**Proposal for a Specialized Savings Account for Pregnant Women**

**(Ulfa Saving Account)**

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**Executive Summary**

This proposal outlines the creation of a specialized savings account designed specifically for pregnant women in Ethiopia, particularly aimed at addressing the financial challenges they face during pregnancy and childbirth. The Ulfa Saving Account offers a closed account system with a structured savings plan, competitive interest rates, loan options, and tailored financial tools to help expectant mothers manage their finances during this critical period. By targeting both urban and rural women, this initiative seeks to drive financial inclusion and empowerment for expectant mothers, offering them a reliable financial resource to cover medical costs, prenatal care, and other essential expenses related to pregnancy and childbirth.

**Introduction:**

In today’s world, pregnancy brings both joy and a unique set of financial challenges for both a women in urban and rural area with rising normal and unexpected medical expenses(such as a C-section or other emergency procedures, mother or baby requires additional care or longer hospital stays due to complications, additional medical tests labor or post-delivery. etc.), prenatal care costs, and preparations for the arrival of a newborn, many expectant mothers face significant financial pressures.

To address these concerns, I propose the creation of a specialized savings account designed exclusively for pregnant women. This account will be a closed account until the mother get into the third trimester and it offer competitive interest rates and provide loan options, medical expense support, and tailored financial tools to help expectant mothers manage their finances during this important life stage. By offering this product, I aim to provide a financial cushion and peace of mind, ensuring that women can focus on their health and well-being without the added stress of financial uncertainty.

By offering **Ulfa Saving Account**, the FI can drive financial inclusion in rural areas, where pregnant women often face limited access to essential banking services. This product not only helps rural women manage pregnancy-related expenses but also empowers them to take control of their financial futures. Providing accessible, tailored banking solutions through mobile platforms or community outreach will ensure that even the most remote populations benefit from financial services, fostering greater financial independence and supporting long-term economic growth. Ultimately, this initiative strengthens the bank’s relationship with rural communities, positioning it as a trusted partner in women’s economic empowerment. This initiative will foster goodwill by demonstrating the bank’s commitment to social responsibility and supporting customers through challenging times. Moreover, by providing tailored solutions that meet the unique needs of expectant mothers, the bank can deepen customer loyalty, attract new clients, and differentiate itself in a competitive market, ultimately driving long-term growth and engagement.

**2. Background**

As life is a continuous journey, especially in the context of human existence, the financial needs of individuals, particularly pregnant women, evolve over time. This type of savings account ensures that women, who are often marginalized in terms of financial access, have the opportunity to save and manage their finances during pregnancy. Therefore, not only benefits the financial institutions involved but also contributes to the broader goal of women’s financial inclusion and social well-being.

In Ethiopian culture, the third trimester is a special preparation period, during which the family focuses on preparing for the arrival of the baby and supporting the mother. During this time, the family incur the following costs prepares essential foods for the mother, such as butter, honey, porridge flour, and oats. Additionally, the husband plays a crucial role in covering other costs, including purchasing a sheep to help strengthen the mother and support her in breastfeeding the baby for at least three months after delivery.

In addition to these preparations, medical costs associated with delivery can include expenses for doctor’s visits, lab tests, medications, and the delivery itself. These costs may involve additional charges for anesthesia, surgical procedures like C-sections, and hospital stays for both the mother and baby. If complications arise, such as the need for neonatal care or extended medical treatments, further costs may be incurred before the mother is able to return home from the hospital. The financial strain that many pregnant women experience after delivery often includes unexpected medical expenses, additional baby-related expenses such as diapers and formula, and the potential loss of income if the mother takes time off work to recover or care for her newborn.

In summary, regarding financial inclusion of the country the lack of a savings account specifically for pregnant women, especially in rural areas, negatively impacts financial inclusion by excluding a significant portion of the population from essential banking services, hindering their ability to manage pregnancy-related expenses, save for the future, and build financial independence, ultimately limiting the country’s overall economic participation and growth. Regarding with the woman, lack of a dedicated **Pregnant Women’s Savings Account** can lead to financial instability, stress, and dependency, making it more challenging for women to navigate the financial responsibilities of pregnancy and early motherhood.

**3. Target Audience**

The target audience for the pregnant women's savings account will be segmented based on geography and income level.

**Geographically**, the account will cater to both rural and urban areas, with a particular focus on reaching underserved rural communities (pregnant women) where access to banking services is limited.

In terms of **income level**, the account will be designed to support women across various income brackets, from low-income individuals who require accessible financial support, to middle-income women who may seek to plan and save for pregnancy-related expenses.

The unique needs and challenges of a savings account for pregnant women vary greatly depending on whether they live in rural or urban areas and their income level. Rural women may face geographical and literacy barriers, while urban women are concerned with higher preparation and medical costs. Low-income pregnant women need affordable access to funds, while middle-income women may require accounts that support larger savings goals and long-term planning. Addressing these diverse needs requires tailored features and services for each segment.

**4. Key Features of the Account**

* Higher Interest Rate: Offer a competitive interest rate to incentivize savings during this crucial period.
* Loan options: Provide easy access to loan because of most of pregnant women in the rural area and in the low level income, they may save low amount as the saving is monthly basis and it is short term saving and the final amount they withdraw at the end of the day (third trimester) my unable to cover for their expenses.
* Closed account saving: the concept for a closed savings account exclusively for pregnant women could involve an account where funds are inaccessible until the third trimester or delivery. This would encourage long-term saving for maternity-related expenses while providing peace of mind that the funds will be available for essential needs once the baby is near arrival, ensuring financial security during a critical time.

**6. Implementation Strategy**

A savings account for pregnant women would be set up by allowing eligibility verification through proof of pregnancy, restricting withdrawals until the third trimester or delivery, offering automated contributions and higher interest rates, and unlocking access to funds only third trimester or delivery, with penalties for early withdrawals.

To launch the closed savings account for pregnant women, a timeline could look like this:

1. Research & Planning (1-2 months): Conduct market research, legal review, and define account terms.
2. Development (3-4 months): Work with developers to create the platform, integrate automated features, and ensure secure account locking mechanisms.
3. Testing (2 months): Pilot the service with a small group of users to address any issues.
4. Marketing & Outreach (1-2 months): Develop targeted marketing campaigns, partner with healthcare providers, and promote through maternity-related channels.
5. Launch (1 month): Officially roll out the account for public use.
6. **Marketing and Outreach**

To effectively requires effectively market the Pregnant Women’s Savings Account (PWSA), a multi-channel approach should be adopted that targets both urban and rural areas. First, partnerships with the Ministry of Health are key, as they can leverage their existing communication channels to raise awareness about the account through health programs and campaigns targeting expectant mothers. Additionally, collaborating with maternity clinics and health centers is essential, as these are trusted locations where pregnant women regularly visit.

By assigning bank marketers to work directly in these clinics and setting up dedicated offices within the health centers, pregnant women can receive personalized guidance and open accounts conveniently during their visits. This initiative should extend to both urban and rural areas, with rural areas particularly benefiting from the increased access to banking services.

In urban areas, social media campaigns on platforms like Facebook, Tiktok, and can be used to reach a wider audience, featuring engaging content, testimonials, and influencer endorsements to highlight the benefits of the PWSA. In rural areas, where internet access is limited, mobile-based messaging and community outreach through local health workers, midwives, and community leaders can help spread the word. By combining partnerships with health institutions, in-person engagement through bank marketers, and targeted digital campaigns, this strategy will ensure that pregnant women in both urban and rural areas have the knowledge and means to access the PWSA, empowering them with financial security during their pregnancy.

1. **Financial Projections**

Ethiopia’s population of over 120 million consists of approximately 80% rural dwellers and 20% urban dwellers. Given the country's high fertility rate, it is estimated that approximately 2-3 million women give birth annually. Of this, around 30-40% may be interested in a savings product for pregnant women. This implies that there is a potential customer base of approximately 600,000 to 1.2 million pregnant women annually across both urban and rural areas.

This saving account is designed to have a unique feature where funds are deposited monthly and withdrawn after 8 months, coinciding with the final stages of pregnancy. The monthly average deposit would range from 300 to 800 Ethiopian Birr, with the total deposit balance at the 8-month mark ranging from 2,400 to 6,400 Birr.

In rural areas, where financial inclusion is lower, it is likely that the adoption rate of such specialized savings products will be slower, with an initial customer base of approximately 40-50% of the total target market. However, as awareness and trust in the financial product grow, the customer base in rural areas could expand. In urban areas, with better access to financial institutions and higher financial literacy, the adoption rate could be higher, possibly reaching 50-60% of the target market.

Considering these factors, a reasonable forecast for the first year would suggest the growth of approximately 100,000 to 150,000 active accounts in urban areas, and around 50,000 to 100,000 active accounts in rural areas. The total deposit balance for rural areas could range from 120 million to 640 million Birr, while urban areas could see a balance range of 200 million to 800 million Birr at the 8-month mark.

Key metrics to track would include the monthly average deposits, account retention, the rate of new customer acquisition each month, and the withdrawal rate at the 8-month mark. By the end of the first year, assuming steady growth in both rural and urban areas, the total number of active accounts could reach 200,000 to 300,000, with a total deposit balance between 600 million and 1.4 billion Birr, depending on the adoption rate, average deposit levels, and the market share captured. This model focuses on a steady and scalable growth trajectory, with rural areas seeing slower adoption and urban areas having higher uptake and higher deposit amounts.

1. **Conclusion**

In conclusion, the proposal for a Specialized Savings Account for Pregnant Women (Ulfa Account) presents a significant opportunity to address the financial challenges faced by expectant mothers in Ethiopia, particularly in rural areas where access to financial services is limited. By offering tailored financial tools, competitive interest rates, and loan options, this account aims to provide a financial cushion for women during pregnancy, helping them manage medical expenses and prepare for the arrival of their baby without added stress.

The initiative is not only a step forward in promoting financial inclusion but also empowers women to take control of their financial futures, especially in underserved rural communities. Through strategic partnerships with health organizations and targeted marketing campaigns, the bank can effectively reach its target audience, ensuring that both urban and rural pregnant women benefit from this service.

This initiative also strengthens the bank's position as a trusted partner in women’s economic empowerment, fosters goodwill, and creates long-term customer loyalty. The financial projections indicate a promising market size, with the potential to reach 600,000 to 1.2 million women annually. By the end of the first year, the product is expected to generate significant deposit balances, further contributing to the financial stability of expectant mothers while positioning the bank for growth in both urban and rural markets. Ultimately, the Ulfa Account represents a socially responsible and sustainable financial product that can positively impact women’s lives, support long-term economic growth, and enhance the bank's competitive edge in the market.