



CASH-BASED TRANSFERS DIVISION

Each month, Eman receives money from WFP directly into her mobile wallet. This enables her to buy food for her family, now conveniently sourced from the local market. Many Syrians, like Eman, are happy with the practicality of mobile wallets. They say:

“ THE MOBILE WALLET GIVES ME THE FREEDOM TO BUY WHAT I WANT, WHEREVER I WANT. NO RESTRICTIONS TO SPECIFIC SHOPS, IT BROADENS MY OPTIONS AND ALLOWS ME TO CHOOSE.”



World Food Programme

**SAVING LIVES
CHANGING LIVES**

Digital financial inclusion in practice: Jordan

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EMPOWERING OUR CUSTOMERS WITH GREATER CHOICE

Customer service is crucial for ensuring that the women and men we assist receive the money they need to meet their essential needs more effectively and respectfully. We can better understand this through the eyes of Hanan, a Syrian refugee living in Irbid with her family.

“For many years, I have received WFP assistance on the card. We liked the card, but we had to pay for transport to go to Irbid city centre to withdraw cash from the ATM or buy food from specific supermarkets [...] Six months ago, we received an SMS from WFP saying that we could choose to receive cash on a mobile wallet.”

Previously, the WFP card was in Hanan's husband's name. Learning that any family member could now own the mobile wallet made Hanan happy. After attending an information session in July 2022, she and her husband opened a mobile wallet in her name. This change allowed her to receive the family's assistance directly into her account.

“Now, we can cash out from mobile money agents in the village, so we don't need to pay for transport to go to the city centre. We can use the wallet to pay for utility bills. Now that all our friends and neighbours have mobile wallets, we can repay our debts by sending money to other wallets, no need for cash. I can easily send money to my daughter in Amman, and my husband sends money to my wallet when he is away. I also have a card associated with my mobile wallet. I still use cash, but I love to flash my card in shops! It makes me feel like a rich lady.”

As Hanan said, having the option to receive money directly in her own account changed her life for the better. It also changed the lives of 40,000 other Syrian refugee families (over 188,000 individuals) who now receive their monthly WFP cash assistance via mobile wallet accounts. Almost half of these accounts (44 percent) are owned by women who, like Hanan, are accessing formal financial services for the very first time.

What did it take for WFP Jordan to empower people with greater choice, while driving digital financial inclusion and women's economic empowerment? Our take in 6 lessons.

LESSON 1

CHALLENGE YOUR SYSTEMS AND ALLOW HOUSEHOLDS TO CHOOSE HER AS THE PRIMARY RECIPIENT ON BEHALF OF THE FAMILY

As per many other humanitarian agencies and governments, WFP traditionally provides assistance at household level, which often means that the head of household is registered as the primary recipient by default. In Hanan's case, as in many other male-headed households, this translates into the man receiving transfers on behalf of the family. For women, using their husband's account means they can't fully grasp financial inclusion benefits. They can't benefit from the privacy conferred by mobile wallets, and they can't build their own savings or credit score to access loans in the future. When digitizing cash transfers, we realized that if we did not change our traditional 'head of household' approach, we risked disproportionately favouring male account openings, contributing to an already significant financial inclusion gender gap. In Jordan, only 34 percent of women have an account compared to 59 percent of men, one of the largest gender gaps in the world (Findex, 2021).

We had to think differently. We challenged our own systems so that any member of the household (not only the 'head') could open a mobile wallet and receive the family's assistance. But we realized that the challenge was much bigger than just our systems. It was our partner's systems, the way other humanitarian agencies and the private sector think, the way social norms lead women and men to believe that this is just the way it is. Today, 18,000 women receive monthly transfers on behalf of their family in Jordan. But when zooming on this figure, we realized that only 12 percent of male-headed households chose to register a woman, like Hanan, as the primary recipient. Gendered social norms can be challenging to overcome. To circumvent these, we encouraged households to open the primary wallet for 'the person who purchases and prepares food within the family'. We informed households about family sharing solutions, such as opening multiple wallets within the family. WFP also works with other humanitarian agencies like UNHCR so that we can, together, direct money to more women-owned accounts.

LESSON 2

KEEP IT OPTIONAL AND DRIVE VOLUNTARY MOBILE WALLET OPENINGS THROUGH INFORMATION SESSIONS

The 40,000 families who started to receive their monthly transfers via mobile money voluntarily decided to do so. In fact, 82 percent of the people who attended information sessions delivered by our partner Mindset decided to switch from card vouchers to mobile wallets in order to receive WFP assistance.

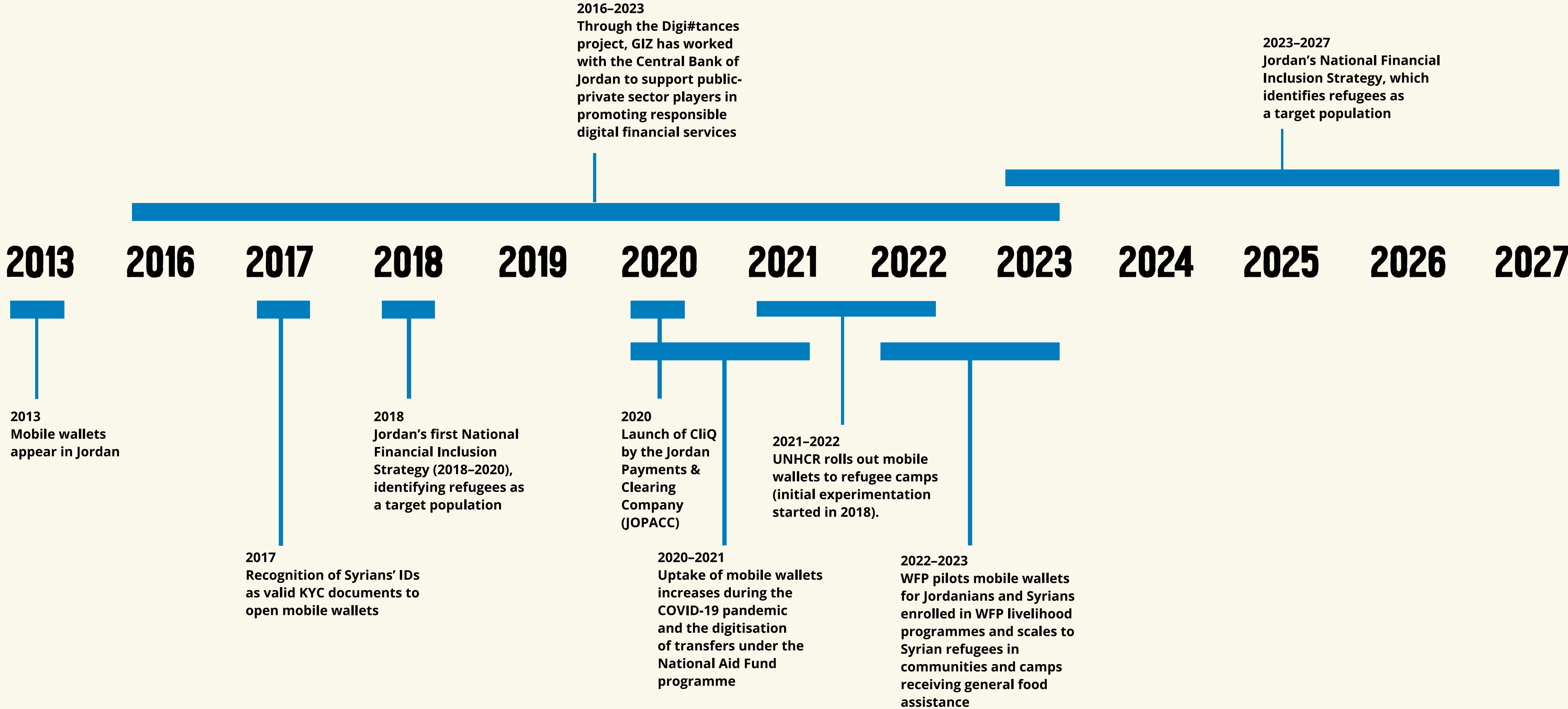
Designing information sessions with flexibility and inclusivity in mind was also key to driving adoption of mobile money wallets. To encourage women's wallet opening, we invited two adult members of the family to attend face-to-face sessions, hoping that male-headed households would join with their wives, mothers or daughters. But only two percent of attendees actually joined with a companion. Many also did not show up despite confirming attendance. We therefore followed up with supplementary phone sessions to accommodate those with mobility or time constraints, including women involved in childcare. We also requested participants to put their phone on speaker so that their wives and husbands could learn about the wallets. While we are still analysing data, early observations show that flexible information sessions that allow for one-to-one sensitization via phone calls are effective to drive mobile wallet adoption: almost half of the households who decided to switch from card vouchers to mobile wallets had received an information session via phone.



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WFP and Artolution created a mural with street artists and young women to bring women's financial journey to life.

KEY MILESTONES ENABLING A DIGITAL FINANCIAL INCLUSION ECOSYSTEM IN JORDAN



LESSON 3

BUILD ON AN ENABLING ECOSYSTEM TO DIGITIZE PAYMENTS AND ENABLE CUSTOMER CHOICE

We timed our shift to mobile wallets with a national momentum on digital payments. While mobile wallets had existed in Jordan since 2013, the enabling ecosystem to digitally deliver humanitarian assistance only eventuated in recent years, through the will of the government. Before 2017 for instance, Syrian refugees were not allowed to open mobile wallets. This changed with Jordan's first National Financial Inclusion Strategy, which identified refugees as a key target population. Since then, the identification documents provided to Syrians by the Ministry of Interior are now recognised as valid Know-Your-Customer (KYC) identification documents to open mobile wallets. The launch of CliQ in 2020, an instant payment system that enables money transfers between bank and mobile wallet accounts across different providers, brought about an interoperable ecosystem. This breakthrough enabled us to empower customers with choice. Thanks to CliQ, Syrian refugees like Hanan can open a wallet with their preferred provider, not necessarily the one contracted by WFP. People can also choose to use their existing wallet and centralise the assistance they are receiving from various actors into this one wallet, thus allowing for better management of their finances.

Jordan's mature digital financial inclusion ecosystem helped us avail mobile wallet options for refugees at scale and fast. Now WFP Jordan is a core actor in this ecosystem. We regularly engage with the Central Bank of Jordan to encourage enabling regulations and sound payment infrastructure for refugees and vulnerable Jordanians. We also connect with various financial services providers to encourage healthy competition, building the business case to enable more refugees to benefit from financial services that are tailored to their needs.

LESSON 4

CHOOSE THE BEST ENTRY POINT TO TEST WHAT WORKS BEFORE GOING TO SCALE

We first piloted mobile money to pay the salaries of workers enrolled under WFP livelihood activities, to collect lessons learned and understand people's digital financial inclusion user journeys. Because the programme could target women workers who received their salary directly into their own account, we could also more easily measure financial inclusion benefits on women's lives and therefore convince internal stakeholders before going to scale. However, given the relatively small size of livelihood programmes in Jordan, we promptly directed our attention to general food assistance programmes, which presented greater scalability potential. Rolling out mobile money for monthly general food assistance was more challenging when it comes to promoting wallet ownership among women. As mentioned above, we had to adjust our approach and underlying systems, and we are still navigating socio-cultural barriers preventing women from being the primary wallet owners. However, the scope of WFP's monthly cash assistance ensured an overall greater financial inclusion impact, as we could promote the opening of more wallets among both women and men.

Ultimately, when digitising cash transfer programmes, we discovered that testing and learning fast to achieve impact whilst keeping scalability in mind is key to reaching meaningful impacts on more women's lives. All it takes is deliberate programme design.

LESSON 5

KEEP LISTENING TO PEOPLE TO UNDERSTAND THEIR PREFERENCES AND ADJUST PROGRAMME DESIGN ACCORDINGLY

As part of our learning agenda, we regularly monitored the way women and men access, use and benefit from mobile wallets, either via transactional data, quarterly phone surveys or focus group discussions. Tracking mobile wallet transactions via our partner U-Wallet allowed us to understand the way people use mobile wallets beyond cash-outs and adjust programme design where needed. Data is analysed in an aggregated and anonymised manner to ensure data privacy. This is what we learned: digital payments develop differently in urban and camp settings. Transaction behaviours of Syrian refugees in urban communities tend to reproduce those of Jordanians using bank accounts: one in four digital transactions were conducted through cards linked to the mobile wallet, which were used to withdraw cash from ATMs or conduct payments in shops through Point of Sales (POS) devices. Things were much different among Syrian refugees residing in camps, where POS devices and ATMs are limited. There, people tend to perform Peer-to-Peer (P2P) transfers to informally cash-out from unofficial agents or purchase items from shops, which can entail an increased risk of abuse, such as extra commissions or fraud from unregulated agents. We therefore worked with iCash, a superagent with contracted shops in Azraq and Zaatari camps, to increase the number of recognised shops acting as official agents and accepting digital payments. We also encouraged WFP-contracted food shops in camps to accept mobile money payments. To date, over 50 shops officially work as agents and 16 shops are officially accepting merchant payments through mobile wallets in Zaatari and Azraq camps.

Understanding the way women and men use mobile wallets in different settings is key to ensuring people can fully benefit from having an account (besides simply cashing out) and use it to improve their daily lives, by more conveniently paying for food or other essential things such as utility bills or university fees, saving money, transferring to or receiving money from peers, accessing credit, etc. Doing so can also help identifying infrastructure gaps, such as insufficient agent or merchant networks.

LESSON 6

STRENGTHEN CASH ASSURANCE AND COST-EFFICIENCY THROUGH DIGITIZATION

Ensuring that the right people receive the right entitlements is critical, not only to serve those most in need but also to maintain stakeholders' confidence in WFP. Having a tamper-proof way to send money to people and to check that they have received it is core to WFP's Cash Assurance Framework. In Jordan, WFP can now conduct monthly verification on the identity of wallet owners thanks to an application programming interface with JOPACC, the domestic payment and clearing company, enabling us to ensure assistance is delivered to the right people.

Switching from WFP-owned cards to mobile wallets owned directly by people also led to reduced operational costs for WFP, which at the end of the day means more money in people's hands. In 2022–23, when almost 50,000 households opted to switch from voucher cards to mobile wallets, WFP saved over US\$200,000 in transfer costs. This is the equivalent of what 2,000 refugee households would receive in a month. The cost to transfer mobile money is estimated to be only 12 percent of what it is for voucher cards. Such cost saving opportunities are key in a context where the number of hungry people in the world is soaring, but the resources we need to assist them are running perilously low, particularly in Jordan where funding for humanitarian assistance is running critically low. From July 2023, WFP Jordan had to reduce the level of assistance to all refugees living in communities and camps by one-third as a result of funding challenges.

THE WAY FORWARD:

MAKING FINANCIAL SERVICES MEET THE NEEDS OF THE MOST VULNERABLE

Moving forward, WFP and its partners will continue advocating for the digital financial inclusion of refugees and vulnerable Jordanians. By 2024, we plan to provide monthly cash assistance on mobile wallets to all Syrian refugees assisted by WFP in communities and camps. Our advocacy efforts with the Central Bank of Jordan will focus on promoting new breakthroughs in recognising KYC for all refugees in Jordan (not only Syrians), to enable Syrian refugees to open bank accounts and non-Syrian refugees to open mobile wallets. We aim to inform and align with the upcoming 2023–2027 National Financial Inclusion Strategy, which includes refugees as a priority target.

Digital financial inclusion and women's economic empowerment are global strategic priorities for WFP, reflected in our [2022–2025 Corporate Strategic Plan](#), [2022 Gender Policy](#) and new [Cash Policy](#). WFP is the largest provider of humanitarian cash transfers: in 2022, we sent US\$3.3 billion to 56 million people in 72 countries.

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