93%	75%	79%	83%	58%	74%	71%	84%	75%	82%	80%
Partially agree	8%	8%	15%	8%	8%	33%	23%	23%	16%	22%	18%	18%
Absolutely disagree	8%	0%	10%	13%	8%	8%	3%	6%	0%	4%	0%	2%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 5. «I feel confidence while drawing up the financial plan»

	Kulyab						Kurgan-tyube					
	Intervention group, N=48			Control group, N=16			Intervention group, N=59			Control group, N=27		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Absolutely agree	67%	81%	71%	75%	75%	75%	64%	75%	73%	74%	78%	96%
Partially agree	27%	15%	19%	25%	19%	25%	31%	20%	25%	26%	22%	0%
Absolutely disagree	6%	4%	10%	0%	6%	0%	5%	5%	2%	0%	0%	4%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 6. «I don't have difficulties to collect money for repayment of credit\loan on a monthly basis»

	Kulyab						Kurgan-tyube					
	Intervention group, N=48			Control group, N=16			Intervention group, N=59			Control group, N=27		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Absolutely agree	21%	25%	54%	50%	31%	31%	37%	36%	22%	37%	67%	41%
Partially agree	27%	21%	27%	25%	25%	63%	49%	51%	71%	56%	26%	56%
Absolutely disagree	52%	54%	19%	25%	44%	6%	14%	14%	7%	7%	7%	4%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table7. «Even if my expenses for food, transport, clothes will increase, my life quality will remain at the same level»

	Kulyab						Kurgan-tyube					
	Intervention group, N=48			Control group, N=16			Intervention group, N=59			Control group, N=27		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Absolutely agree	25%	29%	35%	44%	25%	56%	19%	27%	24%	33%	33%	33%
Partially agree	21%	38%	31%	25%	19%	25%	61%	64%	68%	48%	59%	56%
Absolutely disagree	54%	33%	33%	31%	56%	19%	20%	8%	8%	19%	7%	11%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 8. «Do you think that you can be more cost efficient?»

	Kulyab						Kurgan-tyube					
	Men, n=40			Women, n=24			Men, n=31			Women, n=55		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Exactly can	55%	75%	35%	54%	75%	46%	48%	55%	55%	53%	60%	62%
Most likely can	30%	18%	55%	29%	8%	33%	32%	23%	32%	27%	24%	25%
Most likely can't	8%	8%	5%	17%	13%	13%	13%	10%	6%	11%	5%	2%
Exactly can't	8%	0%	5%	0%	4%	8%	6%	13%	6%	9%	11%	11%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 11. «I think that next year my financial standing will be better than this year»

	Kulyab						Kurgan-tyube					
	Men, n=40			Women, n=24			Men, n=31			Women, n=55		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Absolutely agree	45%	80%	60%	46%	71%	67%	42%	52%	55%	55%	56%	49%
Partially agree	35%	10%	33%	46%	21%	33%	48%	45%	45%	45%	44%	51%
Absolutely disagree	20%	10%	8%	8%	8%	0%	10%	3%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Annex 4. Actions

Table 1. «I made my last payment on credit\loan in time»

	Kulyab						Kurgan-tyube					
	Intervention group, N=48			Control group, N=16			Intervention group, N=59			Control group, N=27		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Yes	79%	77%	69%	88%	75%	81%	86%	92%	93%	96%	96%	96%
No	21%	21%	23%	13%	19%	6%	14%	8%	7%	4%	0%	4%
No credit\loan		2%	8%		6%	13%		0%	0%		4%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 2. «I will make my next payment on credit\loan in time»

	Kulyab						Kurgan-tyube					
	Intervention group, N=48			Control group, N=16			Intervention group, N=59			Control group, N=27		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
Yes	65%	73%	71%	100%	81%	69%	90%	92%	95%	89%	96%	96%
No	35%	25%	21%	0%	13%	19%	10%	8%	5%	11%	0%	4%
No credit\loan		2%	8%		6%	13%		0%	0%		4%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 3. I consulted ..., sold property ..., planning to take credit ...

	Kulyab						Kurgan-tyube					
	Intervention group, N=48			Control group, N=16			Intervention group, N=59			Control group, N=27		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
I consulted with my financial organization (bank, MFO) about restructure \ respite of my current debt												
Yes	65%	73%	52%	56%	63%	50%	44%	51%	58%	70%	70%	48%
No	35%	25%	40%	44%	31%	38%	56%	49%	42%	30%	26%	52%
No credit\loan		2%	8%		6%	13%		0%	0%		4%	0%
I sold property in order to pay credits\loans												
Yes	46%	48%	33%	6%	25%	13%	15%	12%	10%	0%	0%	4%
No	54%	50%	58%	94%	69%	75%	85%	88%	90%	100%	96%	96%
No credit\loan		2%	8%		6%	13%		0%	0%		4%	0%
I am planning to take credit\loan (during the 12 months) after repayment of current credit /loan												
Yes	54%	46%	33%	38%	44%	19%	53%	49%	49%	70%	48%	52%
No	46%	52%	58%	63%	50%	69%	47%	51%	51%	30%	48%	48%

No credit\loan		2%	8%		6%	13%		0%	0%		4%	0%
I am planning to take credit / loan while repaying the current credit\loan												
Yes	35%	21%	31%	13%	6%	19%	34%	29%	15%	37%	33%	7%
No	65%	77%	60%	88%	88%	69%	66%	71%	85%	63%	63%	93%
No credit\loan		2%	8%		6%	13%		0%	0%		4%	0%

Table 4. I made the family budget ..., set financial goals ..., discussed incomes and expenses ..., spend enough money ..., prefer to borrow money ...

	Kulyab						Kurgan-tyube					
	Men, n=40			Women, n=24			Men, n=31			Women, n=55		
	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey	Baseline survey	Interim survey	Final survey
I made the family budget (made notes of expenses and incomes) for the last 3 months												
Yes	63%	68%	48%	50%	71%	58%	55%	77%	81%	71%	82%	84%
No	38%	33%	53%	50%	29%	42%	45%	23%	19%	29%	18%	16%
I set financial goals for the next several months												
Yes	75%	75%	58%	54%	83%	96%	58%	84%	90%	56%	75%	84%
No	25%	25%	43%	46%	17%	4%	42%	16%	10%	44%	25%	16%
I discussed our incomes and expenses with my family												
Yes	83%	93%	90%	88%	83%	100%	87%	87%	97%	91%	85%	96%
No	18%	8%	10%	13%	17%	0%	13%	13%	3%	9%	15%	4%
I spend enough money for food, clothes and transport for my family												
Yes	83%	100%	90%	88%	96%	88%	87%	100%	100%	87%	95%	96%
No	18%	0%	10%	13%	4%	13%	13%	0%	0%	13%	5%	4%
I prefer to borrow money (when I need them) than to save in advance												
Yes	25%	43%	48%	25%	46%	46%	55%	71%	55%	69%	65%	71%
No	75%	58%	53%	75%	54%	54%	45%	29%	45%	31%	35%	29%

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