

AN ORPHAN AND REFUGEE, SHE CAME FROM CONGO TO UGANDA IN 2005. AT 18, SHE STARTED A MOBILE MONEY BUSINESS WITH HER HUSBAND. SHE SERVES ABOUT 200 CUSTOMERS MONTHLY.

DIGITAL FINANCIAL INCLUSION THROUGH CASH TRANSFERS HER MONEY, HER ACCOUNT



*"With the byings,
I was able to buy
5 cows and 2 goats.
I opened two
more branches of
mobile money"*

CHANTAL
IN NAKIVALE, UGANDA

Money gives women and men greater freedom, choice, a sense of [control over their lives](#) and dignity. Both humanitarian cash transfers provided directly by WFP as well as Government-to-Person (G2P) payment schemes increasingly supported by WFP, can provide first-time access to—and usage of formal financial services to unbanked and underserved populations and their businesses. When deliberately designed to do so, cash transfers can thereby contribute to longer-term objectives such as Digital Financial Inclusion (DFI) and Women's Economic Empowerment (WEE). Access to financial services such as payments, savings, credit and insurance—together with financial education and consumer protection—help women and men better cope with shocks, including shocks related to climate change, build their financial resilience and invest in their futures and aspirations.

Since 2020, WFP has been working to accompany people, women in particular, on their journey toward greater digital financial inclusion and economic empowerment.

"We know that half of the cash that we provide goes to women, which is already a really good thing. But rarely does it go into an account in their name. If eradicating hunger and extreme poverty is at the core of WFP's business, then digital payments are too. We have the responsibility to provide that first-time access to a bank, or to mobile money account, while also helping governments to do the same in their Government-to-Person payments systems, which we're increasingly supporting".

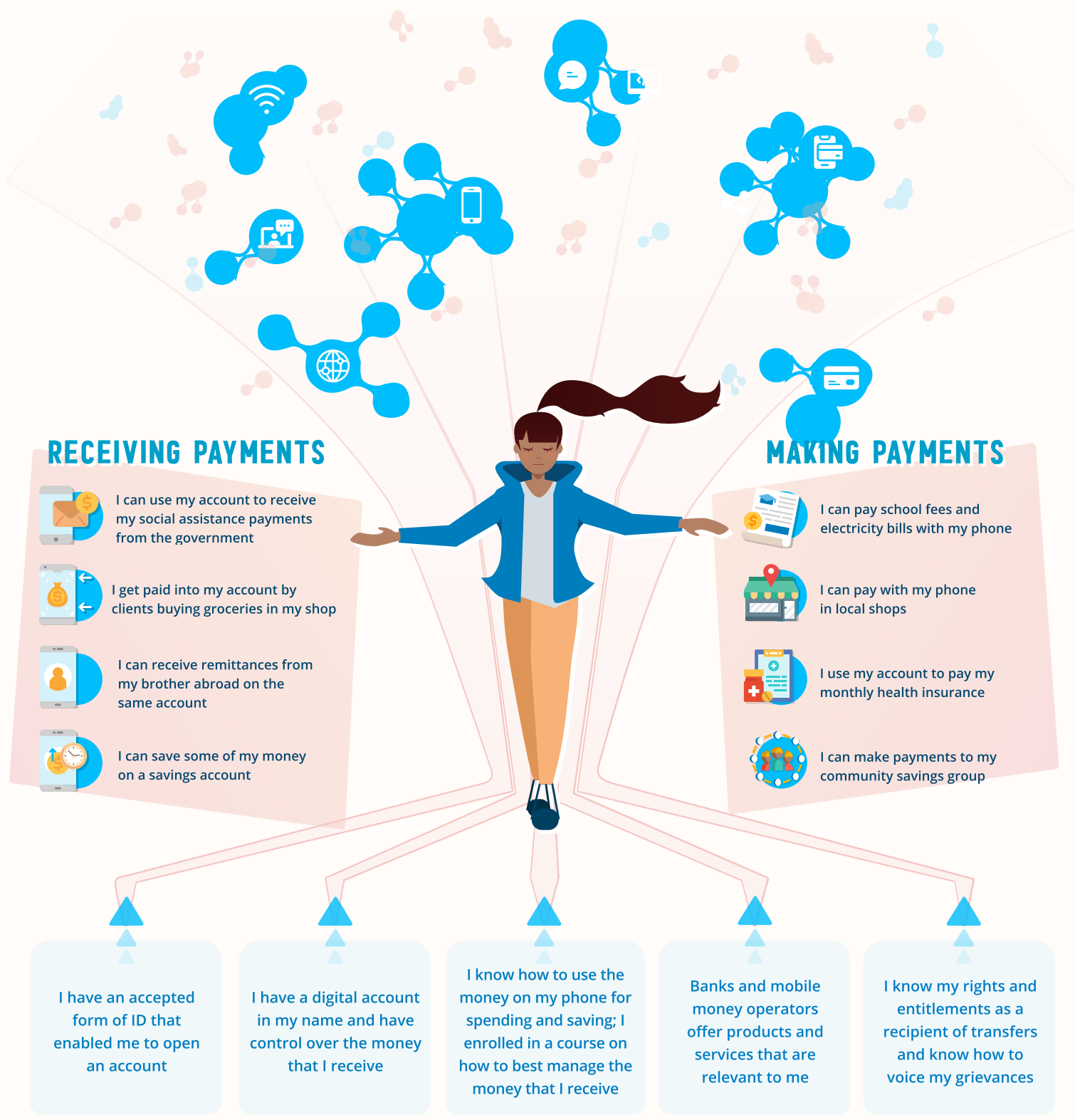
Valerie Guarneri

ASSISTANT EXECUTIVE DIRECTOR, WFP

This has become a corporate priority reflected in our normative framework: WFP now [envisions](#) to support **10 million women** through their own financial accounts¹.

On these accounts women will be able to receive money from WFP, other humanitarian partner organisations, or governments supported by WFP, as well as money from their families and of course their income.

¹ Definition of account ownership (the Global Findex Report 2021): *having an account (by themselves or together with someone else) at a bank, another type of financial institution (credit union, microfinance institution, post office), or a mobile money provider.* WFP envisions to transfer money through accounts to 10 million women, and these accounts would be either opened by WFP or accounts women already have and choose to receive money on.



OUR VISION?

ENABLING WOMEN'S DIGITAL FINANCIAL INCLUSION THROUGH CASH TRANSFERS

WFP believes in an inclusive financial ecosystem that extends the reach of affordable digital financial products and services to all. Women and men should have the required financial and digital capabilities to make informed financial decisions,

and the private sector should have the right market incentives to expand the reach of its networks and provide innovative solutions whilst upholding customer rights and protection standards.

Similarly, national regulatory environments and financial inclusion policies and strategies should be inclusive, fostering and not limiting digital financial inclusion for all. Given the gender gap in financial access, WFP focuses on identifying and overcoming access and usage barriers of digital financial products and services for marginalised women particularly in the most difficult contexts.

WHEN WE DELIVER

We focus on choice, dignity, empowerment, and accountability. We identify and reach people who need help and know how to send them money so that they can buy what they need, even in the hardest to reach areas, even for the most marginalised. Most of these people are women. Most of them are mothers or grandmothers. We help them to get IDs to open their own formal accounts.

When we stop giving them money, people still have an affordable and secure means to receive and send, save and spend their own money, or even get access to credit to make their projects come true or insure their livelihoods. Playing our part in a broader ecosystem of players we aim for women and men to have recognised IDs so they can do things like vote and access government services, and participate fully in society. Women and men can call us for information or when there is a problem. We give them the confidence to uphold their rights and suggest improvements. We can show donors exactly who received their money.

WHEN WE ENABLE INCLUSIVE SOCIAL PROTECTION PAYMENTS

WFP also help governments to transfer money directly to people. Together with our partners we can deliver payments to hard-to-reach populations in unstable and fragile environments, and we can deliver them fast, and provide end-to-end assurance that the right entitlements went to the right people. We can do it for governments, but the aim is to help them set up their own payments system. Whether the payment is a safety net, subsidy, unemployment insurance, crop insurance, pension, salary or refund, the government can use the same payment platform, and people can choose how they want to receive their money. When they spend their money, it goes back into the local economy and multiplies, including by creating jobs.

Digital financial inclusion describes the **access to—and use of formal affordable digital financial products and services** (e.g. payments, savings, loans, insurance) suited to people's various needs. Women and men should feel comfortable using these products and trust their capabilities to manage their own finances. Ultimately digital financial inclusion should increase people's **financial health and resilience**.



SHE LEADS A GROUP OF WOMEN FARMERS WHO GROW RICE. AS THEIR INCOME INCREASED, MOST WOMEN IN THE GROUP GOT MOBILE MONEY ACCOUNTS AND THEN BANK ACCOUNTS FOR THEIR SAVINGS.

"When you save as a woman it allow you do certain things and also answer your own need"

PYTHSHLANDE
IN HAITI

We advocate with Ministries of Finance and Central Banks to develop inclusive regulation and protect consumers. We engage with banks, telecoms companies and money transfer operators to develop products adapted to the people we are serving, increase transparency and reduce the fees that they charge people for sending money home to their loved ones.

EXAMPLES

ACTIVITIES IMPLEMENTED BY WFP COUNTRY OFFICES TO ENHANCE WOMEN'S DIGITAL FINANCIAL INCLUSION AND THEIR ECONOMIC EMPOWERMENT:

DEMAND SIDE:

- WFP **Jordan** has been transitioning the disbursement of cash transfers to Syrian refugees from e-cards to mobile money wallets. Women and men now have a mobile money account in their own names enabling them to build a transaction history, and they can even choose with which mobile money provider they prefer to open their mobile wallets!
- The engagement of men and boys is critical in addressing social norms preventing women from accessing and using digital financial services. WFP **Uganda** created a network of male digital champions in Nakivale settlement, which led to changes in the way women are viewed by their partners and included in financial decision making.
- [*The national safety net that WFP supports in Somalia*](#) prioritizes women in rural areas, opening mobile wallets for 200,000 women, even in male-headed households. WFP and GSMA- the worldwide association of mobile network operators- are now rolling out a [*training*](#) to build women's confidence and skills as they engage with mobile money.

SUPPLY SIDE:

- In **Somalia**, WFP organized an exchange visit so that the government and mobile money operators in Somaliland learn from the success of their counterparts in Kenya, where an enabling regulatory environment has spurred the development of financial products and services such as savings products and loan schemes used by women receiving social cash transfers.
- In the **Caribbean**, governments are exploring digital payments for their social assistance programmes with WFP's support. WFP promotes user-centered approaches to better understand what people want and what the private sector can offer to match these needs.

REGULATORY SIDE:

- Sustained advocacy of WFP **Uganda** and the cash working group with the Central Bank of Uganda led to blanket recognition of refugee attestation letters alone to open mobile money accounts. The Central Bank is also simplifying the administrative requirements to become a financial agent, which will facilitate refugees, and women refugees to consider this as a livelihood opportunity. This work emerged from an advocacy mission organized by the by WFP and its partners with the Central Bank to the Nakivale refugee settlement.
- In **Ghana**, WFP has helped the government to collect sex-disaggregated data particularly on mobile phone ownership and the use of digital financial services through the development of data collection tools and supplementary training to the government's m&e department. This will inform changes to the current implementation of the government's social cash transfers, ensuring increased inclusion of women.
- In **Haiti**, WFP assisted the government to build a digital public infrastructure for more inclusive social protection that enables women and men to make and receive payments easily. Within a year, this work resulted in 10,000 people, 66% women, receiving official identification for the first time in their lives. About 60% of the people receive their payments digitally (compared to 3% when the programme started). These results foster not only financial inclusion but broader spillovers in terms of access to fundamental rights and services.

IF YOU WANT TO KNOW MORE, REACH OUT AND WE CAN PUT YOU IN TOUCH WITH THE RIGHT PERSON IN THESE COUNTRIES!

WHY WFP?

A FIRST BRIDGE: WFP cash-based programmes can be a starting point for financial inclusion, by providing access to—and usage of accounts and financial services to unbanked and underserved populations, often for the first time.

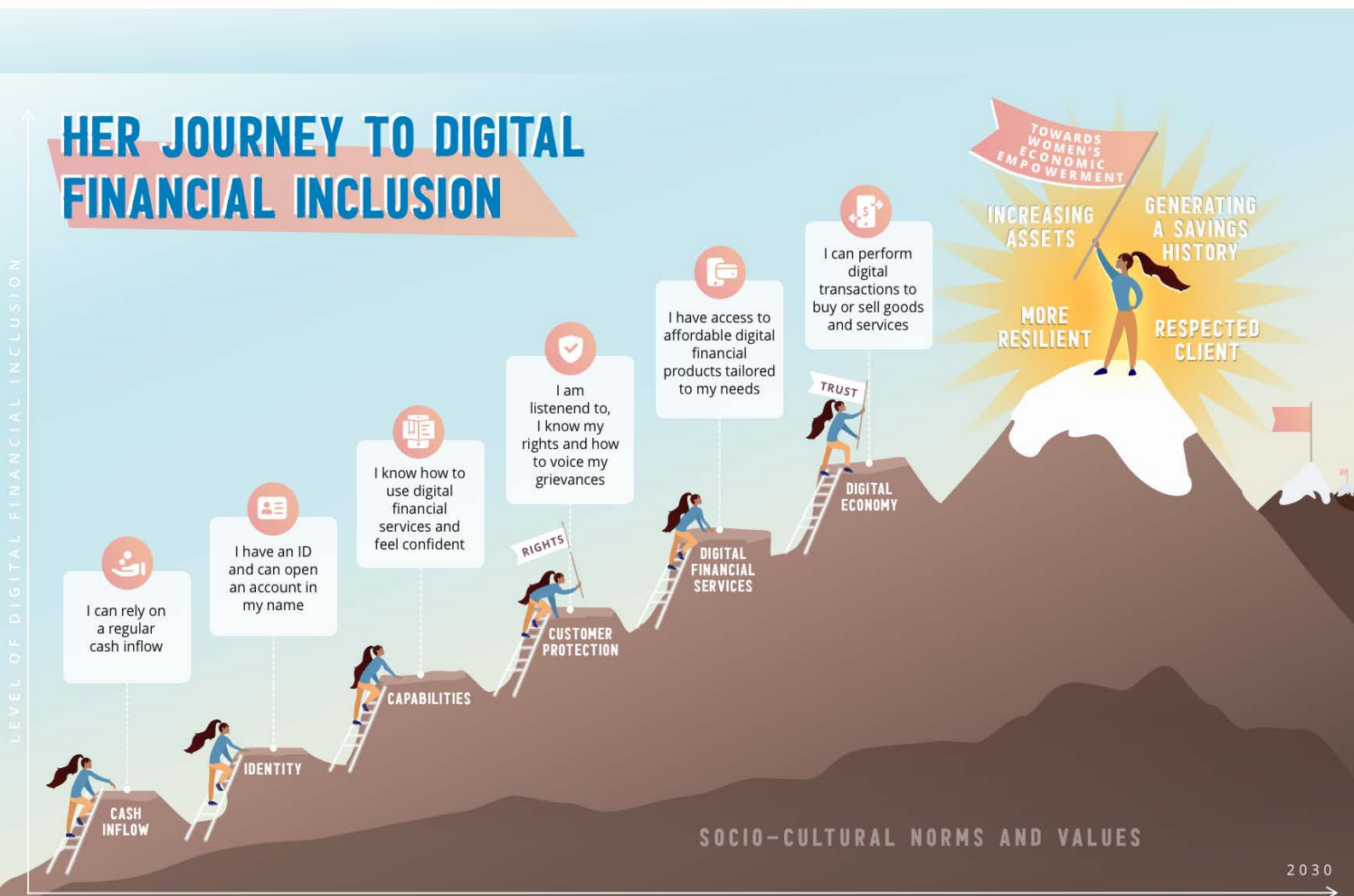
AN INDIRECT ENABLER: In addition to its direct operational footprint, WFP supports national social protection systems and inclusive G2P payments extending its indirect reach to millions of people.

A MARKET INCENTIVIZER: When WFP brings resources to a market segment that has been overlooked by the private sector, it can lower the barriers to entry and acquire new customers. We can build the business case so that private

sector sees the benefits of developing products specifically tailored to women's needs, looking at their different life stages.

A KNOWLEDGE-BROKER: We have experience sending money to hard-to-reach communities with the help of our local partners; we engage with women and men to better understand their needs, capabilities and preferences.

AN ADVOCATE: Several of the barriers to financial inclusion require global, regional and country-level advocacy efforts that WFP can lead, catalyse or join with other partners—working with national regulators, financial service providers, government counterparts and civil society actors.



OUR PRINCIPLES

1. DIRECT MONEY INTO WOMEN'S DIGITAL ACCOUNTS

In 2022, out of the 2.1 billion USD unrestricted cash², WFP transferred around 151 million USD into accounts held by around 1.3 million women through our direct operations. This shows the opportunity we have moving forward. Beyond our direct operations, we advocate with international financial institutions to ensure the national governments they support also prioritize women as recipients of their social protection payments. WFP will enable women to use existing accounts of their preference, or open new accounts to receive money from a variety of income sources: government social assistance, remittances, WFP, other humanitarian agencies and their own livelihoods. Yet, increasing women's account ownership is not enough if women simply cash-out their assistance. Good formal financial services should support building women's financial resilience.

2. PROVIDE CHOICE

When people, women in particular, can choose where, when and how to receive their money- from WFP, from the government, or from their family members living elsewhere- their gains are amplified. We want to provide women with choice over the payment modality and service provider they want to receive their money from. This will allow them to seek the best combination of privacy, friendly service, cost and convenient user interfaces, all elements contributing to their increased use of these digital financial services to serve their aspirations. We also want them to be able to easily switch if they find something that works better for them.

"As the world's preeminent humanitarian organization, WFP can bring financial inclusion to places where it is needed most."

*Her Majesty Queen Máxima
of the Netherlands*

UNITED NATIONS SECRETARY-GENERAL'S SPECIAL
ADVOCATE FOR INCLUSIVE FINANCE FOR DEVELOPMENT

3. BASE DECISIONS ON EVIDENCE AND DATA FROM THE FIELD

We process large amounts of payment data, and more importantly we engage with people and communities in hard-to-reach areas through our field presence. We base our directions and decisions on what women and men tell us they need.

² Unrestricted cash transfers allow people to spend the money they receive however they like in order to meet their food and other essential needs. Cash transfers are restricted if people's choice regarding the use of the money is limited (e.g. value vouchers restricted to food purchases only redeemable at specified shops).

FACTS

- **Receiving payments into an account is a catalyst for using other financial services to save, borrow, and store money or get insurance:** 865 million adults in developing economies opened their first account to receive money from the government, including 423 million women. 83 % of adults in developing economies [who received a digital payment also made a digital payment](#), up from 66 % in 2014 and 70 % in 2017.
- **Mobile money has become an important enabler of financial inclusion in Sub-Saharan Africa - especially for women** - as a driver of account ownership and of account usage through mobile payments, saving, and borrowing: In Sub-Saharan Africa in 2021, [55% of adults had an account](#), including 33% who had a mobile money account—the largest share of any region in the world.
- **Lack of money, distance to the nearest financial institution, and insufficient documentation** were consistently cited by the 1.4 billion unbanked adults as some of the primary reasons they did not have an account. [Half of women](#) in low-income countries do not have an ID (compared to 28% of men).

WHY WOMEN?

WFP is serious about **prioritizing women** because it's the right thing to do and the smart thing to do. We know that when women are economically empowered, everyone benefits, not just because economies grow, but also because women tend to invest their earnings in their families and local communities. Moreover, greater inclusion of women in the labour market keeps girls in school, delays girls' sexual debut, reduces child marriage, improves girls' nutritional status, and enhances economic resilience of the household. For years, WFP has prioritised women as recipients of in-kind food assistance in line with its policy to promote gender equality. Continuing to prioritize women, now as recipients of money transfers, is a game-changer.

FACTS

- Global GDP would [increase by 26%](#) if women participate in the market economy to an identical extent as men.
- At the current rate of progress over the 2006-2023 span, it will take [169 years](#) to close the Economic Participation and Opportunity Gender Gap.
- Women make up [80% of people forcibly displaced](#) by climate-related disasters in developing countries, and they are more likely to die as a result of natural disasters like droughts, floods, and storms. While the poorest and women suffer disproportionately from climate shocks, they have the smallest margins and least access to resilience strategies that can help them avoid, absorb, and adapt to shocks.

According to the most recently released Findex data, **742 million women still remain excluded from formal financial systems**—if that were a country, it would be the [third largest](#) in the world. These excluded women tend to be the poorest, the most difficult to reach—living in rural areas, the least educated, the least likely to have connectivity, and with limited to no access to a mobile phone. Each of these factors add an extra layer of complexity—making these women less likely to be reached through traditional financial sector actors, without a deliberate push to reach them. And these hard-to-reach women are the segments that WFP and the social protection programmes we support focus on.

PRIORITIZING WOMEN DOESN'T MEAN EXCLUDING MEN!

We want to direct money digitally into women's accounts and design money transfers in a way that increase their ease of access and use of digital financial services. It doesn't mean that men's access will decrease, to the contrary! WFP's vision for digital financial inclusion is for both women and men. For instance, women might explain distance to agent is a main barrier for them, because they don't have the money or the permission to travel due to social norms. In that case, making the business case with private sector providers to bring agents closer improves access for women, but for men too. Should opening hours be extended to accommodate women's household commitments, even men would benefit of this additional flexibility. Several men in the communities we are working with are convinced that prioritizing women will help their households and the whole community; and we work with them as **community champions** to support women's digital financial journeys.



SHE HAD TO HELP SUPPORT HER MOTHER WHEN HER DAD DIED. SHE STARTED WORKING ON ONE OF THE WFP RESILIENCE PROGRAMMES AND RECEIVES HER SALARY THROUGH A MOBILE ACCOUNT.

With an e-wallet you can easily cash out your money, save money, transfer to anyone without paying fees and pay my bill and university fees while staying at home.

REHAM

AND HER MOTHER
IN JORDAN

WHAT CAN WFP COUNTRY OFFICES AND GOVERNMENTS DO IN PRACTICE?

- **PRIORITISE WOMEN AS PRIMARY RECIPIENTS OF MONEY TRANSFERS** that benefit the household and establish money transfer systems that reflect women's needs, preferences, and experiences. While specific design for women is needed to ensure women's access to services, WFP will ensure that vulnerable men and their households are not excluded if the household does not receive a transfer through a woman.

- **CONNECT PEOPLE WITH GOOD FORMAL FINANCIAL SERVICES AND PRODUCTS** - Women and men need an account in their name to receive money from a variety of sources in addition to WFP, such as government social assistance and remittances, to deposit and save their own earnings, and to build a credit history so that they can qualify for loans and insurance.
- **PROMOTE THE ACCESS OF GOVERNMENT ID** - Connecting women and men to formal financial services also includes ensuring they have a government-issued ID. With an ID people can open bank accounts, access other public services, such as health care and schools for their children, vote or get a SIM card.
- **PROVIDE PEOPLE WITH THE KNOWLEDGE, TRUST AND SKILLS** to take full advantage of economic opportunities and instruments at their disposal. Women in particular need to enhance their financial management skills to use financial products to their benefit. And they need to know how to use digital tools if they opt for digital financial products.
- **INFORM PEOPLE OF THEIR RIGHTS AND ENTITLEMENTS** and set up **COMMUNITY FEEDBACK MECHANISMS** where they can safely and easily get help or complain when things go wrong.
- Map people's needs, preferences and experiences through **USER JOURNEYS** to understand barriers that impede the uptake of digital products and services on the demand side.
- Carry out supply and national regulatory environment analyses to **UNDERSTAND THE REGULATORY ENVIRONMENT FRAMEWORKS** and the products and services available on the market, and **ADVOCATE** for an inclusive national regulatory environment (e.g. flexible Know-Your-Customers requirements) and national financial inclusion strategies.

Please contact us should you want to learn from WFP Country Offices which have already put one or several of the above areas of work into practice. We have collected lessons, recommendations and tools that can be useful to you and your teams.

WHO IS INVOLVED?

This area of work is led by WFP's Cash-Based Transfers Division (CBT) and involves colleagues in Programme, Social Protection, Gender, TEC, Finance and Supply Chain, and Partnerships (with the private sector and international financial institutions) at global, regional and country level.

Any questions or generally interested in the topic and how it might apply to your context? Reach out to astrid.devalon@wfp.org; and suzanne.vanballekom@wfp.org.