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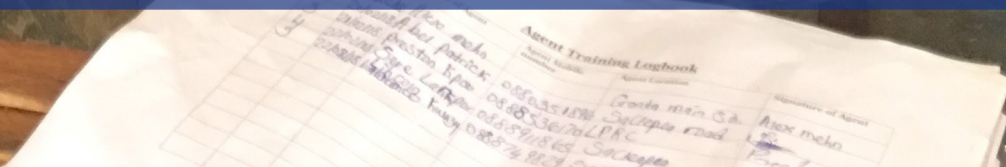
STRATEGIC  
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# Agent Network Strengthening (Epayments) Final Report

AID-0AA-A-16-00070

October 2016 - September 2022



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# List of Acronyms

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**BFS**

Bureau for Food Security

**CDCS**

Country Cooperation Development Strategy

**CDD**

USAID Center for Digital Development

**CFI**

Center for Financial Inclusion

**CICO**

Cash in cash out

**CSOs**

Civil society organizations

**D2FTF**

Digital Development for Feed the Future

**DCA**

DanChurchAid

**DFL**

Digital financial literacy

**DFS**

Digital financial services

**EPMES**

Ethiopia Performance Monitoring and Evaluation

**ESL**

Equator Seeds Ltd.

**FtF**

Feed the Future

**G2P**

Government-to-person

**GFSS**

U.S. Global Food Security Strategy

**IPs**

USAID Implementing Partners

**IVR**

Interactive voice response

**JAFOS**

Junior agricultural field offers

**MEL**

Monitoring, evaluation, and learning

**MFN**

MasterXard Farmers Network

**MIS**

Management information system

**MNO**

Mobile network operator

**sIR**

Sub Intermediate Result

**SHF**

Smallholder farmer

**TDY**

Temporary duty

**ToT**

Training of trainers

**VSLA**

Village savings and loan association

# Executive Summary

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The Agent Network Strengthening (ePayments) Program (ANSP) was created through the award of a cooperative agreement to Strategic Impact Advisors, LLC (SIA). The agreement began in October 2016 and ended in September 2022. ANSP intended to advance digital financial services (DFS) market systems in countries where USAID works, particularly by strengthening the ability of financial services agent networks to expand and serve financially excluded populations.

SIA was honored to support USAID over the course of this award. Our work is an example of agile and adaptive development and included 15 different projects that resulted in over 150 tools and technical assistance to strengthen both the supply and demand side of DFS ecosystems, driven by market assessments and need.

During the six years of ANSP, DFS continued to be an accelerant for improving people's livelihoods and building resilience and women's economic empowerment. At the start of this award, in 2016, GSMA reported that there were 556 million registered mobile money accounts, 174 million of which were active on a 90-day basis. In 2021, GSMA reported 1.35 billion

registered mobile money accounts, 538 million of which were active on a 90-day basis. That same year there were more mobile deployments than ever: 316 deployments in 98 countries with 12.2 million registered agents. USAID has supported, and continues to support, the reach of these digitally-enabled services, which the World Bank has credited for continuing to narrow the financial inclusion gap, including the gender gap.

SIA's work for USAID to build the ecosystem for ePayments (or DFS) and financial inclusion spanned four thematic areas: (1) delivering technical assistance to DFS providers, (2) building capacity of USAID staff and its implementing partners to use DFS as a programmatic tool, (3) providing resources and testing approaches to use DFS in particular sectors and countries, and (4) building resources to increase women's capacity to use DFS. In each area we implemented projects to advance digital financial inclusion and provided resources for other stakeholders to carry on this important work.

In this report, we reflect on our work and the impact it has had in building capabilities across the DFS ecosystem. Our work in Liberia and Sierra Leone

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provided tailored assistance to help mobile money providers strengthen their agent networks to become effective delivery channels for government-to-person payments. Our work with Feed the Future programs led to foundational market assessments for Missions to use DFS in their program design. In Uganda we created a global guide with tools that Feed the Future implementing partners can use to explore where they can leverage DFS to deliver relevant and useful financial services to smallholders and value chain partners. For the final project under ANSP, we focused on the continued challenge of digital financial literacy (DFL) in closing the gender gaps in financial inclusion. The open source

digital financial capacity audio lessons we produced were delivered directly through interactive voice response and used by over 45 organizations during the activity period, reaching over 277,000 individuals 74% of which were our target audience — women!

While this award has come to an end, the work remains. The financial inclusion gap is narrowing, but still exists: 29% of adults in developing economies still don't have a financial account. We look forward to seeing USAID continue to use the tools produced by this work and advance the use of DFS within its work as it continues to do development in the digital age.



Figure 1: ANSP Impact Over Six Years

# Operations - Cost Overview

ANSP began as a five-year program with a funding ceiling of \$4,955,112. USAID made an initial obligation of \$1,599,740 for work SIA performed in Liberia and Sierra Leone. USAID subsequently extended the award to a six-year program. Additional funds were obligated four different times to fund work for 12 additional projects completed over the course of the six years.

Table 1: Costs by Year

	FY17	FY18	FY19	FY20	FY21	FY22
Staff	\$194,463.50	\$277,824.80	\$115,265.70	\$122,852.66	\$178,909.28	\$90,792.97
Consultants and Sub-awards	\$400,196.50	\$933,286.20	\$4,647.50	\$108,959.55	\$437,279.37	\$94,904.05
Travel	\$39,014.80	\$88,927.30	\$14,901.70	\$5,439.79	\$15,288.98	\$3,489.11
Equipment	\$0	\$0	\$0	\$0	\$0	\$0
Other Direct Costs	\$25,736.70	\$19,093.80	\$1,127.50	\$33.29	\$58,151.50	\$4,332.66
<b>TOTAL</b>	<b>\$659,411.50</b>	<b>\$1,319,132.10</b>	<b>\$135,942.40</b>	<b>\$237,285.29</b>	<b>\$689,629.13</b>	<b>\$193,518.79</b>

Table 2: Totals for Award and Modification

	Amount	Date	Mod No.
<b>Total Award</b>	\$4,955,112		
<b>Original Obligation</b>	\$1,599,740	9/22/2016	
Additional Funds Obligated	\$160,000	3/30/2017	2
Additional Funds Obligated	\$150,000	3/31/2017	3
Additional Funds Obligated	\$360,000	7/12/2017	5
Additional Funds Obligated	\$975,000	9/30/2019	7
<b>TOTAL OBLIGATED FUNDS</b>	<b>\$3,244,740</b>		

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Table 3: Totals by Project

Project	TOTAL
Rwanda D2FTF - Hinga Weze	\$17,644.79
Women's Digital Financial Literacy Campaign: Hey Sister! Show Me the Mobile Money!	\$974,205.32
Guatemala Temporary Duty (TDY) Support	\$26,011.40
Honduras DFS Landscape Assessment	\$50,200.00
Liberia Agent Network Strengthening	\$1,103,097.95
Nigeria DFS Assessment (2014-2018)	\$73,005.36
Nigeria DFS Mission Capacity Building (Oct. 1 2018-End)	\$80,672.65
Sierra Leone Agent Network Strengthening	\$495,761.99
Ethiopia DFS Implementing Partners Capacity Building (2018-2022)	\$50,737.17
Ethiopia D2FTF DFS Assessment (2017-2018)	\$38,848.58
Uganda D2FTF	\$209,906.07
Digital Payment Capacity Building	\$26,011.40
USAID Digital Payment Toolkit Revamp	\$10,748.46
USAID Hey Sister Northern Triangle: ¡Oye Amiga, hablemos sobre tu billetera móvil!	\$36,044.97
<b>TOTAL</b>	<b>\$3,217,690.74</b>



# 1. Provider Work



# Liberia and Sierra Leone: Improving the Agent Capacity of Mobile Money Service Providers

## October 2016 - March 2018



### PROJECT OVERVIEW

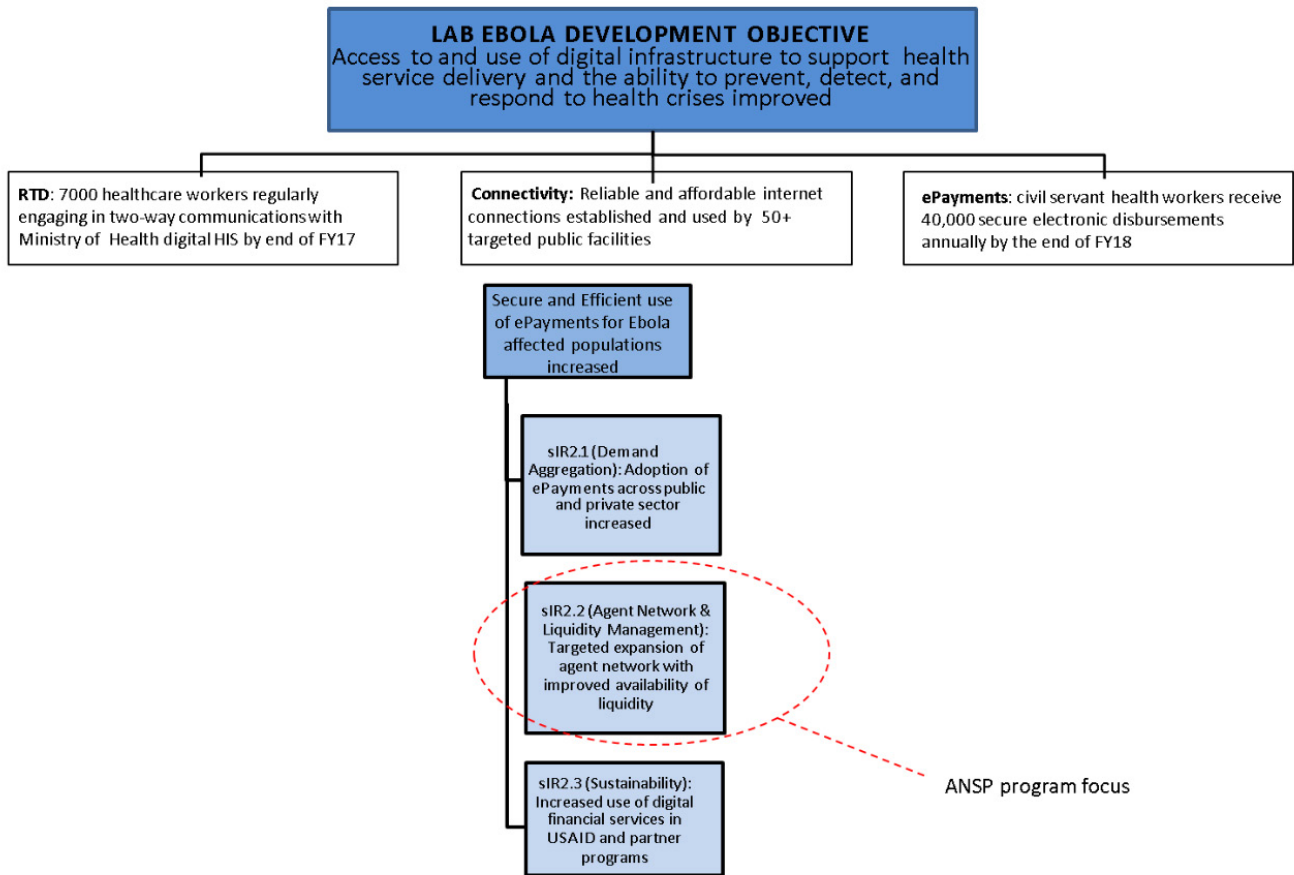
This award was launched as part of USAID’s assistance to help Liberia and Sierra Leone respond to and recover from the Ebola epidemic. USAID set up a dedicated initiative in the USAID Global Development Lab on Ebola response and recovery. The initiative included a results framework with Lab-wide priorities and a portfolio of projects. This project contributed to Sub Intermediate Result (sIR) 2.2 of the Lab’s Ebola results framework: “expansion of agent networks with improved availability of liquidity.”

### MARKET CONTEXT

In each country, the mobile money services

proved inadequate in agent reach, liquidity, and service quality to facilitate payments for Ebola response workers and to disburse government-to-person (G2P) payments to civil servants. This project built private sector capacity in both countries’ mobile money agent distribution networks by testing methods of sourcing liquidity for mobile money G2P payment cash outs and by building mobile money providers’ agent capacity through the delivery of tools and training. With MicroSave as SIA’s partner, ANSP provided targeted tools and capacity building to the two mobile money providers with the greatest market share in each country (Lonestar-MTN and Orange Money in Liberia

Figure 2: Lab Ebola Results Framework



and Orange Money and Africell in Sierra Leone). The tools and technical assistance were intended to strengthen the service providers’ agent networks as reliable payment disbursement outlets in urban and rural areas. During the project, SIA worked with the providers to test the strengthening of their agent networks in specific counties.

SIA and MicroSave’s delivery of technical assistance was based on the theory of change that providing technical assistance to agents on liquidity management and bulk payments processes in select geographic areas would enable

agent networks to successfully cash in cash out (CICO) G2P beneficiaries and enable mobile money service providers to actively oversee their agent networks. The assistance was delivered at the corporate level as well as piloted to build capacity in selected parts of the countries with each provider.<sup>1</sup>

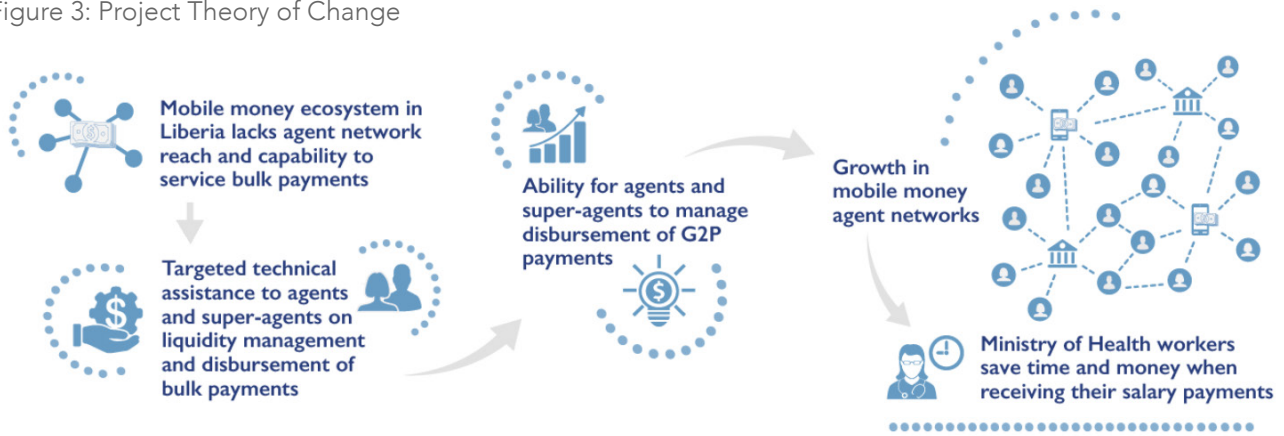
## ACTIVITIES

### Country Scoping

The project began with a market scoping, which analyzed the countries’ mobile money markets, the current state of agent networks, gaps,

1 In Liberia, Lonestar piloted efforts to build agent capacity in Lofa and Nimba counties. The Orange Money pilot in Liberia was in Margibi county. In Sierra Leone, SIA’s assistance to Orange Money focused on building agent capacity in Freetown, Lungi and Kono. Africell Wellington and Bo.

Figure 3: Project Theory of Change



and opportunities. Findings from the scoping confirmed challenges including inadequate liquidity management, undeveloped operational structures, the need to strengthen supervision of agent networks, irregular GSM coverage, and a limited value proposition for customers to use mobile money. The scoping highlighted opportunities to build customer trust in agents and create favorable regulatory environments.

### Technical Action Plans

To address provider challenges in Liberia, the project team conducted agent network diagnostics with each mobile money provider. In both countries, SIA and MicroSave developed customized technical action plans specific to the provider’s position in the market that then informed the technical assistance MicroSave and SIA provided to each provider.

### Building Agent Network Capacity

MicroSave and SIA delivered individual agent strengthening toolkits for use by each of the providers. The toolkits highlighted known best practices and presented providers with concrete steps to improve processes and standards, especially around ensuring adequate liquidity in the rural agent network. MicroSave

and SIA developed 91 tools providers could apply to strengthen their agent networks. The toolkits were customized, but each included tools to address liquidity management, agent training (for some this included tools for managing super agents and agent monitoring). Additional tools addressed areas of marketing and communication, business processes and engineering, bulk payment, and grievance management systems. ANSP provided training on the tools to providers and agents to ensure the toolkits were more than theoretical resources.

The technical assistance MicroSave provided to Lonestar included training agent network team members at MicroSave’s Helix Institute. Project funds were used to cover the costs of Lonestar staff to attend the Core Agent Network Accelerator Training at MicroSave’s Helix Institute in Nairobi in October 2017. During three days in the classroom, the group learned about agent network build up strategies, onboarding and training, compensation, liquidity management, and fraud risk. A one-day field visit allowed the staff to see first-hand M-PESA agent branding, liquidity management, registration practices, and how M-PESA agents were monitored.

### Ongoing Project Monitoring and Support

In addition to SIA and MicroSave technical experts, SIA staffed the project with local project support resources. SIA also provided ongoing project monitoring throughout the duration of the engagement and coordinated with other key implementing partners and development actors, including FHI360’s mSTAR and UNCDF, to continuously share learnings.

### PROJECT PERFORMANCE: IMPACT AND RESULTS

SIA measured project performance against the theory of change using a results framework and data collected by the project team and from mobile money operators. SIA signed NDAs with the mobile money providers that prevents public disclosure of specific provider data in this report. Table 4 aggregates the results of the delivery of technical assistance.

Table 4: Liberia and Sierra Leone Indicator Results

	Baseline - SUM	Endline - SUM	% Change
# active agents in pilot locations - 30 days	1,244	1,514	21.70%
# active agents in pilot locations - 60 days	1,071	1,568	46.41%
# transactions CICO points in pilot locations (cumulative total)	1,488	2,262	52.02%
Monthly value of super agent cash outs in pilot locations	34,541	260,177	653.24%
Monthly volume of super agent cash outs in pilot locations	226	405	79.20%
Monthly value of super agent cash ins in pilot locations	1,555	1,539	-1.05%*
Monthly volume of super agent cash ins in pilot locations	54	37	-31.48%*
Monthly value of agent cash ins in pilot locations (USD)	850,817	981,848	15.40%
Monthly value of agent cash outs in pilot locations (USD)	743,527	635,984	-14.46%*
Monthly volume of agent CICOs in pilot locations: cash ins	1,222	1,584	29.65%
Monthly volume of agent CICOs in pilot locations: cash outs	4,195	14,295	240.76%
# super agents in pilot counties (cumulative total)	15	25	66.67%
	<b>Baseline - SUM</b>	<b>Endline - SUM</b>	<b>Change</b>
# agents and super agents trained on mobile money business	n/a	384	384
# new super agents identified in pilot locations	n/a	12	12
# new super agents onboarded in pilot locations	n/a	9	9
# MMO agent network staff trained on agent monitoring	n/a	160	160
# MMO agent network staff trained on agent recruitment	n/a	88	88

\*The drop in value and volume of mobile money transactions during the project is attributable to a reduction in Ebola assistance being paid out by the Government and organizations during the project period.



**SUCCESS STORY** | *Lonestar super agents recruited: A total of five Lonestar super agents were identified in the pilot counties; two in Nimba and one in Lofa were operational by February. Agents in these pilot counties now have the option of using the services of a super agent to get cash for mobile money transactions. Lonestar has a selection tool that it can use in assessing whether to pursue super agent recruitment. Challenges remain in keeping these agents operational, such as ensuring they get their commissions in a timely manner and ensuring that the super agency business did not compete with their regular business as an agent. However, at the project's close they were actively providing liquidity to nearby agents, who were able to cut down on the amount of time it took to rebalance. Agents who previously had to go to Monrovia to rebalance were able to do so in the regional capital of Nimba, for example.*

## PROJECT ADJUSTMENTS

In consultation with USAID, the type of technical assistance delivered was adapted for each provider to “meet them where they were” during project implementation. Substantial involvement of USAID helped SIA to structure the work and activities in the most effective manner. Several project adaptations stand out:

1. Orange Money was a newer entrant in the Liberia market and did not have a contract in place with the Government of Liberia to conduct G2P transactions. In addition, Orange Money was more focused on rolling out its service in the urban center of Margibi and less interested in rural agent network deployment. This led to structuring of the engagement with Orange Money to provide supplemental staffing for its nascent mobile money team and tools on business processes.
2. In Sierra Leone, SIA adjusted the work plan to eliminate the individual provider diagnostics as they had proven of limited use in Liberia and had caused delays with the providers. The work plan was adjusted so the first phase of the project included the initial market scoping and immediate pre-

sentation of findings to key stakeholders, including the service providers. A three-day workshop was conducted with each service provider to provide basic training and to co-create further action plans for the project. This approach generated enthusiasm from the providers.

## KEY LEARNINGS

1. Ecosystem plays take time in the best of contexts, but especially in fragile states with nascent mobile money markets. Banking infrastructure is limited in the target counties and it plays a critical role in enabling mobile money services by providing liquidity. Goal setting should reflect these realities.
2. In working with private sector actors in a market system, project timelines need to incorporate the significant investment of time and dedicated in-country resources needed to understand the organization’s approach and management strategy and provide technical assistance and tools that can be absorbed into its operations. To build and test customized tools for effectiveness and adoption, USAID should consider structuring MOUs to include engagement prior to

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delivering technical assistance and should ensure that project budget allocations allow for continuous in-country technical expertise rather than remote tool preparation and periodic fly-ins for assessments and presentations.

3. The customer journey needs to be considered in addition to the distribution channel. Creative ways to drive adoption and market research to develop new products for different customer segments require investments and resources that many mobile money providers are unwilling to make.
4. In addition to consistent, quality technical assistance, ANSP experience demonstrated that the relevance of the materials to the individual service provider is of key

importance. It is also important to evaluate delivery mechanisms for tools beyond written documents or spreadsheets that can be accessed through mobile devices and used by participants in the agent network structure who may rely on a mobile device exclusively or be unlikely to use and update a spreadsheet or read a manual.



## Building Capacity in the Supply Side of the Digital Financial Services Market System, One Provider at a Time

Written by Shelley Spencer, SIA CEO

We spend a lot of time talking about how to build DFS market systems that are inclusive and efficient. Easier said than done. The supply chain of financial services is complicated. Even in our rapidly evolving digital world, in many countries where USAID works, last mile delivery of financial services relies on the presence of local agents who are recruited, contracted, and managed by financial service providers from afar.

While proven to be less expensive than building bank branches, it can be challenging for financial service providers to make this agent network model work. This is particularly true in less populated, rural areas where it costs providers more to serve a smaller customer base and recruit and manage agents in a sufficient network. The return on investment is often unclear for both providers and agents in the absence of intentional government and provider interventions to encourage transactions and DFS adoption. Sometimes there is an assumption by providers that the business case for supporting agents and offering services just doesn't work outside of cities or urban areas. And they are not wrong: Sometimes it simply doesn't. This can lead to providers' underinvestment in agent network strengthening and supply gaps in the DFS market system.



If we really believe in creating inclusive digital financial ecosystems, we can't just wait for the market incentives to work in the hope that inclusive agent networks will appear. We either have to look at ways to reduce the investment providers have to make in agent networks or help them develop strategies that support a business case. Research has shown agent proximity and density to customers to be an important element of advancing financial inclusion and its benefits.<sup>2</sup>

One way to offset investment costs is for donors and governments to fund the delivery of technical assistance directly to providers to strengthen their agent networks. In the project that launched this agreement in 2016, we (along with MicroSave) tested that approach

<sup>2</sup> Suri, Tavneet and William Jack. 2016. "The long-run poverty and gender impacts of mobile money." Tavneet Suri and William Jack. *Science* 354 (6317), 1288-1292.

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when we provided technical assistance directly to the leading mobile money providers in Liberia and Sierra Leone in the wake of the Ebola epidemic. At that time, USAID was working to build the capacity of the government and civil servants, particularly health workers, to use digital payments.

At a time of crisis, it can be hard to work on market systems as the payment demands are immediate and improving distribution systems takes time. When we started our work with the mobile money providers in 2016, mobile money existed in both Liberia and Sierra Leone as it does today. The services available, however, had inadequate agent reach, liquidity, and service quality to meet the payments needs for Ebola response, recovery and resilience-building workers, and to implement G2P payments for other civil servants as well.

To be effective and generate provider interest, we made sure that we tailored the technical assistance to each provider, its position in the market, and its business goals. To make it worth their time, which took some convincing, we centered the process on diagnosing problems, facilitating dialogue with key stakeholders in the market and the companies themselves, and developing practical tools that could continue to be used to train staff. We addressed the pain points in the market, in finding sources of liquidity, creating a super agent structure to outsource some management functions, and developing monitoring and management tools to evaluate the performance of the agent

network. In the end, we produced a customized set of tools for each provider to deploy in expanding its agent networks.<sup>3</sup>

The fact that this work was done at no cost to the providers, staffed with experts in agent network management, and provided specific tools for their use, reduced the providers' cost of creating a robust agent network strategy.

Six years later, as we close out this agreement and the world continues to confront a global pandemic, the use of digital payments has grown, with mobile money transactions capping \$1 trillion in 2021 and CICO remain the top use cases, making agents as essential now as they were then.<sup>4</sup> When COVID-19 hit, it created a global push for governments to use digital payments. This approach to assisting providers can be replicated in other markets, as noted by USAID in its replication brief.<sup>5</sup>

<sup>3</sup> <https://www.usaid.gov/digital-development/2020-digital-finance-bright-spot-digital-payments-liberia>

<sup>4</sup> [https://www.gsma.com/sotir/wp-content/uploads/2022/03/GSMA\\_State\\_of\\_the\\_Industry\\_2022\\_English.pdf](https://www.gsma.com/sotir/wp-content/uploads/2022/03/GSMA_State_of_the_Industry_2022_English.pdf)

<sup>5</sup> [https://www.usaid.gov/sites/default/files/documents/USAID\\_Mobile\\_Money\\_Networks\\_Replication\\_Guide.pdf](https://www.usaid.gov/sites/default/files/documents/USAID_Mobile_Money_Networks_Replication_Guide.pdf)





## 2. Capacity Building

# Honduras: DFS Market Assessment and Recommendations on Integrating DFS

## July 2017 - October 2018

### PROJECT OVERVIEW

At the request of USAID Honduras, SIA conducted a DFS market assessment in July 2017. The SIA team, accompanied by members of the DFS team in the USAID Global Development Lab, conducted an in-country analysis informed by interviews with over 30 stakeholders. This included site visits to a FtF Access to Markets program in the western region. SIA also visited cooperatives, mobile financial institutions, informal savings groups, and value chain stakeholders supported by the program.

### PROJECT PERFORMANCE: IMPACT AND RESULTS

SIA delivered a market assessment and detailed recommendations to USAID Honduras, which were presented in a workshop in Tegucigalpa in August 2018.

The SIA team finalized the assessment and recommendations documents in October 2018, as well as a one pager summarizing the recommendations for USAID Honduras.

[Download one-pager](#) ▶ [Next Steps for USAID/Honduras](#)

# Guatemala: Desk Research for D2FTF Assessment

## May 2018

### PROJECT OVERVIEW

Between 2015 and 2018, USAID’s Global Development Lab and the Bureau for Food Security engaged in a three-year collaboration, Digital Development for Feed the Future (D2FTF), to demonstrate how leveraging digital tools holistically and according to best practices can improve the cost effectiveness and development results of the U.S. Government’s Feed the Future (FtF) Initiative. USAID created a results framework for the D2FTF initiative that included building capacity of Missions and IPs to integrate digital tools into FtF programming. Through Modification Number 5 to the ANSP cooperative agreement, the Lab obligated \$300,000 in funding to continue its work to integrate DFS into FtF Programming.

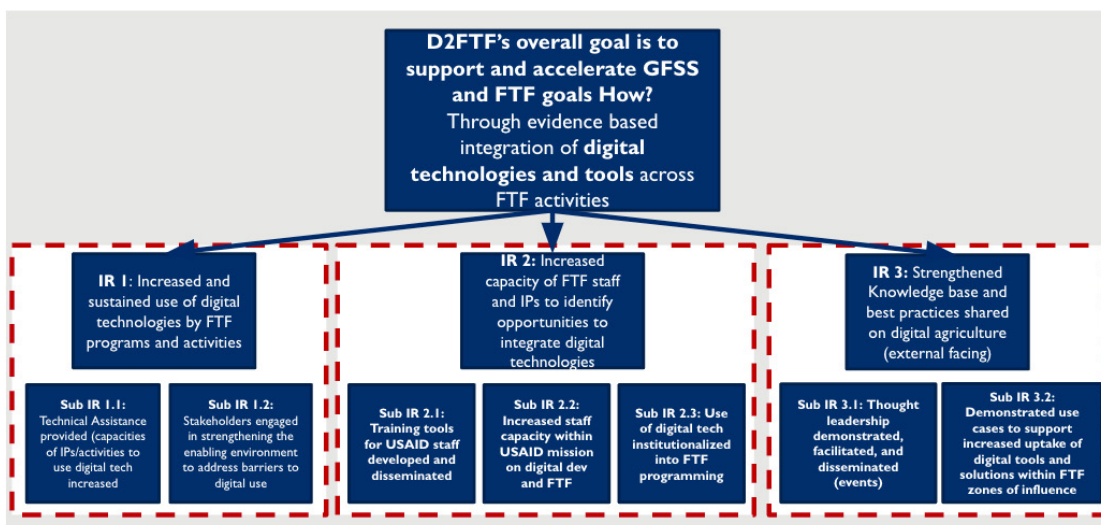
SIA provided pre-TDY desk research materials for the Guatemala D2FTF assessment as

well as DFS sector technical desk research supplements, which focused on investigation into agent banking regulations and the reach of agents in the FtF Zones of Influence. Immediately prior to the TDY, SIA reviewed the meeting schedule and provided specific points of contact for several DFS providers, associations, and financial services cooperatives (including Federación Nacional de Cooperativas de Ahorro y Crédito).

### PROJECT PERFORMANCE: IMPACT AND RESULTS

The research SIA conducted revealed that over 6,000 registered agents could provide a strong foundation for expanded mobile money services.

Figure 4: D2FTF Results Framework



# Ethiopia: USAID Implementing Partner DFS Capacity Building Workshop

## October 2019

### PROJECT OVERVIEW

Following SIA's completion of a digital agriculture and DFS assessment in 2018, USAID approved a new SIA activity in Ethiopia to build IP staff capacity to use DFS by:

1. organizing a workshop for IPs from primarily U.S. Global Food Security Strategy (GFSS) related activities focused on how to digitize institutional payments and engage productively with Ethiopia's available digital payment providers; and
2. scoping out the further provision of technical assistance to IPs as needed.

### ACTIVITIES

SIA held an in-country workshop that used USAID's e-payments toolkit to replicate SIA's work in Rwanda, where an SIA-led e-payments workshop led to a follow-on joint RFP to aggregate IP demand for the purchase of DFS services by USAID IPs. SIA collaborated with USAID Ethiopia's knowledge and learning program to establish a learning agenda for the workshop. The Ethiopia Performance Monitoring and Evaluation (EPMES) program team participated in the design and delivery of the workshop. EPMES was tasked with capturing best practices and lessons learned to advance IP efforts to integrate digital payments into programming and identify ways USAID could support overcoming barriers. The workshop curriculum followed the case

study approach used in trainings in other countries adapted from the first five steps of USAID's "[Making the Journey from Cash to Electronic Payments](#)" toolkit. The modules covered an introduction to mobile money and digital payments, payment streams, market assessment, payment service providers and their products, and the costs of payments.

### PROJECT PERFORMANCE: IMPACT AND RESULTS

#### Workshop Participation and IP Engagement

The October capacity building workshop engaged over 25 individuals from over 10 USAID activities and over 15 organizations. The workshop objectives established and met were to build the capacity of IPs to:

- Describe e-payment solutions and how to transition cash payments to e-payments within their respective organizations.
- Analyze their organization's physical cash payment streams in operations and programs.
- Analyze financial and non-financial costs of their organization's payment streams and establish a quantifiable baseline.
- Assess the market landscape for e-payment opportunities, options, and service providers that can offer alternatives to cash.
- Prepare a statement of business

Figure 5: Workshop Attendees



requirements to solicit proposals from digital service providers and participate in the creation of a common set of business requirements that reflect the needs of workshop participants.

Five Ethiopian service providers attended the second day of the workshop to present their digital payment products, offering an opportunity for participants to hear from all providers at once, ask questions, and compare product offerings. Day two also included a highly-rated peer learning session. USAID IP Food for the Hungry shared its approach and learnings from its mobile cash transfer pilot for clients of the Productive Safety Net Programme (PSNP) social safety net payment program.

SIA’s pre- and post- workshop tests revealed a significant increase in knowledge regarding Ethiopian service providers. There was a less significant increase regarding the benefits, use cases, and digital payment channels, as there was already a high level of awareness and consideration of DFS solutions among workshop participants. Overall, participants agreed digital payments provide a promising alternative to cash in terms of security and transparency, but cited concerns regarding network connectivity, regulatory issues, and

access to mobile devices and agents.

### Workshop Impact, Joint RFP Interest and Technical Assistance Needs

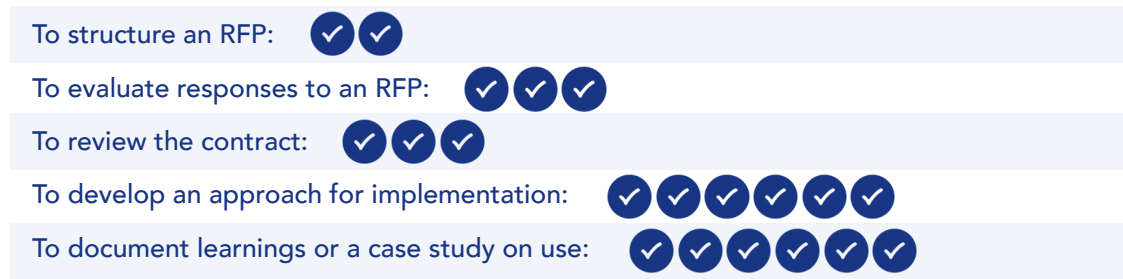
Following the workshop, SIA sent a survey to workshop participants and service providers to assess where participants were in the procurement process and where service providers saw Ethiopia’s digital payment landscape heading.

SIA’s pre-workshop survey indicated that 90% of Ethiopian IPs were interested in participating in a joint RFP to procure digital payment services, however at the workshop participants revealed that most IPs are already in the procurement process. Fourteen participants responded to the follow-up survey and two indicated they issued an RFP after the workshop, with one awaiting proposals and the other in contracting. Ten IPs indicated their senior management was willing to integrate digital payments.

All service providers indicated that Ethiopia’s large market size is the biggest positive aspect of the DFS ecosystem, and that interoperability has been achieved with some service providers offering interoperable platforms.

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Figure 6: Participant Interest in Technical Assistance



Service providers were asked about:

1. the value of presenting at the workshop;
2. the capacity constraints within their companies in offering digital payments to IPs on a broad scale;
3. where they planned to invest in the next year to build capacity;
4. the most critical challenges they faced in delivering digital payments for IPs;
5. the most critical policy and regulatory issues to support the scale of the digital payments ecosystem; and
6. the successes and challenges of Ethiopia's digital payments landscape and how interoperability could support their scale.

Three service providers responded to the follow-up survey: M Birr, CBE Birr and Yenepay. Based on the responses it was concluded the workshop participation was deemed valuable; all three service providers are investing in agent activation and networks; regulatory issues on agents are inhibiting DFS uptake; and poor telecom infrastructure is a major challenge for DFS.

### An Action Plan for USAID Ethiopia

Data collected from participating USAID

IPs, service providers, and the Mission also informed development of a near-term action plan for USAID Ethiopia, with a set of proposed Mission activities to support DFS ecosystem development. In September 2019, USAID's DFS team indicated the Mission capacity constraints and priorities made it unlikely that the work on DFS integration and support would continue, and ultimately there was no movement on the activities proposed in the plan.

### KEY LEARNINGS

Mission capacity to sustain work and investment in supporting the evolution of the Ethiopian DFS ecosystem was constrained by limited resources and program priorities. Ongoing work was highly dependent on one champion in the Mission whose workload provided limited time for engagement and whose rotation out of Ethiopia presented a vacuum of leadership.

# Digital Payments Toolkit Revamp

## June - December 2020

### PROJECT OVERVIEW

In 2020, SIA worked to revise and update the [Digital Payments Toolkit](#) to help USAID IPs navigate the journey from cash to digital payments.

This Toolkit was an update of the [E-Payments Toolkit](#) released by USAID and NetHope in [2014](#) and included new content and tools to reflect the advances made in the availability of digital payments and their use by development organizations.

Most of the work on the Toolkit was performed by SIA under a sub-award from NetHope issued under NetHope’s Global Broadband and Innovations Cooperative Agreement with USAID. NetHope’s cooperative agreement ended in FY20 and SIA performed the remaining activities, including the launch of the Toolkit and the evaluation of training mechanisms to use the Toolkit, under ANSP in FY21.

### PROJECT PERFORMANCE: IMPACT AND RESULTS

Published in December 2020, the Toolkit was designed to be used by organizations regardless of their experience with digital payments and to inspire and enable organizations new to digital payments to make the switch. It is structured as a “how-to” guide, divided into two sections (Internal and External Analysis and Implementation) with 10 steps



and accompanying tools to support users in practically applying the knowledge learned.

SIA also created 10 video tutorials to guide individuals through the more challenging tools and the ones requiring active completion and completed the tools from the perspective of a hypothetical IP.

[A launch webinar](#) was held on December 17, 2020, which brought together representatives from the donor, NGO, and corporate perspectives to discuss the update and provide an overview of four of the Toolkit steps along with practical guidance from a NetHope member on implementing the steps. The webinar attracted 426 registrants and 95 webinar participants. As of March 31, 2021, the Toolkit had been downloaded over 163 times.

Figure 7: The 10 Steps of the USAID Digital Payments Toolkit



In addition to the webinar, USAID and SIA evaluated training approaches to advance the use of the Digital Payments Toolkit. This work was ultimately discontinued and funds moved with USAID's approval to support the Digital Capacity Activity.

 As of March 31, 2021, the Toolkit had been downloaded over 163 times.  
[Download it here](#)



# Building Digital Payment Capacity of USAID Program Staff

September 2021 - March 2022

## PROJECT OVERVIEW

The Digital Payment Capacity Building Activity (DFS Capacity Activity) was designed to build the digital payment capacity of USAID program staff and increase the integration of DFS in development programs. The work aligned with the goals and objectives of USAID's Digital Strategy and USAID's 2021 Economic Policy calling for Enhancing Access to Productive Opportunities, including access to financial services through digital finance.

In this DFS Capacity Activity, SIA conducted a needs assessment and provided technical assistance to USAID staff to integrate DFS into program design.

## ACTIVITIES

In order to identify the existing obstacles to integrating DFS into USAID program design, and possible ways to address these obstacles, SIA conducted key informant interviews and a series of working sessions with USAID/Washington and Mission staff across USAID's five regions of work: Africa, Middle East and Northern Africa, Latin America and the Caribbean, Asia, Europe, and Eurasia.

## PROJECT PERFORMANCE: IMPACT AND RESULTS

Findings from these activities informed the development of recommendations for the

development of a suite of services and resources that can support the broader integration of DFS across USAID Mission programming. SIA presented these recommendations to USAID's Digital Finance Team and their implementing partner.

## KEY LEARNINGS

From the numerous exchanges SIA had with USAID staff, both at USAID/Washington and at USAID Missions, SIA learned that USAID staff prefer peer-to-peer exchanges as a way to learn about sectors and expand their knowledge (as opposed to online learning, webinars, research papers, etc.). In order for USAID to better integrate DFS into program design, it must focus on existing Digital Development Advisors and prioritize building connections with Missions. SIA also learned that to most effectively support USAID program design staff in integrating DFS into programming, it is best to develop templates and simplified resources that can guide staff during the design process. The shorter and more user-friendly that USAID can make resources, the more likely it is that program design staff will adopt and use the resources.

## Three Lessons in Building Internal Capacity to Use DFS

Written by Hamilton McNutt, SIA COO

Access to DFS leads to stronger economic empowerment, especially for women. Access to a mobile money account has been shown to increase the velocity of money and expand the support network a woman has, enabling her to weather economic shocks better than women without an account.<sup>6</sup> Access to accounts also increases occupational mobility for women, providing them with a tool to manage self-employment and decrease the likelihood of irregular wages.<sup>7</sup> These are just a few examples of how access to DFS can positively impact lives, and why these types of accounts should be considered another tool in USAID's development toolbelt for improving livelihoods and reducing gender inequalities in the markets where it works.

Even though DFS like mobile money and e-money wallets have been around since the early 2000s, these services were not readily available in most markets until around 2012.<sup>8</sup> Since then, mobile money deployments have grown, from 169 across 71 markets in 2012 to 316 across 98 markets in 2022.<sup>9</sup> While deployments are plentiful, these services are not all operating at scale or delivering relevant services that can help to address the needs of the people USAID activities are supporting. There

is still a nascent understanding of why digital payments and digital finance are relevant for development, and limited capacity at the Mission level to build these interventions into program design and help IPs adopt and use them to achieve activity objectives.

ANSP conducted a variety of activities to support the capacity of USAID Missions and IPs in more effectively using DFS. We delivered this support in the form of traditional training through workshops, market intelligence through DFS market landscapes, and consultation with USAID Missions and headquarter staff to better understand how to build internal capacity.

We learned many lessons over the six years we carried out this work. Here are three for the Digital Finance team at USAID's Innovation, Technology, and Research Hub (ITR) Hub that can help continue to enable the more sustainable and standardized use of DFS across USAID activities.

### **Lesson 1: Focus on actionability of landscape recommendations**

Landscape reports can be helpful for general knowledge of the state of DFS in certain market contexts, but there can be greater value

<sup>6</sup> Suri and Jack. "Risk Sharing and Transaction Costs: Evidence from Kenya's Mobile Money Revolution" (2014)

<sup>7</sup> De Gasperin et al. "Mobile Money and the Labor Market: Evidence from Developing Countries" (2019)

<sup>8</sup> In 2001, mobile network operator Smart Communications and their bank partner Banco de Oro launched Smart Money in the Philippines

<sup>9</sup> GSMA Mobile Money SOTI 2022

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found in the recommendations that come as a result of research and analysis. Yet, many times, recommendations are based purely on findings from the research and do not consider where the Mission is heading in its next rounds of tenders. Ensuring that recommendations are actionable should start with an understanding of the types of activities that are in a Mission's forecast, and how DFS can provide a supporting role within those contexts. If this is done, the Mission will get greater use out of the recommendations and may utilize them to inform program design while also providing a public-facing document that offers data and insights on the state of a market's DFS landscape.

### **Lesson 2: Indicators are key**

Establishing performance indicators that are linked to DFS (or digital development in general) can help ensure IPs consider using digital channels to improve access to finance in their activities. USAID is attempting to build some general indicators to accompany its Digital Strategy,<sup>10</sup> and digital payments/digital finance can also have a subset of suggested indicators Missions can apply during program design. This can help improve the toolset for integrating more DFS, while providing implementing partners with clarity on outcomes that can result from broader engagement with DFS.

### **Lesson 3: Build internal capacity and human resources**

When we were working with USAID Missions and headquarters staff to determine the best ways to take in and learn new subject matter, it was apparent that human resources were the

preferred way to transfer knowledge. The digital finance team has been an internal resource for USAID Missions for quite some time, but the engagements are often ad-hoc and can put a strain on the team's bandwidth. Establishing more standardized ways for Missions to seek advice, such as monthly check-ins and assigning certain members of the digital finance team to specific Missions of interest, can help reduce the ad-hoc nature of these interactions while maintaining this important human network of internal USAID expertise.

<sup>10</sup> <https://www.usaid.gov/usaid-digital-strategy>



### 3. Sector Integration

# Uganda: Improving the DFS Ecosystem for SHFs

## January 2017 - February 2019

### PROJECT OVERVIEW

SIA provided strategic and technical assistance to improve the DFS ecosystem for smallholder farmers (SHFs) in the coffee and seeds value chains in Uganda. SIA's work focused on expanding awareness of and access to new digital services, including pay-as-you-go (PAYGo) solar home systems, and contributed to the knowledgebase in support of the theory of change that the application of a coordinated suite of digital tools and technologies will accelerate top-line objectives of FtF programs, namely inclusive agricultural sector growth and resilience.

SIA assisted SHFs and local agribusinesses through two USAID implementers: 1) Alur Highlands Coffee Alliance or AHCA (managed by The Palladium Group) and 2) Youth Leadership in Agriculture (YLA) (managed by Chemonics). The two agribusinesses targeted for technical assistance, a major coffee buyer (KAWACOM) and the country's fourth-largest seed multiplication company (Equator Seeds Ltd., or ESL), were selected by Palladium and Chemonics prior to SIA's involvement.

### ACTIVITIES

In 2017, SIA conducted three TDY trips to accomplish several discrete objectives.

1. The first TDY, conducted in January, was a rapid landscape refresh of the DFS sector and engaged USAID/Uganda Mission and

2. FtF IPs through meetings and a workshop to present the case for DFS integration into their programming and identify specific IPs willing to partner and collaborate with SIA.
3. The second TDY, in May/June, kicked off a phased research exercise that collected qualitative and quantitative data from coffee and seed SHFs. It also initiated a payments mapping and costing analysis of coffee buyer KAWACOM and seed company ESL.
4. The third TDY in November/December involved SIA participation in a Power Africa/SOGE event (hosted by USAID IP Open Capital) where SIA presented solar energy-specific findings from recently completed research, completed its information collection phase of the payments mapping and costing analysis, and met with a range of private sector stakeholders to gauge their willingness to collaborate on SHF sensitization and training activities planned for 2018.

These activities resulted in the following outputs and publications:

- A two-pager infographic with top-line results, findings, and recommendations from the DFS Research Survey
- A presentation of solar energy-specific survey findings at an inaugural Power Africa convening event with private and public-sector stakeholders
- A DFS Survey Findings Report

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In 2018, SIA undertook a range of activities under the following key work streams:

- Engaging SHFs and DFS capacity building through a DFS rural stimulation campaign and a rural merchant DFS readiness assessment in the West Nile region.
- IT platform procurement and the digitization of agribusinesses operations and payments, which included a payments costing assessment, payments mapping assessment, and management information system (MIS) procurement support.
- The digitization of village savings and loan association (VSLA) operations, which involved a VSLA DFS readiness assessment.
- The digitization of school fee payments, which included a rural school DFS readiness assessment.

### PROJECT PERFORMANCE: IMPACT AND RESULTS

A strong level of collaboration and communication between SIA and selected USAID IPs, AHCA, and YLA allowed SIA's project activities to proceed in a timely fashion and provided access to key market segments (farmers and agribusinesses). USAID/Uganda staff recognized the value and relevance of DFS to SHFs and understood that these products could provide benefits beyond money transfer.

#### Engaging at the Farmer Level to Stimulate DFS Usage

The DFS rural stimulation campaign reached 305 farmers (106 women and 199 men). SIA leveraged the access, relationships, and trust that AHCA's network of junior agricultural



#### SUCCESS STORY | Active engagement and continued support from USAID/Uganda

helped reinforce the message that inter-IP collaboration was important and expected. The Mission also actively brokered connections between SIA and key stakeholders in the Ugandan solar energy sector, which allowed SIA to collect valuable information about current trends and identify potential partnerships with solar providers to participate in product sensitization and education campaigns with targeted farmers.

field officers (JAFOs) had with local farming populations to present DFS. The campaign adopted a phased approach, with three training modules delivered between March to June 2018. By spreading out the trainings and focusing each module on a subset of DFS-related topics, the campaign afforded SHFs more time to absorb the concepts, ask questions of the JAFOs between trainings, and move at a gradual learning pace.

SIA and AHCA observed a number of positive trends related to DFS adoption and usage over the four-month training period. Most notably, over the period of trainings waves 2 and 3 were being delivered, the percentage of farmers reporting having a mobile money account increased from 15% to 72%.

Further, among these smallholder communities, farmers reported greater diversification in mobile money product usage over the course of the campaign. Not only did the most

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commonly observed uses for mobile money in a rural context — sending money and receiving money — increase (from 13% to 31% and from 17% to 50% respectively) but farmers also reported an increase in using mobile money to save/set aside funds (from 10% to 37%) and collect payments (from 0% to 15%). Additionally, enrollment in MoKash, a formal interest-bearing savings product offered in partnership between Commercial Bank of Africa and MTN, increased from 0% to 30%.

Table 5: Percentage of Training Respondents Over Course of Training Waves

	Wave 2	Wave 3a	Wave 3b
<b>Mobile Money Account Status</b>			
Have mobile money accounts	15%	64%	72%
<b>Mobile Money Transactions</b>			
Save money using mm account	10%	29%	37%
Purchased airtime	19%	35%	47%
Collected payment for goods	0%	2%	15%
Made school fee payment	0%	1%	7%
Made other fee payment (water, etc.)	1%	2%	4%
Sent money	13%	19%	31%
Received money	17%	39%	50%
<b>Savings Product</b>			
Have MoKash		20%	30%

### Testing the School Fees Use Case

SIA and AHCA also succeeded in supporting several rural schools in adopting digital payments for school fees. In a DFS readiness assessment jointly conducted by SIA and AHCA between April and June of 2018, AHCA lead

farmers identified 43 schools where they sent their children. They provided details around distance from their homes to these schools, the types of payment accepted, payer (parents vs. children), and the use of receipts. In parallel

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with these activities, SIA and AHCA developed relationships with Centenary Bank, a regional bank where most primary and secondary schools held accounts, and ServiceCops, a fintech provider that enables digital payments for school fees.

SIA and AHCA identified a target group of a dozen schools based on recommendations from the JAFOS and AHCA senior program officers undertook a round of interviews with school leadership. This outreach resulted in the following activities and results:

- Confirmation that three rural schools had already enrolled in digital payments but had not devoted much time or effort to notifying parents. In response, SIA and AHCA mobilized the JAFOS to broadcast this news directly to AHCA farmers that had received DFS training and sent children to those schools.
  - Recognition that a fourth school had submitted an application but the process of receiving student codes had stalled within Centenary Bank. SIA helped restart the application process and expedited the issuance of student codes so the school could start digitally collecting fees for the fall semester.
  - Support was provided to a fifth school to prepare and file the application with Centenary Bank.
  - Despite a narrow implementation window of less than two months, JAFOS received word from several lead farmers and from school administration staff that AHCA farmers had started utilizing the digital payments service to pay fees for the fall term, which began in mid-September.
- While farmers that had participated in DFS rural stimulation campaign trainings did not report high usage of mobile money for school fees (7% of respondents), post-campaign interviews with the JAFOS and AHCA senior program management indicated that this had more to do with a lack of opportunity rather than a reluctance among rural parents to use the service.

### Stimulating the Ongoing Use of DFS Post-Training

SIA continued its work to develop the rural DFS ecosystem in West Nile to stimulate market-based DFS transaction activity after the rural stimulation campaign. Nearly 100 rural merchants were surveyed to understand their ability and willingness to transact digitally. SIA developed a DFS readiness assessment tool with two phases: a farmer-facing survey and a merchant-facing survey. JAFOS surveyed nearly 60 AHCA lead farmers to gather information on the types of merchants they trust.

Figure 8: Key Survey Results for Lead Farmers



Lead farmer trust was heavily concentrated (80%) in **general merchandise stores**



**Offering good customer care/ not cheating and proximity** were cited almost as often as being a relative, while price/the ability to negotiate was the least cited reason for trust



The vast majority (93%) of lead farmers responded that they felt **"quite comfortable" using mobile money to make purchases** remotely from these trusted merchants and then collect the goods in person



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In addition, 98 rural merchants located in areas where AHCA farmers might shop were surveyed to understand their ability and willingness to transact digitally.

Figure 9: Key Survey Results for Merchants



The majority (nearly 80%) were in small trading centers and operated as sole proprietorships (over 90%).

While most rural merchants possessed national ID (55%), very few operated businesses that had been formally registered at the national level (9%). That said, a majority (65%) maintained local trading licenses, which are filed with the municipal government and essential for smaller merchants to avoid disruptions in their trading/selling activities from local law enforcement or other authorities.



Nearly 80% of rural merchants kept cash sales in their pocket or in a cash drawer.

100% of merchants surveyed were aware of mobile money and had registered for a personal account, but its use was largely restricted to money transfer and cash-in and out.



Even though merchant use of mobile money for payments was low, most rural merchants indicated they would be willing to use mobile money.

### 58% of merchants

were "quite comfortable" receiving mobile money payments from customers.



72% were "quite comfortable" paying suppliers with mobile money.

trading license, SIA and AHCA used those as the primary criteria to identify a group of Tier 1 candidates for DFS adoption. Of the 98 rural merchants, 10 were selected. The AHCA JAFs then offered each merchant a rapid DFS training and support in expediting the MomoPay application process. **These efforts succeeded in activating 90% (9 of the 10) of these Tier 1 merchants.**

In September, SIA and AHCA concluded this activity by bringing together interested AHCA lead farmers and the nine MomoPay-affiliated rural merchants to stimulate multiple "DFS buying rounds" whereby farmers would purchase goods remotely using mobile money. However, Palladium's six-month extension period ended that same month, which truncated the time frame and availability of AHCA staff to engage in coordination activities with lead farmers and rural merchants.



### SUCCESS STORY | Lab funding

*helped demonstrate to Chemonics that supporting local agri-enterprises to digitize multiple aspects of their operations, including payments, is worth pursuing and responds to a growing, verifiable need from the private sector operating in agriculture. In coordination with Chemonics, SIA tailored a DFS procurement methodology originally designed for USAID IPs in Rwanda for use by ESL. ESL was actively seeking support to develop a comprehensive strategic plan that would allow it to procure the necessary IT hardware and software to digitize not only its operations and accounting but also its payments to growers and other third parties.*

Given that the application to register for an MTN MomoPay merchant account required at a minimum a national ID and a current local

### Engaging at the Agri-Enterprise Level to Support Payments Digitization

With respect to the payments assessment involving YLA's local partner, SIA was granted access to all relevant units and staffing levels involved in processing payments to seed growers through two different sourcing methods: farmer cooperatives and youth-led community-based facilitators. SIA assessed ESL's internal operating procedures and mapped how cash transactions occurred. This exercise was used to illustrate for ESL leadership where the risks were greatest for fraud and leakage, while also identifying specific points along the process where the use of cash was a major cost for the company due to the labor-intensive nature of processing cash payments.

The mapping process also made it evident that ESL needed to invest in a more effective accounting system before transitioning to digital payments to its growers. SIA worked with YLA to develop terms of reference and a statement of requirements for a MIS that included accounting, finance, payments, and inventory management components. SIA also provided YLA with a list of pre-vetted software vendors. This engagement, along with YLA's strong relationship with the CEO, ultimately led to a commitment from ESL to invest in a digital accounting system (SAGE 50). ESL also agreed with YLA's recommendation to hire Kampala Accountancy Bureau to support with the technical integration and software manual development to train various ESL department

and staff on the SAGE 50 system.

### KEY LEARNINGS

SIA identified and actively worked to mitigate a number of challenges associated with expanding DFS network reach and product adoption among remote, rural populations. These challenges related to the awareness, confidence, and capacity of SHFs participating in the AHCA and YLA programs, and the attention of various private sector players in serving these rural populations (DFS and solar energy providers) and integrating DFS into their payments operations (agribusinesses).

Two unexpected announcements by the national government, one related to SIM re-registration and the other related to the imposition of a new tax on mobile money, slowed efforts by SIA and AHCA to support farmers register for mobile money during or between rural stimulation campaign trainings. Many farmers became more hesitant to adopt the service until they had spoken with a JAFOS about these issues, worried that they might encounter difficulties receiving a new SIM card due to know-your-customer rules that required specific forms of identification. JAFOS were a good resource of information for farmers, helping them understand what types of identification documents were acceptable. DFS taxation impeded progress around farmer account enrollment and mobilization of merchants as the prices of mobile money transactions rose across the board for a brief period of time. Ultimately the government of Uganda decided to only tax the withdrawal of mobile money transactions (cashing out),

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making the tax implications less burdensome. Yet the mobile money tax was major news across the country, and it was important for the JAFOS to help the farmers they work with better understand what the tax actually meant for them, which helped reduce some hesitancy to register and use the product. Oftentimes, new information or changes in policies can be confusing and deter people from adopting new services. JAFOS were crucial in providing a channel for farmers to access clear and straightforward information on both the sim re-registration and tax issues, helping continue to build capacity and interest in the use of mobile money services.

SIA was also unable to find a product offering that delivered a mobile wallet for VSLAs. All DFS offerings in development and aimed at VSLAs were still in a preliminary pilot testing stage and operating in small pockets of the country, none of which were close to AHCA's

zone of influence. This made it infeasible to move beyond the DFS readiness assessment phase with AHCA-affiliated VSLAs, as any training or additional support around digitization and the use of DFS could not be applied in practice by these groups.



**SUCCESS STORY** | *The positive trends observed in farmer adoption and usage of DFS over the course of the rural stimulation campaign suggest that development field staff trained in agri-extension services can broaden their technical skill set to include education and training on DFS within the right framework and additional support. Post-campaign interviews with JAFOS and with AHCA senior program management also indicated that both development actors and commercial actors saw value in the role they played during the campaign. This perceived value translated into employment contracts offered to all AHCA JAFOs to work for another USAID activity (PAUESA) focused on rural education, training, and consumption of affordable solar energy products. Some JAFOs were LAO offered an opportunity (from Sunny Money) to provide commission-based, last-mile agent services.*

# Ethiopia: Digital Agriculture Assessment

## February - October 2018

### PROJECT OVERVIEW

USAID identified Ethiopia as one of the nine countries of focus for the D2FTF initiative. In February 2018, SIA staffed the DFS component of the D2FTF digital agriculture assessment in response to interest by USAID/Ethiopia in understanding the opportunity and practical recommendations for integrating digital tools into its FtF programming to better achieve GFSS outcomes.

The first phase of the engagement centered on a trip to Addis Ababa to interview stakeholders throughout the DFS ecosystem and facilitate a presentation on DFS and digital tools at a Mission convening of Ethiopia's GFSS stakeholders. The interviews informed an assessment of the market for DFS and a determination of how DFS could be used by USAID/Ethiopia's implementing partners, particularly those implementing FtF programs.

As a follow-on to the assessment, the Mission requested a multi-day digital payments workshop to help USAID IPs on their journey to integrate DFS discussed in [the Capacity Building Section](#) of this report.

### ACTIVITIES

In coordination with the Global Development Lab, SIA launched the engagement with a DFS landscape assessment to understand the DFS market in Ethiopia, which informed the final report and the structure of the interview

question sets. During the assessment, SIA interviewed representatives of private sector providers, the government of Ethiopia, and USAID IPs and presented analyses of these conversations to USAID/Ethiopia at an in-country out brief.



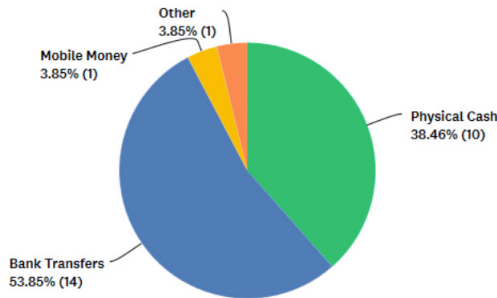
SIA held interviews with: 4 stakeholders from the Ethiopian government, 5 key USAID implementing partners, 5 service providers, 2 private banks, and 6 international donors and aid organizations, as well as engagements with 12 USAID/Ethiopia Mission staff through the in- and out-briefings.

### PROJECT PERFORMANCE: IMPACT AND RESULTS

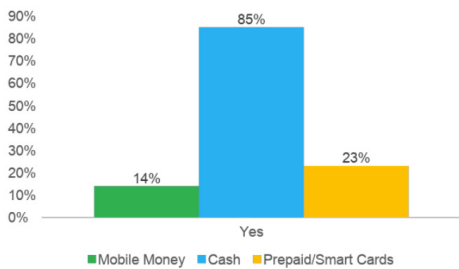
The digital agriculture assessment found evidence of USAID implementing partners experimenting with digital payments for operational and programmatic payments and an opportunity, based on market research, for them to integrate digital payments to a greater extent. The findings of the assessment also indicated demand from implementing partners for capacity building to be able to use Ethiopia's digital payments infrastructure and transition from cash to digital operational payments.

Figures 10, 11, 12: Key Assessment Results

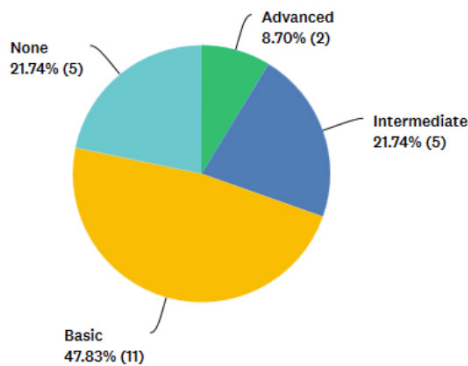
**How are payments made in your agricultural program?**



**Do you use mobile money, cash or card payments in your program?**



**What best describes your understanding of mobile money or digital payments in Ethiopia?**



After the TDY, SIA delivered a trip report that elaborated on the findings and presented a menu of follow-on options for the Mission to consider to capitalize on learnings around available products and opportunities for IPs to



**SUCCESS STORY** | *At the time of this engagement, Ethiopia had low levels of financial inclusion and access compared to its East African neighbors; not only were there few bank branches but there were also limited mobile money access points.*

*USAID/Ethiopia was aware of these factors and therefore had limited expectations for the breadth of opportunities to use DFS. However, the assessment showed an increasingly vibrant DFS marketplace with a strong commitment by private institutions to grow agent networks and collaborate with technology providers to introduce relevant service offerings. The Commercial Bank of Ethiopia (state-owned) was poised to become a major player with a mobile banking product it introduced in 2017. This activity increased competition and investment and resulted in the inclusion of DFS in the Mission’s GFSS strategy.*

*In 2022, Ethiopia now has mobile money offerings by its dominant telecommunications company, Ethiotel and Safaricom has been licensed to provide competitive telecommunications services and is expected to receive authorization to offer mobile money services.*

use them. SIA also drafted DFS language for inclusion in Ethiopia’s GFSS and its National Financial Inclusion Strategy (incorporated by the Mission). Finally, SIA delivered an information sheet ([Putting Rural First: Using Digital Tools](#)

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to Grow Agriculture and Financial Inclusion in Ethiopia) and a blog, co-authored by USAID/Ethiopia I, that was published on CGAP (Racing to Become a Leader in Digitally-Enabled Financial Inclusion).

### KEY LEARNINGS

At the time of this engagement, Ethiopia had a challenging regulatory environment for delivery of DFS, with a single monopoly telecommunications company and a banking system closed to foreign investment. While digital innovation was happening and products were available through alliances between technology providers and financial institutions or internal product development, the offerings were dependent on alignment with nationally licensed financial institutions. These providers had limited reach, requiring implementing partners to conduct a highly localized assessment of the options for DFS use.

# Nigeria: Digital Agriculture Assessment

## August 2018

### PROJECT OVERVIEW

In August 2018, based on interest from USAID/Nigeria and as part of D2FTF's series of in-country Mission engagements, SIA conducted a rapid digital agriculture assessment. The purpose of the assessment was to identify opportunities to integrate precision and data-driven agriculture and ICT-enabled extension services into FtF programming to bolster efforts to achieve outcomes under the GFSS results framework.

The assessment also contained a DFS work stream staffed by SIA through NetHope under a different scope of work and award. The goal of this complementary work stream was to evaluate the DFS marketplace and provide recommendations on how USAID/Nigeria and its implementing partners, including but not limited to those working in agriculture, could utilize and strengthen DFS markets. The coordinated project had a sequence of activities as shown in Figure 13.

SIA's role was to conduct desk and in-country research to understand the market for digital agricultural technology, including the availability of relevant and appropriate products that could meet the needs of FtF implementers. During the TDY in Lagos and Abuja, SIA interviewed private sector providers and FtF partners to gain insight into the depth and breadth of product availability and the extent to which they were already in use in the field.

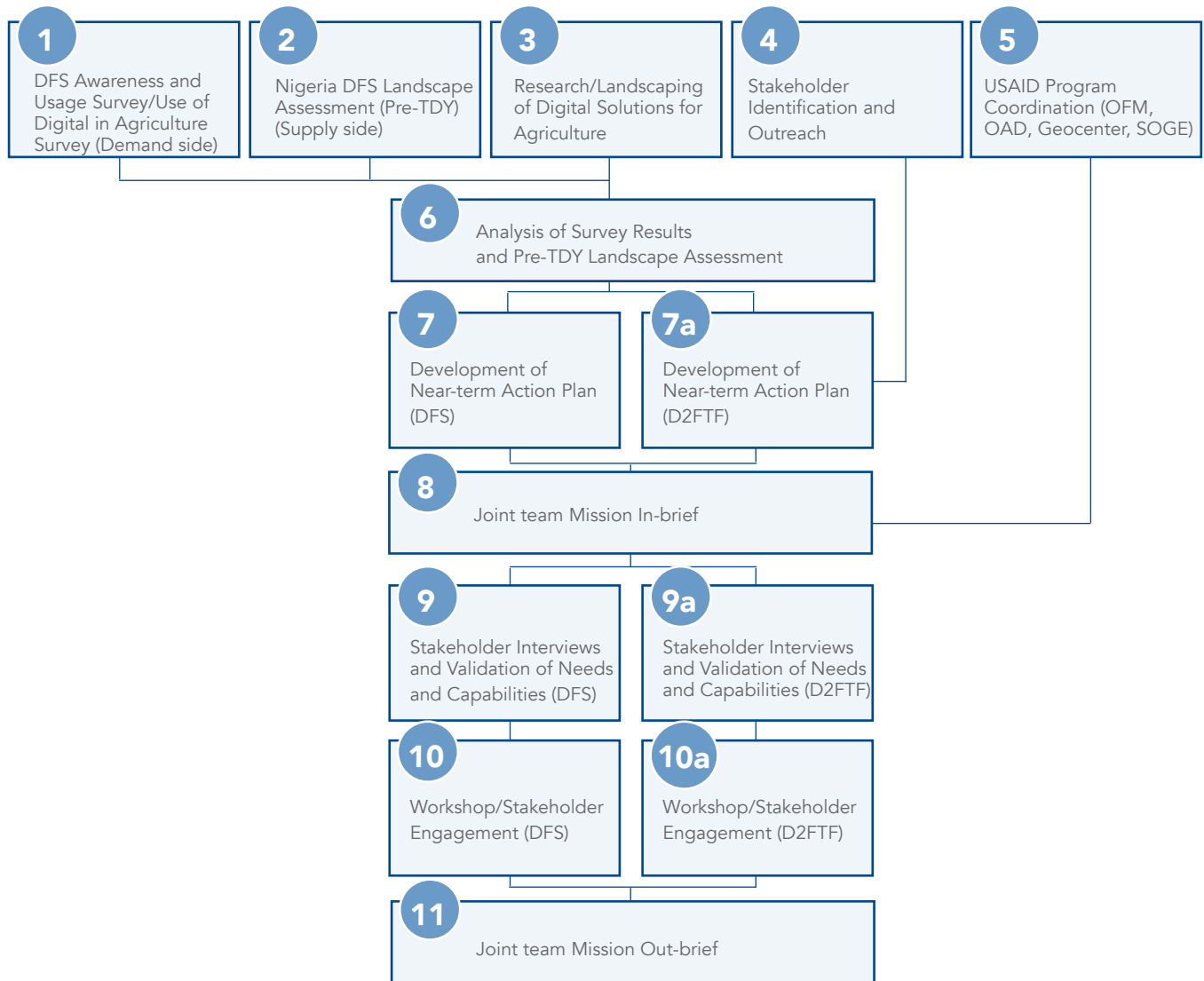
At the end of the TDY, SIA presented USAID/Nigeria with a menu of potential follow-on opportunities given the research findings of available and relevant digital agricultural products and opportunities for USAID implementers to take greater advantage of them.

### ACTIVITIES

SIA began the engagement with desk research on the market for digital agricultural tools and a survey to GFSS stakeholders to understand the extent of their use of and experiences with using digital technology (including DFS) in their programs. Over 70% of survey respondents held a belief that digital technology could positively improve their program outcomes; respondents largely had already used digital tools in their programs, mostly for data collection. The results of the survey as well as relevant supply-side analysis was presented to the Mission and Lab in a briefing before the assessment. During this period, SIA also worked with the Mission and D2FTF teams to secure in-country interviews and plan a GFSS Stakeholders' meeting that would be thematically focused on the use of digital tools, including DFS, in agriculture.

SIA utilized two main development hypotheses to frame the research: 1) that project-specific partnerships between implementers and private providers could reduce customer acquisition

Figure 13: Nigeria Summary of Activities



costs by leveraging implementing partner field staff, and 2) that implementing partners were not fully aware of the range, sophistication, and utility of digital agricultural products and services in Nigeria.

**PROJECT PERFORMANCE: IMPACT AND RESULTS**

For the most part, SIA’s two development hypotheses held true. The assessment found

that there were locally-available products in the Nigerian marketplace, and that FtF implementers were usually not utilizing them. The recommendations SIA included in its trip report suggested the possibility of matchmaking between private providers and implementers as well as providing strategic technical assistance to the implementers.

At the suggestion of the Mission, SIA facilitated a GFSS stakeholders’ meeting in Abuja. SIA



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designed the content to focus on digital tools for agriculture and the opportunity for DFS. The meeting was convened by the Mission’s agricultural portfolio lead and brought together over 90 representatives from the Nigerian government, private sector, and international NGO community, as well as from USAID and USDA. The focus of the meeting was on sharing the opportunity for using digital technology in agricultural development programs; in addition to these presentations, private providers, and implementers shared their own experiences and test cases with the group assembled.

Following the TDY, SIA presented USAID three recommendations to continue to advance the DFS market system in Nigeria to broaden financial access points and broaden use of DFS and digital tools in USAID programming.

Figures 14,15,16: Survey Results

Respondents perceived that farmers have high access to mobile phones, medium access to network coverage, and low access to a variety of financial services.

	Low	Moderate or Easy
<b>Mobile Phone Access</b>	12.5%	87.5%
<b>Reliable Mobile Network Coverage</b>	50%	50%
<b>Bank Account</b>	87.5%	12.5%
<b>Microcredit</b>	75%	25%
<b>Mobile Money</b>	87.7%	12.5%

Over 70% of respondents felt that digital tools had or could improve agricultural programs to a great extent.

Over 87% of respondents with agricultural programs used or planned to use digital technology in their programs.

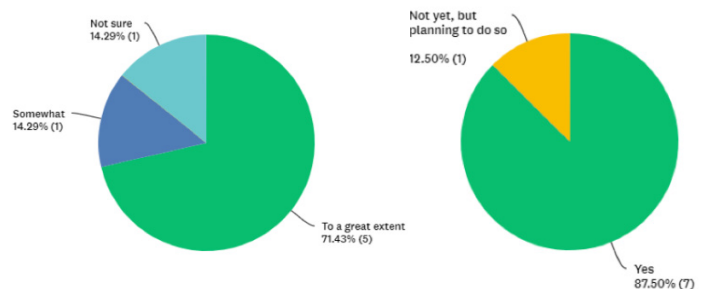


Table 6: USAID Nigeria DFS Market Systems Support to Broaden Financial Access Points and Reach National Goals for Financial Inclusion

1 Aggregate Demand for DFS and Digital Delivery of Ag Services	2 Support the Shared Agent Network	3 Engage in Advocacy for Regulatory Reform
<ul style="list-style-type: none"> <li>Define &amp; aggregate demand from DFS use cases across USAID programs (SOGE, women and orphans, FtF)</li> <li>Demonstrate DFS and digital channel value through program integration in target LGAs &amp; states in GFSS Zones of Influence through incorporation into FtF Program work plans</li> <li>Evaluate or collect data to build farmer profiles to support digital service offerings &amp; test willingness to pay for subsistence farmers</li> <li>Generate &amp; document learnings in current programs – WeWe/ NEI+ through learning briefs and monitoring and evaluation</li> </ul>	<ul style="list-style-type: none"> <li>Incentivize structure to reach underserved areas by driving USAID program activity</li> <li>Facilitate agent location of shared agents to meet aggregated demand in demonstration LGAs and states</li> <li>Monitor agent access point capillary &amp; growth of mobile network operators (MNOs)/Shared Agents vs. Banks/Licensed Tech Provider sourced agents</li> <li>Feed learnings for evaluation into regulatory reform</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate role for USAID                             <ul style="list-style-type: none"> <li>» NCC</li> <li>» Central Bank</li> <li>» SOGE DFS Working Group</li> </ul> </li> <li>Conversations with key actors:                             <ul style="list-style-type: none"> <li>» Gates, World Bank, CGAP</li> <li>» Working, closed door session</li> <li>» Advocate for engagement by BTCA</li> </ul> </li> <li>Review comments on CBN’s Exposure Draft</li> </ul>

### KEY LEARNINGS

While the marketplace for digital agricultural tools, particularly those that can be used for farmer profiling, was found to be robust, there were also gaps identified. At the time of the engagement, most products were designed for business-to-business (B2B) use and were not available or appropriate for purchase by individual farmers. While this arrangement is logical given that farmer aggregators, whether development programs or agribusinesses, are typically better resourced and able to use such technologies than farmers, the business model of these products limited the ability of the farmer to own and utilize their own data.

Lack of awareness between implementing partners and private sector providers of one another's offerings and needs, respectively, meant that implementing partners tended to develop their own proprietary systems for collecting data about farmers they work with, an expensive process resulting in a missed opportunity to support the development of the local private marketplace. Given the potential of digital agriculture to improve agricultural livelihoods, the findings of the assessment indicated that a more strategic use of in-market products would benefit FtF implementers.

# Nigeria: Health and DFS TDY and Whole-of-Mission Approach

August 2018 - September 2020

## PROJECT OVERVIEW

ANSP worked with USAID at the Center for Digital Development (CDD) and Mission levels to identify opportunities to advance follow-on work after the digital agriculture and DFS assessments conducted in FY18. The purpose of the assessment was to identify specific opportunities to integrate precision and data-driven agriculture and ICT-enabled extension services into FtF programming to achieve outcomes under the GFSS results framework.

## ACTIVITIES

SIA’s role was to conduct desk and in-country research to understand the marketplace for digital agricultural technology, including an assessment of the availability of relevant and appropriate products that could meet the needs of FtF implementers. At the end of the TDY, SIA presented USAID/Nigeria with a menu of potential follow-on opportunities given the findings on market products, and opportunities for IPs to take greater advantage of them.

Under this engagement, SIA explored opportunities for follow-on technical assistance on integrating DFS into the USAID/ Nigeria program portfolio using a Mission-wide approach. SIA used a methodology designed by CGAP to conduct what is referred to as a DFS+ Readiness Assessment

to identify gaps and opportunities for DFS interventions for specific sectors. SIA conducted this assessment for three sectors: health, agriculture, and humanitarian assistance.

Figure 17: Overview of Assessment, Adapted from CGAP’s DF+ Readiness Framework

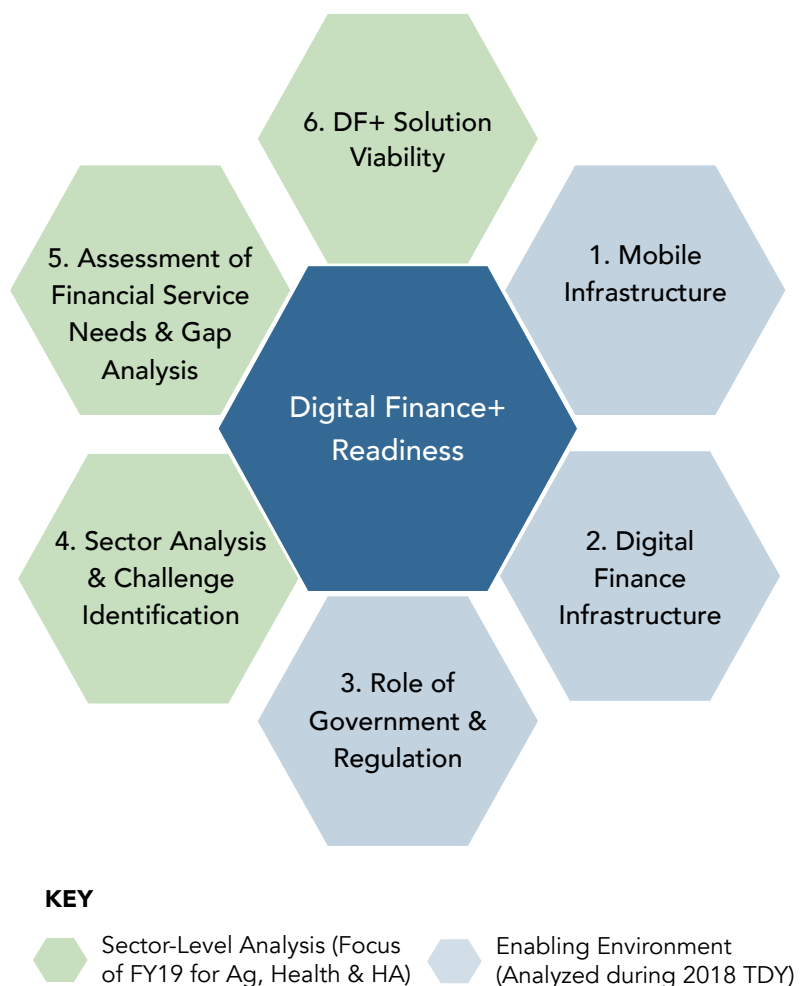






Table 7: Nigeria Assessment Sector Recommendations for Activities, Results, and Outcomes

USAID/Nigeria Program Areas	DFS Activities	Intermediate Results	Development Outcomes
<p><b>DFS program integration offers:</b></p> <ul style="list-style-type: none"> <li>• Health &amp; education system strengthening by transparent &amp; efficient payments</li> <li>• Resilience with access to financial services to save &amp; securely receive assistance</li> <li>• Poverty alleviation through tools for building assets</li> </ul>			
<p><b>HEALTH</b></p>  <p>Improved access to quality service</p>	<ul style="list-style-type: none"> <li>• Digitally delivered incentivizes for health workers &amp; beneficiaries increase system performance and demand for care</li> <li>• Digital health savings and mobile wallets enable financial protection</li> <li>• Digital systems empower state health insurance schemes &amp; improve quality</li> </ul>	<ul style="list-style-type: none"> <li>• Utilization of quality health services in target areas and population groups increased</li> <li>• Improved responsiveness of targeted government institutions</li> </ul>	<p>A healthier, more educated population in targeted states</p>
<p><b>HUMANITARIAN ASSISTANCE</b></p>  <p>Supported efforts in NE Nigeria</p>	<ul style="list-style-type: none"> <li>• Digitally delivered cash-based aid for humanitarian relief</li> <li>• Ecosystem support to build transparent and secure payment streams in Northeast Nigeria</li> </ul>	<ul style="list-style-type: none"> <li>• Quantify humanitarian payment demand; target digital payment agent supply</li> </ul>	<p>Bulk payment contracts signed with sequenced roll out to test systems &amp; scale</p>
<p><b>FOOD SECURITY/ AGRICULTURE</b></p>  <p>Strengthened ag systems and overall well-being and resilience</p>	<ul style="list-style-type: none"> <li>• Digital applications to generate, manage, utilize, and share data and information</li> <li>• Digital farmer profiling and database management</li> <li>• Digital market and agronomic information sharing, digital extension</li> <li>• Satellite imagery for index insurance products</li> </ul>	<ul style="list-style-type: none"> <li>• Agricultural competitiveness increased</li> <li>• Business environment improved                             <ul style="list-style-type: none"> <li>» Strengthened inclusive agriculture systems</li> <li>» Strengthened and expanded access to markets &amp; trade</li> <li>» Improved adaptation to and recovery from shocks &amp; stresses</li> </ul> </li> </ul>	<p>Broadened and inclusive growth</p>
<p><b>EDUCATION</b></p>  <p>Increased safe and relevant education opportunities in crisis environments</p>	<ul style="list-style-type: none"> <li>• Digitally delivered learning facilitator and teacher payments</li> <li>• Digitally empowered payment of school fees</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of and access to education improved equitably and sustainably in northern Nigeria</li> </ul>	<p>A healthier, more educated population in targeted states</p>

## PROJECT PERFORMANCE: IMPACT AND RESULTS

This assessment informed recommendations for where DFS could strengthen USAID/Nigeria Mission objectives. It also helped inform a second TDY focused on the health sector. These activities resulted in more detailed and actionable recommendations and a higher level of interest amongst both the Mission program staff and IPs.

### Mission and IP DFS Capacity Building: DF+ Readiness Assessment

The DF+ Readiness Assessment for Nigeria was adapted from CGAP's DFS+ assessment model. The model has six elements of assessment. A FY18 TDY conducted by SIA in August 2018 produced the data needed for the initial three elements of the assessment. SIA activities in FY19 focused on assessment elements 4-6. Element 4 examines the challenges each sector faced in delivering financial services to key stakeholders. Element 5 identifies gaps in delivering the necessary financial services to key stakeholders in the sector. The final and 6th element evaluates the solution feasibility and opportunities for DFS solutions to help fill the gaps and deliver relevant and appropriate financial services.

### Health Sector Programming Challenges, Gaps & Opportunities

#### *Health Sector Challenges (Element 4)*

- Low levels of government spend on health care impedes delivery, especially at the local government level, contributes to high out-of-pocket expenses, driving households into poverty
- Unpredictable funding delays salaries for

health workers by months and reduces local health care delivery

- Salary compensation of providers does not incentivize performance

#### *Financial Service Gap Analysis (Element 5)*

- Incentive pay could increase quality of health care delivery
- High incidence of out-of-pocket payments occurs even when services are supposed to be subsidized, effectively making clients finance the health sector
- High levels of out-of-pocket payments indicates need for health saving, insurance, and the ability to receive remittances
- National health insurance directives are in place but underutilized and underfunded - state level insurance efforts provide the push for expansion but premium collection needs to occur beyond government contributions

#### *DFS Integration Opportunities (Element 6)*

- Digital payment of health worker salaries and incentives to improve financial flow transparency and financial inclusion
- Support health savings accounts and mobile wallets for the receipt of remittances (national and international), incentives and vouchers to diminish out-of-pockets and stimulate demand for health care services
- Support the scaling of digitally-enabled health insurance (digital health insurance) to improve quality of and access to health care
- Digital payment integration into state and federal insurance schemes to facilitate premium collection and health care provider payments

## Agriculture Sector Programming Challenges, Gaps & Opportunities

### *Agriculture Sector Challenges (Element 4)*

- Employs at least two-thirds of labor force and brings in approximately 30% of GDP
- Crops account for 88% of production; livestock, forestry, and fishing make up the remaining 12%
- Sector lacks labor productivity; there are persistent barriers that mitigate investment in agribusinesses
- The country's agricultural sector is dominated by SHFs

### *Financial Service Gap Analysis (Element 5)*

- Credit – all actors along the value chain need credit to cover operating costs given seasonal income fluctuations and to invest in technology and other improvements
- Savings – SHFs have financial needs off the farm and savings provide critical security in the event of shocks
- Savings – can be used to cover regular spending needs for farm and non-farm purposes
- Insurance – farmers' livelihoods are extraordinarily vulnerable to the risks and unpredictable nature of environmental conditions and hazards

### *DFS Integration Opportunities (Element 6)*

- Most digital applications in agriculture offer new ways to generate, manage, utilize, and share data and information
- Digital farmer profiling and database management
- Digital market and agronomic information sharing, digital extension
- Satellite imagery potentially for use in index insurance products



The team nutrition leader for FtF programming at USAID/Nigeria became a strong champion of using DFS to advance FtF outcomes during this project. After leaving Nigeria for a posting in Bangladesh and now Zimbabwe the FtF leader continues to be an advocate for integrating digital tools and DFS.

## Humanitarian Cash Transfer Programming Challenges, Gaps & Opportunities

### *Cash Transfer Program Sector Challenges (Element 4)*

- Limited financial service infrastructure in the northeastern states of Borno, Adamawa, and Yobe makes it difficult for cash-based programs to use digital payment services
- ID requirement inhibits registration for financial accounts including mobile money
- Large cash transfers programs using physical cash have encountered problems with anti-terrorism funding authorities
- Mobile phone ownership and network coverage is insufficient in certain areas

### *Financial Service Gap Analysis (Element 5)*

- Little financial service provider presence
- Lack of coordination at IP level
- Lack of financial education and understanding by end users of DFS

### *DFS Integration Opportunities (Element 6)*

- Demand aggregation program
- Expanding the usage of DFS wallets beyond cashing out
- Matching demand with supply of DFS products

### Health Sector TDY

During the DFS+ Readiness Assessment, SIA recognized a need for additional information that could not be collected remotely or through desk research. In August 2019, SIA supported a TDY to Nigeria to collect data on the potential to apply DFS to achieve outcomes in USAID health programming in Nigeria. The work followed USAID's release of [a technical brief on how DFS can contribute to USAID's health outcomes](#). The TDY was led by the DFS specialist within the Global Health Bureau with support from CDD and SIA. SIA staffed the TDY with its local consultant who participated in the FY18 TDY that analyzed DFS for agriculture programs and IP operational payments. SIA supported the preparation and creation of key data collection tools and the design and implementation of a half-day workshop that engaged key health stakeholders in the country. The TDY produced recommendations that supplemented the DFS+ Assessment, completed remotely through desk research and informant interviews.

One key result of this TDY was the recognition that the work around health in addition to the other sectors would help to support and inform the development of USAID Nigeria's next Country Cooperation Development Strategy (CDCS). The CDCS for Nigeria was set to expire at the end of FY20, providing an opportunity for insights from this work to inform approaches in the CDCS. A near-term recommendation to identify digital strategies for CDCS implementation

was to conduct a digital investment assessment to help the Mission evaluate the breadth and depth of where digital solutions were being invested in across its portfolio, their cost, implementation approaches, challenges and successes, evidence of contributions to program objectives, and contributions to impact.

### KEY LEARNINGS

A whole-of-Mission approach to incorporate DFS as a cross-cutting tool had been of interest but hard for the Mission to agree to fund as a separate support activity. SIA and CDD generated strong interest in exploring DFS as a programmatic tool by program teams and IPs, but funding for technical assistance is likely to be sourced, if at all, through those program budgets as activities under a work plan — not as an umbrella program that can facilitate cross-learnings. Despite efforts to promote a whole of Mission approach, the project lost momentum as other Mission priorities took precedence.

# Integrating DFS in Feed the Future Programs Toolkit

## April - August 2019

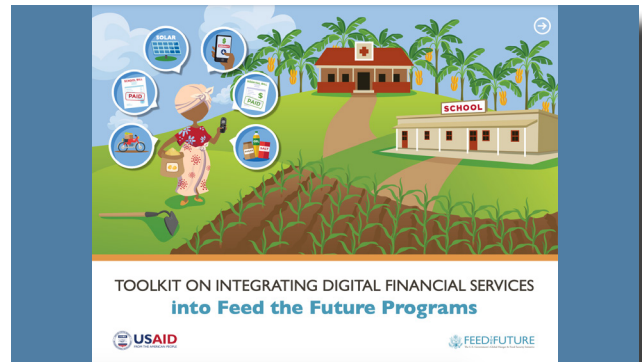
### PROJECT OVERVIEW

In 2019, ANSP provided strategic and technical assistance to improve the DFS ecosystem for SHFs in the coffee and seeds value chains in Uganda. This assistance resulted in the development of a toolkit that takes learnings from the work implemented by SIA and provides guidance for other FtF programs on how to best integrate DFS into their work.

[Download it here](#)

### PROJECT PERFORMANCE: IMPACT AND RESULTS

The toolkit was published in August 2019. The four tools found within the publication are meant to help FtF IPs explore where they can leverage mobile money to deliver relevant and useful financial services to SHFs and value chain partners.



Access to these financial services can contribute to greater self-reliance within rural communities by strengthening the inclusiveness of agricultural systems, improving the resilience of food production systems, and boosting the income earning potential of SHFs. The toolkit adds to the knowledge products that can be used by Missions and development organizations, and answered the ongoing request for more case studies and guidance on the integration of DFS.

Figure 18: The Four Tools

	<p><b>Survey Tool to Assess DFS Integration Potential</b></p> <p>To establish a baseline understanding of SHFs’ access to and use of mobile phones and financial services, and clarity on household expenditure/ income and transactional patterns.</p>		<p><b>Payments Mapping &amp; Costing Assessment</b></p> <p>To generate a visual representation of how a business processes specific types of payments and how much it costs to make those payments.</p>
	<p><b>DFS Rural Stimulation Campaign</b></p> <p>To develop the capacity and confidence of rural, agricultural audiences to use DFS by demonstrating how these products work and why they have value in everyday life.</p>		<p><b>Measuring DFS Integration Impact on GFSS Objectives</b></p> <p>Provide examples of key performance metrics programs can use to measure the impact of DFS integration into their programs while providing guidance on how to link those metrics to broader GFSS objectives on economic growth and resilience.</p>



# Rwanda: Supporting the Hinga Weze Feed the Future Program

## July 2019 - June 2020

### PROJECT OVERVIEW

Between 2019 and 2020, SIA provided technical advisory services to USAID Rwanda's flagship FtF program, Hinga Weze, to help them determine how to support and integrate DFS.

SIA took a TDY in July 2019 to support Hinga Weze and gather key information that would lead to advice on incorporating DFS into the program's FY20 work plan. The TDY trip report provides key recommendations on where work plan activities could support and integrate DFS. As a result of this work, Hinga Weze funded SIA to provide continuing technical support to grantees delivering different types of digital services to the agricultural sector.

### ACTIVITIES

In Q1 of FY20, SIA completed an inception report highlighting the work plan and key activities.

In Q2, SIA provided support in finalizing grant agreements with two DFS grantees: AD Finance, which was working to enable a push/pull mechanism to mobile money for two microfinance institutions, and SAVE, a savings group digitization solution. SIA also helped Hinga Weze clean their data on cooperatives they support to make it easier to analyze and use for decision making. There were delays

related to the approval of the AD Finance and SAVE contracts due to questions on the sustainability and maturity of the SAVE product. Ultimately the SAVE product was not granted a contract due to concerns around a lack of regulatory oversight. AD Finance went on to build digital solutions for microfinance institutions that enabled push-pull transactions between their client's mobile money wallets and their deposit accounts.

During Q3, in response to COVID-19 restrictions in Rwanda, Hinga Weze led an analysis of the lock down's impact on savings groups affiliated with the activity. SIA provided inputs into this analysis and supported the drafting of a two-pager on the status of savings groups. At this time SIA also began the design of an abbreviated rural stimulation campaign training to build confidence of new mobile money users and encourage the expanded use of mobile money services beyond cashing out. In Q1 FY 21, SIA trained 15 Hinga Weze field staff members on the rural stimulation campaign for them to build digital financial literacy among farmers they work with.

Throughout 2020, SIA also helped Hinga Weze try to develop a partnership with MasterCard to support the deployment of its digital agricultural solution: MasterCard Farmers Network (MFN). SIA facilitated conversations

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between MasterCard and Hinga Weze around an analysis of hardware (tablets, smartphones, and computers) gaps that exist among target cooperatives, and helping better understand the value proposition and key roles for Hinga Weze vs. Equity Bank, the supposed licensee of the MFN solution in Rwanda.

In January, SIA supported an in-country workshop to determine the best way a partnership could be structured. Regretfully, as a result of COVID-19, Equity could not engage MasterCard in this project. This ultimately led to the decision to discontinue the pursuit of a partnership between Hinga Weze and MasterCard.

### PROJECT PERFORMANCE: IMPACT AND RESULTS

SIA's engagement with Hinga Weze supported pathways forward for the integration of DFS into programmatic activities in FY20. Through due diligence, SIA supported Hinga Weze in determining whether potential grantees were worth the investment. SIA also worked to show Hinga Weze clear pathways between supporting these grantees and the potential impacts they can have on specific objectives and indicators of the activity.

### KEY LEARNINGS

There were many lessons learned during this process:

1. The MFN product's market entry into Rwanda needed more initial due diligence on the part of MasterCard and USAID. While FtF activities can provide some market intelligence, the model required deeper conversations with key market stakeholders such as financial service providers.
2. The market in Rwanda is very small and already had other service providers with active products similar to MasterCard. It would have been beneficial to do more market segmentation and sizing before the initiative was started to ensure there was a viable path towards sustainability for MFN.
3. There was a lack of transparency in communications between MasterCard, Equity, and Hinga Weze, which led to some discomfort for Hinga Weze. Supporting more collaborative discussions between stakeholders may have sped up the process.

## DFS: Three Lessons in Sector Integration

*Written by Hamilton McNutt, SIA COO*

USAID recognizes DFS as a cross-cutting tool that can have a positive impact on development outcomes across the different sectors the agency engages in. For this reason, part of our work under ANSP focused on supporting the USAID Digital Finance team in integrating DFS into key focus sectors such as agriculture and health. While the support of supply side market system actors (i.e. financial service providers) and actors developing regulations, laws, and rules (i.e. government ministries) is a crucial part of building out a strong digital finance ecosystem, many of the activities USAID funds in agriculture or health provide an opportunity to drive demand for new and innovative products that add value to target populations.

Our work with USAID Missions in Ethiopia, Nigeria, and Uganda sought to spur demand for DFS, particularly digital payments via mobile money service, targeting payment streams like the purchase of crops and community health worker payments.

As our work progressed, specifically in supporting the integration of DFS into the agriculture sector, we began to realize the demand SHFs had for digital payment mechanisms was very small. For farmers, demand for services was rooted in helping them solve challenges they were facing around access to inputs, access to good information and training, and access to markets. Switching a farmer's payment from

cash to digital, from the same buyer for the same price, was not adding value — and in many cases was considered to add burdens regarding additional costs and limited access to cash if there were no points of services to withdraw funds close by. This realization helped switch our focus away from a payments first approach and toward identifying where key pockets of demand for financial services existed (i.e. credit, savings, insurance), and then working to identify how digital channels could help reduce existing barriers that have traditionally prevented farmers or healthcare patients from accessing them. This often led us back to digital payments as one of the key enablers for these services to reach new customers, but it was important to focus on how the service would solve a problem and then mention digital payments as a requirement for accessing.

Below are some of the key lessons learned we have taken from supporting USAID Missions in integrating digital finance across their development programming.

**Be open to the fact that digital finance may not be the right solution for specific contexts.** DFS should be considered just one solution among many potential solutions. There are plenty of situations where financial services are not an appropriate solution for a particular development challenge. There are also plenty of cases where digital channels are not the right

mechanism to use to overcome a barrier being faced by people the program is trying to support. It's important not to be distracted by the new shiny digital solution and ensure that every solution that is considered meets people where they are.

**If DFS is an appropriate solution, then it's important to leverage existing services and products within an ecosystem.** Whenever possible, avoid building your own custom solution within a USAID activity. Engaging existing services in the market and helping them source new pockets of demand and growth is the most sustainable way to both provide people with solutions that can help overcome their barriers while also supporting the broader DFS ecosystem in a country.

**Communicating the benefits of digital finance for a specific sector must be highly curated for it to land.** As DFS becomes better understood by the general population as terms like "fintech" become commonplace, it is still important to ensure any communication regarding the benefits of digital finance for a specific sector are based in the sector specific language. While digital finance can be a cross-cutting tool that can help a wide range of different sectors achieve their goals, the way in which this opportunity is communicated within the context of each sector needs to be curated. Similar to the first recommendation, these communications should focus on the development problem of the specific sector (e.g. lack of health insurance, inconsistent payments to health workers, or lack of quality inputs through credit products for farmers). Discussing the issues faced by the sector first, and then com-

municating the potential benefits of DFS within the sector context will help Missions and implementing partners more clearly see the value of integrating digital finance into their programs.

Over the last several years, many digital finance development stakeholders have asked the question, "Digital finance for what?" This question is inherently relevant to sector integration. By thinking of DFS as one option and tool to help overcome a challenge, we move away from offering solutions that are not grounded in any particular barrier or challenge. While USAID (particularly its economic growth officers) can continue investing in supply side levers, its large program footprint can help drive demand and opportunity for DFS providers and the customers they seek to serve through sector integration initiatives.



## 4. Building Women's Digital Financial Literacy

# Hey Sister! Show Me the Mobile Money!

## October 2019 - April 2022

### PROJECT OVERVIEW

SIA implemented The Digital Financial Literacy Campaign Activity (DFL Activity) for women with funding from USAID’s Office of Gender Equality and Women’s Empowerment. The DFL Activity was designed to increase the digital financial literacy and decision making skills of women in developing countries so that they may effectively use DFS to economically improve their lives.

The scope of work originally envisioned the U.S. Peace Corps as the user and trainer on the curriculum. With the onset of COVID-19, the Peace Corps recalled its volunteers from their in-country posting. This required SIA to adapt the approach to include SIA’s recruitment of local organizations to use the curriculum and use of interactive voice response (IVR) as a direct delivery channel.

In October 2019, SIA started developing a curriculum called “Hey Sister! Show Me the Mobile Money!”, an open source series of short audio lessons following the lives of four main women characters as they engage around topics related to DFS.

The materials were designed to be accessed remotely in audio format via IVR platforms, as well as through participatory, in-person learning through local partners facilitating discussions when conditions allowed. Partner organizations were provided with facilitation materials and



### OPEN SOURCE DIGITAL FINANCIAL LITERACY RESOURCES

*All of the recorded audio episodes, episode scripts, and supporting facilitation content will remain open source and available for download on the SIA website for others to easily adapt and use.*

training of trainers (ToT) support to provide for sustainability. Learning materials were also designed to be easily customized, adapted, and replicated by organizations that wish to integrate digital financial literacy training into their activities. Prospects were high for sustained and expanded use of the Hey Sister learning resources following the end of formal implementation.

## ACTIVITIES

In the first five months of FY20, SIA performed desk research and conducted interviews to identify existing resources, curricula, and perspectives on women’s digital financial literacy and produce a Synthesis Report.

In consultation with global thought leaders and on-the-ground partners in the selected focus countries of Ghana, Malawi, and Uganda, SIA selected top priority digital financial literacy topics and wrote short (three to four minutes long), entertaining, story-based audio episodes based on best practices and learnings from the early months of the project. In an effort to be collaborative and pertinent, SIA welcomed and incorporated feedback from other stakeholders in the field when developing the audio episodes. Upon consideration of different digital content delivery channels including SMS, IVR, and WhatsApp messaging, IVR was identified as the preferred broadcast platform. IVR would allow women to affordably call in from their homes at times convenient to them and select the topics they wanted to hear. The IVR partner selected by SIA, Viamo, had structured partnerships with mobile network operators (MNOs) in each of the focus countries that allowed customers to call in without airtime charges. SIA also recruited partner organizations in Ghana, Malawi, and Uganda with an interest in building women’s digital financial literacy.

FY21 began with the launch of the first 10 Hey Sister audio episodes, which were broadcast on IVR platforms in Ghana, Malawi, and Uganda and shared with facilitation partners as they joined the project. The audio episodes were released in English as well as 11 other



languages spoken in the three countries. SIA conducted virtual ToT with partner organizations on how to facilitate group listening and discussions using the developed Facilitator’s Guide.

As pandemic restrictions allowed, partner staff conducted in-person facilitated group discussions around the episodes in smaller groups of 12 to 20 participants, while training other facilitators to do the same. SIA provided technical support to partners virtually and in the field as conditions allowed and new partners joined. In addition to the groups, both SIA and Viamo promoted the IVR content in the three countries, especially on radio programs. In Q3, SIA began developing additional episodes, using feedback from stakeholders, partners, facilitators, and participants to identify in-demand topics for new or additional attention. Micro-entrepreneurs were identified as a sub-group for specific attention in content. SIA also invited, evaluated, and awarded small grants to provide modest support for field activities and reporting among our local facilitation partners. This process attracted some additional partners.

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In the last quarter of FY21, SIA released 15 additional audio episodes ('phase 2'). In addition to the previous languages for Ghana, Malawi, and Uganda, all 25 episodes were translated and recorded in French, Swahili, Kassem, and Kinyarwanda — bringing the total number of available languages to 16. These additional languages were selected based on the interest of new partners to implement in new geographies, while French was recognized as high-potential to reach many geographies.

SIA promoted the new episodes and languages through social media and to organizations that had previously expressed interest. In Q4, all of the episodes were available on IVR in Malawi and Uganda, while Viamo continued to host the original 10 in Ghana.

Episodes in all 16 languages are available on the SIA website free of charge along with the scripts, which can be modified to fit other organizations' needs and market context. Active support and monitoring to partners in Ghana, Malawi, Uganda culminated in December 2021.

Table 8: "Hey Sister! Show Me the Mobile Money!" Episodes by Category

Category	(Phase) Episode
Mobile money general topics	<ul style="list-style-type: none"> <li>(1) How is the financial system changing?</li> <li>(1) How do I set up a mobile money account?</li> <li>(2) How can I reduce cash out fees and avoid agent fraud?</li> <li>(2) What are my rights under mobile money terms and conditions?</li> </ul>
Basic mobile money transactions	<ul style="list-style-type: none"> <li>(1) How do I send and receive money on my phone?</li> <li>(1) How do I pay bills on my phone?</li> <li>(1) How much does it cost to transfer money?</li> </ul>
Loans, savings, insurance, and budgeting	<ul style="list-style-type: none"> <li>(1) How do I use my phone for saving?</li> <li>(1) How can I ask for help to temporarily stop repaying my loan?</li> <li>(2) What should I consider in taking out a loan?</li> <li>(2) How should I evaluate digital loan options?</li> <li>(2) How much should I save?</li> <li>(2) Where should I save?</li> <li>(2) Should I buy insurance?</li> <li>(2) How can my household manage our finances better?</li> </ul>
Privacy and scams	<ul style="list-style-type: none"> <li>(1) How do I know which news is true?</li> <li>(1) How do I protect myself from scams?</li> <li>(2) How can my personal information be used?</li> <li>(2) How can I avoid different types of scams?</li> </ul>
Using a smartphone	<ul style="list-style-type: none"> <li>(1) How can I figure out airtime and data management?</li> <li>(1) How do I use apps?</li> </ul>
Tips for entrepreneurs	<ul style="list-style-type: none"> <li>(1) How do I set up a merchant account for my business?</li> <li>(2) How should I manage finance for my business?</li> <li>(2) How can a digital "footprint" grow opportunities for my business?</li> <li>(2) How can I use my phone to expand sales?</li> </ul>



## PARTNERS



### Broadcast Partners

#### Viamo

In April 2020, SIA conducted a competitive solicitation to translate and record the first Hey Sister audio lessons, make them available on IVR services in Ghana, Malawi, and Uganda, and to conduct caller surveys. Viamo scored the highest and was awarded the contract. In May 2021, SIA awarded a follow-on contract to Viamo to continue the IVR services in Malawi and Uganda and add the new 15 episodes. (Ghana was excluded from the follow-on contract as data indicated lower Viamo reach and negotiations were underway with MTN Ghana.) More people were reached through Viamo-managed IVR platforms than any other medium; with 177,375 unique callers listening to one or more episodes.

#### Mudziwathu Community Radio

Recruited as a Facilitation Partner (see below), Mudziwathu Community Radio in Malawi not only facilitated discussion groups around Hey Sister, but also broadcast the audio episodes on its radio station to reach additional listeners. Mudziwathu estimates its broadcasts reach a listener base of up to 1.5 million; SIA expects a modest portion of that population listened to Hey Sister.



### Facilitation Partners

Throughout the course of the Hey Sister Activity, a total of 24 facilitation partners led — or trained local leaders to lead — group discussions with women in Ghana, Malawi, and Uganda around the audio content, using country-specific facilitator guides. These partners included local private sector organizations, local civil society organizations (CSOs), and international nonprofit organizations who integrated the curriculum into their existing activities supporting women's economic empowerment and financial inclusion. During the first phase of episodes, Hey Sister provided no or only very modest resources to partners to integrate the listening discussions into their programs. Several partners dropped out; some said they lacked resources, while one stopped implementing altogether due to COVID. For the second phase, Hey Sister allowed partners to apply for and receive small grants for Hey Sister activities; the Activity awarded sub-grants averaging \$3,000 to 14 facilitation partners (all local organizations except for one), all of which continued to implement throughout the remaining project period and developed sustainability plans for implementing Hey Sister trainings post project end.

#### MTN Ghana

Following multiple conversations with MTN about the Hey Sister content as it was broadcast with Viamo, SIA secured the agreement of MTN Ghana to put the audio episodes on its own IVR platform. MTN saw the value of the audio content for growing the digital literacy of its subscribers. SIA worked with MTN's IVR service provider to structure the call trees, and the content went live in October 2021. Unfortunately, MTN's service provider was unable to provide data showing the number of callers who listened to Hey Sister. This private sector uptake was significant in demonstrating private sector demand for digital financial literacy content, expanding the reach at no additional cost to the Activity or to participants.

#### KEIPhone

In late 2021, SIA partnered with [KEIPhone](#), a company distributing smartphones to women in Uganda, to make Hey Sister available to women receiving smartphones from KEIPhone. The partnership continues in Uganda, where there were over 40,000 users as of early April 2022. The audio files are easy to download and are advertised with short video snapshots. Early interviews with clients show that women are looking for this type of content to help them to learn new skills and to safely take advantage of the mobile internet. As they are getting used to working with apps, they become better at identifying scams and protecting themselves thanks to Hey Sister.

## PARTNERS

### Local private sector

In support of their business activities, microfinance institutions and agribusinesses working directly with women adopted the Hey Sister content. In Ghana for example, Jireh Microfinance Ltd. continues to be a strong facilitation partner, conducting group trainings with women entrepreneurs, hosting the Hey Sister content on their [website](#) and sharing Hey Sister content via WhatsApp channels engaging their clientele. Rujo Agritrade, a Ghanaian agribusiness working directly with female farmers, conducted Hey Sister trainings to onboard them into using digital payments as a way of transacting business smoothly and with less risk.

### International nonprofit and CSOs

As a part of their work in the financial inclusion of forcibly displaced people (FDPs) and refugees in Uganda and in the digitization of VSLAs, the Danish humanitarian nongovernmental organization DanChurchAid (DCA) integrated the Hey Sister content to their activities serving a population composed of 75% women. According to DCA, the Hey Sister curriculum enables the organization to further promote its programs and meet their strategic project objectives.

### Local nonprofit and CSOs

Group discussions with women were also facilitated by local nonprofits and CSOs that integrated the Hey Sister content into their existing activities. The majority of these organizations are focused on financial inclusion and economic empowerment and development through the provision of financial and digital literacy trainings and livelihood development activities. Katosi Women Development Trust (KWDT) in Uganda, for example, integrated Hey Sister content to its organizational capacity building, value-chain strengthening, organizational and non-formal education trainings with groups of women. In Malawi, Orant Charities Africa (OCA) integrated Hey Sister into all of its programs in health-care, education, water and sanitation, and agriculture and business, working directly with entrepreneurs to develop their business skills and financial management in addition to their ability to use DFS. Christ Community Chapel AG in Ghana also integrated Hey Sister into its poverty reduction, adult literacy, and skills development activities with women's groups.



### Promotion Partners

Some organizations helped to spread awareness of Hey Sister among other organizations that could pick it up in their work. For instance, GSMA's [Mobile Internet Skills Training Toolkit \(MISTT\)](#) integrated Hey Sister as a complementary resource for mobile training, linking to the episodes on SIA's website. Other online promotions of Hey Sister include:

- Amplio hosted a webinar for participating organizations using their talking books to learn about the content. Amplio made the content available in its many languages for interested organizations to download to their talking books, while also including [a blog post linking to the Hey Sister website](#).
- Grameen Foundation hosted the content on an app for female mobile money agents in Northern Ghana
- Digital Frontiers Institute [added Hey Sister to its knowledge bank](#), accessible by over 3,000 DFS professionals
- Mercy Corps put the written scripts on the [Sprout Open Content Agricultural Platform](#).
- Center for Financial Inclusion (CFI): The CFI hosted and shared SIA's podcast about the Hey Sister campaign as part of the 2021 Financial Inclusion Week. The content will remain [on the event portal](#).

In addition, the Peace Corps indicated that it would share the Hey Sister resources with staff in countries where women's digital financial literacy fit into the project framework and the respective languages were available (i.e. Uganda).

## PROJECT PERFORMANCE: IMPACT AND RESULTS

Hey Sister reached 238,000 people directly — including an estimated 177,000 women across Ghana, Malawi, and Uganda — and as many as 740,000 people indirectly.

Survey data indicates that Hey Sister led to significant results for women’s digital financial literacy, confidence, and behaviors.<sup>11</sup>

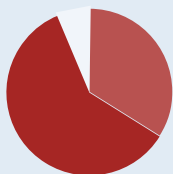
Among surveyed female IVR callers, 61% reported making at least one change in their DFS activities; this figure rose to 97% among women who participated in facilitated discussion groups.

Table 9: Full Estimated Reach

	ALL	Women
<b>Measured direct reach (IVR + group participants)<sup>12</sup></b>	<b>238,644</b>	<b>177,102</b>
Estimated unmeasured direct reach (MTN IVR, radio, etc)	21,700	10,850
<i>Subtotal estimated direct reach</i>	<i>260,000</i>	<i>188,000</i>
Estimated indirect reach (discussed with direct participants)	480,000	288,000
<b>Total estimated indirect reach</b>	<b>740,000</b>	<b>476,000</b>

Figure 19: Survey Results Among Group Participants

### Among group participants, specific behaviors included:



An **increase in mobile money use among 95%**, including 34% who started using mobile money for the first time



**Taking new actions** when encountering something suspicious on their phone (97%) and sharing PIN with no one (70% at endline compared with 21% at baseline)



**New mobile savings behavior** among 85% and **taking a digital loan** among 38%



A subset of our population, **89% of entrepreneurs reported making a change to their business** as a result of listening to Hey Sister lessons

<sup>11</sup> Discounted to account for estimated overlap between IVR callers and group participants. (A discount of 15% is applied to the number of group participants in Ghana and Malawi, and 40% in Uganda.)

<sup>12</sup> Overall program numbers from surveys were calculated as an average of the three countries, so as not to be biased by the differing sample sizes of the respective countries.

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### INDICATORS

#### F-Indicators

In the early months of the Activity, SIA agreed with USAID on which standard F-indicators the Activity would report, and set targets. The targets were all well surpassed — the number of female entrepreneurs by a factor of 4.5.

SIA has defined indicator terms in the context of this Activity as follows:

- “Participants” = Radio callers and facilitated group participants
- “Persons trained... through their roles in public or private sector organizations” = Partner staff trained by SIA
- “Microenterprises supported” = The number of participants who run an enterprise



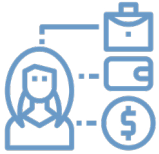



Table 10: USAID Standard F-Indicators

F-Indicator	Target	Achieved as of 12.31.21	Exceeded target by...
<b>GNDR-2: Percentage of female participants in USG-assisted programs designed to increase access to productive economic resources</b>	60%	74%	14%
# of women participants	60,462	177,102	116,640 (2.9x)
# of total participants	100,330	238,644	138,214 (2.3x)
<b>GNDR-8: Number of persons trained with USG assistance to advance outcomes consistent with gender equality or female empowerment through their roles in public or private sector organizations</b>	172	301	129 (1.75x)
# of men trained	63	149	86 (2.3x)
# of women trained	109	152	43 (1.3x)
<b>EG.5-3: Number of microenterprises supported by USG assistance</b>	45,968	143,045	97,077 (3.1x)
# of female entrepreneurs	24,208	109,924	85,716 (4.5x)
# of male entrepreneurs	21,760	33,121	11,361 (1.5x)

Sources: IVR data, partner data, SIA training data, baseline surveys

## Activity Indicators

Ten indicators were established in the MEL plan to measure various dimensions of progress.

Table 11: Activity Indicators	
<p><b>Changes in women's attitudes and behaviors</b></p> 	<p><b>(#1)</b> % participating women who feel confident in using DFS:</p> <p>IVR callers: 74% at baseline to 86% at midline Group participants: 92% at baseline to 99% at midline and endline</p>
	<p><b>(#2)</b> % participating women who report making a positive behavior change in their digital financial activities as a result of the activity:</p> <p>IVR callers: 61% Group participants: 97%</p>
<p><b>Relevance and reach</b></p> 	<p><b>(#3)</b> % participating women who agree with the statement, "This content is relevant to my life":</p> <p>IVR callers: 89% Group participants: 100%</p>
	<p><b>(#4)</b> % female participants in USG-assisted programs designed to increase access to productive economic resources (assets, credit, income or employment):</p> <p>74%; IVR callers: 69%; Group participants: 88%</p>
	<p><b>(#5)</b> # women training participants who access newly created supportive learning resources on women's digital and economic empowerment:</p> <p>177,102; IVR callers: 123,113; Group participants: 77,167</p>
<p><b>Organizational uptake</b></p> 	<p><b>(#6)</b> # nonprofit and for-profit entities that intend to continue using learning tools after activity ends:</p> <p>19</p>
	<p><b>(#7)</b> # organizations that utilize newly-created training sessions on women's digital and economic empowerment:</p> <p>24</p>
	<p><b>(#8)</b> # persons trained with USG assistance to advance outcomes consistent with gender equality or female empowerment through their roles in public or private sector organizations:</p> <p>320 (165 of them women)</p>
<p><b>Sharing and promotion</b></p> 	<p><b>(#9)</b> # of promotion events held:</p> <p>38</p>
	<p><b>(#10)</b> # contributions to W-GDP / WEE CoP community of practice:</p> <p>3</p>



## FROM HEY SISTER PARTICIPANTS

*"I don't have a mobile money account because I am scared to lose my money.*

*That is why I keep my money in the house. Listening to you [the facilitator] and the drama [Hey Sister episodes], I am convinced and shall create a savings account (mobile money account), and deposit after every market day to expand my business and for my children's school fees." - Female Participant with NiV, Ghanaian implementing partner*

*"Hey Sister has come at the right time. I have received training on how to use the mobile phone for business transactions. For example, I have taken pictures of my goods and posted them on WhatsApp showing my name, number and location and this has increased my sales. I have also accessed a loan from Momo to run my business." - 37-year-old female trader, participant with SEND Ghana, Ghanaian implementing partner*

*"The content is well thought out. This [scams] is what happens to almost all of us who own phones every day. These trainings have given me time to reflect on the times I have encountered conmen and the money they have managed to take away from my phone. With these trainings, it's not something that I will ever allow again." - Female Participant with YAD, Malawian implementing partner*

*"After listening to Hey Sister, I have learned a lot about the importance of using mobile money as a means of saving and securing my finances. I started saving on my mobile money in October for Christmas and I have so far saved 112,000 on my mobile money account. This is so cheap and easy to access as we don't have any nearby banks. It is less costly in terms of maintenance and the process of saving using mobile money does not take a lot of time like going up to the bank to deposit money in my bank account." - Female Participant with DanChurchAid (DCA), Uganda implementing partner*

## PROJECT ADJUSTMENTS

The DFL activity was initially expected to equip Peace Corps volunteers with tools to build digital financial literacy — not tools for any organization — and during the first five months of FY20, USAID negotiated with the Peace Corps to structure its participation in the W-GDP digital financial literacy campaign. But in March 2020, the Peace Corps suspended its operations globally and made the decision to evacuate its volunteers back to the U.S. due to the COVID-19 pandemic.

The COVID-19 crisis also created an urgency of need to launch the digital financial literacy campaign to support women’s access to financial services at a time when governments were imposing lock downs and mandating social distancing. USAID and SIA agreed to adjust the scope of work to proceed with the program goal amid uncertain operating contexts. This resulted in adjustments, made in consultation with USAID, and decisions to use direct delivery channels as well as adapt the training of the trainers approach for organizations other than the Peace Corps and to reflect the reality of conducting trainings and delivering content to groups while ensuring safety protocols for COVID-19 were followed.

## KEY LEARNINGS

The Activity generated multiple learnings highly useful to USAID and others working in the space of women’s economic empowerment and digital financial literacy, including:

- The same content can be relevant to multiple ‘archetypes’ of women
- IVR is valuable for reaching women where they are isolated; groups are valuable for

deep learning

- Product-agnostic content can benefit diverse organizations
- Demand-driven uptake is highest among local organizations

### The same content can be relevant to multiple ‘archetypes’ of women

Consultations SIA held during the early design of Hey Sister yielded caution around treating women as a homogeneous group with homogeneous learning needs. SIA explored options to create learning content that was customizable to different segments of women at different levels. Ultimately, however, due to the complexity of such options and the desire to issue and scale learning content quickly to reach women during the early months of the COVID pandemic, for the first phase, SIA opted to produce a single set of audio episodes that could be selected depending on interests of the IVR caller and needs of the full group. Early indications were that they were well received, and surveys showed that 89% of IVR respondent women and nearly 100% of female group respondents considered the content to be relevant to their lives. SIA understands that the IVR audience is not limited to rural, less-educated, lower-income audiences, and yet almost all listeners found it relevant to their lives. (One of our Ghana language producers noted that the urban voice actresses had also learned valuable things.) Moreover, nearly 100% of group respondents said they had tried one or more approaches described by the Hey Sister characters.

Given this success, SIA decided to continue the approach of a single set of audio episodes for the second phase. Thus, while it is possible

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that the content could have been more relevant or useful to some women, and that they may have learned differently, it is worth noting that this concern about non-homogeneous needs should not overly limit quick and simple production of learning resources, at least for an initial pilot. This may be especially true for topics that are relatively new to the whole population, such as digital financial literacy.

### **IVR is valuable for reaching the isolated; groups are valuable for deep learning**

IVR is effective for reaching listeners at scale; the majority of those counted as Hey Sister participants heard the episodes through IVR. It also offered a very compelling opportunity to reach women who could be isolated at home during the COVID pandemic. Given that social norms keep women isolated at home in some places outside of pandemic situations, IVR offers a potentially valuable resource to those who can access phones.

At the same time, Hey Sister confirmed SIA's hypothesis, consistent with knowledge in the behavior change communication field, that deeper results emerged for those who listened and discussed the content in a group, rather than independently. First, while records show a high number of people called the Hey Sister IVR lines, the majority heard only one episode. Survey data indicates that group respondents were more likely than IVR respondents to make each DFS behavior change. Moreover, the field team has observed the power of facilitated group discussions in not only increasing knowledge but sometimes shifting social norms. In Malawi, for example, over the course of Hey Sister facilitation, partners have observed shifts in attitudes toward gender roles

among participants, reflected in a reported increase in women's household decision making.

### **Product-agnostic content can benefit diverse organizations**

Our facilitation partners reported that Hey Sister supported their pursuit of their program goals and/or mission.

In some cases, Hey Sister encouraged uptake of products and services offered by the partners themselves. Several of our partners provided financial services, such as MAMIEDECOT in Uganda, who noted higher uptake and repayment rates as a result of Hey Sister. An agribusiness, Agritrade in Ghana used Hey Sister to make their supply chain transactions more efficient: "We have replicated Hey Sister DFL into our training module with a pursuit to empower women in acceptance of mobile money as a form of payment for procurement of cereals. These women now accept mobile money as a form of payment."

MTN/Ghana adopted Hey Sister on its IVR line with the expectation that increased DFL would grow its DFS client base.

It is noteworthy that product-agnostic learning resources created value for specific products, as financial consumers (Hey Sister participants) grew their literacy and ability to evaluate and manage their use of financial products.

### **Demand-driven uptake highest among local organizations**

While SIA attracted numerous local organizations and firms as facilitation partners in Ghana, Malawi, and Uganda, attracting



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international partners was more difficult; DanChurchAid was the only international NGO to conduct facilitation groups with Hey Sister during the project period. SIA hypothesizes that local institutions may be driven more by their overarching mission — as opposed to competing for and implementing individual, time-bound contracts with strict timelines, as many international organizations do — and thus experience a greater incentive and freedom to integrate a new, free resource. Grassroots organizations may also be less likely to receive the funding to develop such resources themselves. International organizations that expressed intention to partner were sometimes slow to find the time to integrate Hey Sister into their activities — or never did.

SIA also struggled to secure significant interest from USAID Missions, despite outreach to multiple Missions.

The local trend also extends to private sector adoption of Hey Sister. Multiple local firms joined as partners, particularly in Ghana; facilitation partners include local agriculture firms and financial institutions, and MTN Ghana as a broadcast partner. All of these firms share a direct need for increased digital financial literacy among their customers or suppliers. SIA approached some multinational private firms, but found minimal interest. Getting these large companies to adopt a change can be difficult, requiring numerous steps and decision makers for approval. Even with general awareness that digital financial literacy could be beneficial to their customers or suppliers, if it is not prioritized within the companies' strategy, individual staff have few incentives to

spearhead a complex approval process for use.

**[Additional reading](#)** ▶ **[SIA blog post “Four lessons for growing women’s digital financial literacy at scale”](#)**

More information on activities, results and learnings as well as on challenges, sustainability, and the way forward can be found in the [final project report](#).

# ¡Oye Amiga, hablemos sobre tu billetera móvil!

## January - April 2022

### PROJECT OVERVIEW

In the beginning of 2022, SIA adapted and translated “Hey Sister! Show Me the Mobile Money!” to Spanish in order to support the advancement of women’s digital financial literacy in Latin America, including countries in the Northern Triangle region.

The adapted curriculum titled “¡Oye Amiga, hablemos sobre tu billetera móvil!” includes 22 audio lessons recorded in “neutral” Spanish, with a new episode on remittances.



### ACTIVITIES

In spring 2022, SIA conducted a desk review of the DFS market landscape in Latin America, with a particular focus on the Guatemalan and Colombian markets. SIA also consulted with women’s financial inclusion experts in the region. Based on the review and consultations, SIA adjusted the Hey Sister curriculum to reflect the Latin American market context of service offerings in addition to Latin American consumers’ needs and interests.

SIA also developed facilitation resources for organizations to use in support of their adoption of the curriculum.

The adapted audio content, under the name “¡Oye amiga, hablemos sobre tu billetera móvil!”, includes episodes on topics including how to open and transact with a mobile wallet, how to collect remittances and save using your phone, and how to avoid scams.

### OPEN SOURCE DIGITAL FINANCIAL LITERACY RESOURCES

*All of the recorded audio episodes, episode scripts, and supporting facilitation content will remain available for download on the SIA website, open source for others to easily adapt and use.*

### PROJECT PERFORMANCE: IMPACT AND RESULTS

The lessons, scripts, and facilitation resources were made available free of charge on SIA’s website for any individual or organization interested in building women’s digital financial capabilities to adopt and adapt. SIA’s website also includes a Spanish translation so that local organizations may easily understand and access the resources online.

## KEY LEARNINGS

The Activity generated multiple learnings highly useful to USAID and others working in the space of women's economic empowerment and digital financial literacy, including:

- The importance of offering learning content in neutral Spanish
- Latin American audience's interest in lessons about data protection

### **The importance of offering learning content in neutral Spanish**

Input from consultations with local financial inclusion experts in Latin America from Guatemala, Colombia, and Mexico, emphasized the importance of offering audio learning content in neutral Spanish when interested in addressing multiple audiences across Latin America.

### **Latin American women's concerns about data protection**

Desk research into the topics of interest and concern for women in Latin America surrounding DFS shed light on Latin American women's concerns about data protection when using smartphones and apps. This informed our team on which topics to include in the Oye Amiga campaign, including those on privacy and scams and individuals' rights when using phones and mobile wallets.

## Supporting Women in Tapping the Power and Potential of Digital Financial Services

Written by Jennifer Linares, SIA Program Manager

Building women’s capacity to use digital technologies is an important component of providing access to financial services. DFS have the potential to unlock investment and funding for women-owned businesses, especially in developing countries where financial services are not available outside of major cities and where rural women are often faced with adverse social norms, practices, and laws.

Despite progress in closing the gender gap in financial inclusion, barriers to women’s access and use of financial services persist. In low- and middle-income countries, GSMA ranks literacy and digital skills as the top barrier to women’s use of mobile internet service. According to the Global Findex Database 2021, two-thirds of unbanked adults say they could not use a financial account without help. And although mobile money can be an entry point for financial inclusion, in Sub-Saharan Africa, one-third of mobile money account holders say they cannot use their mobile money account without help from a family member or an agent.<sup>13</sup> The situation is even more difficult for women, who are five percentage points more likely than men to require help using their mobile money account.<sup>14</sup>

The COVID-19 pandemic made the need to build women’s digital skills and financial capa-



bilities even more urgent, as digital services are now used to provide contactless payment and banking services at even greater rates.

In 2020, SIA launched the “Hey Sister! Show Me the Mobile Money!” project to help women in Ghana, Malawi, and Uganda to safely and effectively use DFS. Taking the form of 25 short, dramatized open source and easily adaptable audio lessons, “Hey Sister” was delivered through IVR that could reach women directly at home through their basic phones, free of charge. Meeting women where they are was essential to the success of our campaign. We provided learning content that was available in 16 local languages and made sure to not take up too much time in a woman’s day by keeping episodes short.

<sup>13</sup> Findex 2021

<sup>14</sup> Ibid

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Between 2020 and 2021, Hey Sister reached more than 270,000 individuals in the three countries of implementation — 76% of them were women.

When designing the audio content, we took notes and learnings from previous research in digital financial literacy.<sup>15</sup> These best practices contributed to the success of the campaign:

- **Keep it simple.** Many trainings give participants “cognitive overload” by trying to pack in too much content. Each of the “Hey Sister!” lessons has a straightforward learning objective, tied to real-world situations, that basic learners can easily grasp.
- **Keep it short.** Also to avoid “cognitive overload,” it is recommended that new information be shared in short bursts. The “Hey Sister” audio lessons are under five minutes and are ideally followed by reflection or discussion.
- **Make it entertaining.** “Infotainment” (information + entertainment) has emerged in behavior change communication as an effective way to engage learners. “Hey Sister” uses storytelling for both entertainment and to help listeners relate. Humor is integrated into the story lines; the “fake news” episode, in which Annette is scared by an online story of a woman giving birth to a goat, is one of the most popular.
- **Make it convenient to access.** The IVR platform allows learners to pick a time (and place) that suits their schedule. Callers who subscribe to the partner MNO can listen for free.

We also partnered with local organizations that worked directly with existing women’s groups to hold discussion groups around the Hey Sister audio content, with support from country-specific facilitation guides. Participants already had some form of previous engagement and trust with the local organizations, which helped for smooth integration of the content into existing training activities. We found the facilitated group learning to have the greatest impact on women’s financial lives.

Fueled by the ongoing success of the Africa campaign, in spring 2022, we adapted the Hey Sister curriculum to the Latin American region under the name “¡Oye amiga, hablemos sobre tu billetera móvil!” This content, recorded in Spanish, is also available free of charge for any individual or organization interested in building women’s digital financial capabilities to adopt and adapt. Oye Amiga audio content includes episodes on topics varying from how to open and transact with a mobile wallet, how to collect remittances and save using your phone, and how to avoid scams.

Today we continue our work to share the Hey Sister and Oye Amiga curricula with actors working in women’s economic empowerment, encouraging its adoption and adaptation, and promoting programming in building women’s digital financial capabilities. We are also committed to integrating the curricula to our current and future projects and will continue to host the open source content on our website.

<sup>15</sup> Wagh, Poojah, “Beyond the Classroom: Evidence on New Directions in Financial Education,” *Innovations for Poverty Action Financial Inclusion Program Brief*, January 2017.

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